



LESSON TWENTY-THREE

Cellular Phone Service

TEACHERS

Introduction

Competition is usually good for consumers, but sometimes having too many choices makes it difficult to decide. With competition, consumers have more options when making a purchase: prices, customer services, product quality, location, etc. Cell phones are a good example. It seems like everybody has one. A few years ago, few people wanted them. They were big, heavy, expensive and black. Today, cell phones are colorful, lightweight, small and relatively inexpensive with many different features. Yet, their prices keep going down. Why? The answer is competition. Competition increases the number of businesses providing a specific good or service. Having more suppliers means more products are available; more products equals lower prices. Competition is the basis of the U.S. economy. It is the reason businesses advertise; they want us to buy from them instead of their competitor. We need good information to make informed choices, and competition helps make it happen.

Definition of the Week

Competition: Having multiple sellers of the same or similar products.



Purpose

This lesson will help students learn how to compare prices for goods and services, including cellular service providers. Students will analyze differences in cell phone rates.

Tool Kit

Newspaper advertising for local cellular phone companies.

Procedure

1. Ask how many students have a cell phone. Determine how many different cellular service providers are represented in the class. Have students create a bar graph and pie chart showing the different providers.
2. Discuss the reason students have cell phones. Have students identify their "pet peeves" with cell phone users. Ask if students know the monthly cost of their cell phone and the number of minutes on their plan. Tell students that cellular service rates vary from company to company, and comparison-shopping for the best provider is important. Divide students into groups, giving each group copies of cellular service advertisements. Their assignment is to find the best deal. Have students compute the costs per minute for each cell plan. Remind them to consider any other charges before determining which ad has the best buy. Also remind them to consider any limitations on service before making a choice.
3. Ask students what would happen to cell phone use and service costs if there were fewer suppliers. Help them examine the role of advertising in comparison-shopping and competition. Encourage them to investigate the benefits of competition in other goods and services, and the potential impact on prices.

Cellular Telephone Etiquette

Following are some suggestions for using your cell phone. Discuss these with your friends and family members. You may want to add more to the list.

Turn off your phone in movies, places of worship, theaters, libraries, auditoriums, concerts and other enclosed settings.

Keep cell phone conversations private by maintaining a "safe" distance from others when using your phone.

Talk — don't shout! Save your emotional phone calls for a more private setting.

Follow rules for cell phone use in hospitals, airlines and other locations.

Act responsibly when walking or driving while on the phone.



Show your courtesy to those around you by asking their permission before making a call on your cell phone.

If you need to make a call or take a call during meetings, at restaurants or other similar locations, leave the room before calling or talking.

Practice good citizenship by calling police or fire officials when others need help. Your call may save someone's life.

Remember, even if you think it is okay to talk on your phone, others around you may feel differently. It always pays to be kind and respectful of others.

Additional ideas for using your cell phone:

PARENT OPTION

Discuss your family's cell phone service with your child. Show your child the monthly bill, helping them compute the price per minute used for that month. If you have multiple phones, compute the average per minute for each family member with a phone. Talk about the additional costs of using cellular service including taxes and other fees. Have your child go online or to the library to research the company providing your cellular phone service or phone. Use newspaper advertisements to help your child find businesses that compete with one another for your family's business. Have them list the reasons you shop at one store instead of another. Remind them that price is not always the reason you decide to buy specific goods or services. Help them list things other than price to consider when making a purchase.

Coming next week: Taxes Provides Public Goods and Services

Newspapers for this educational program provided by:

