

## FINANCES: CRITICAL CONSUMER

Name \_\_\_\_\_

### **Circle True or False:**

1. **T / F** You were targeted by advertisers and marketers before you could read. (B1)
2. **T / F** Advertisers pay to promote their products through media aimed at you. (B1)
3. **T / F** It's never a good idea to wait overnight to purchase a "big ticket" item. (B1)
4. **T / F** The goal of bargain shopping is to NOT pay full retail price. (B2)
5. **T / F** Buying used items never saves you money. (B2)
6. **T / F** You are less likely to waste money when you use cash. (B2)
7. **T / F** Many brands are marketing hype. (B2)
8. **T / F** Generic items are just as good as name brands. (B2)
9. **T / F** When shopping online, reading consumer reviews is not helpful. (B2)
10. **T / F** Name brands ALWAYS means better quality. (B2)
11. **T / F** Cars are not "assets" because they depreciate. (B3)
12. **T / F** Loans or leases to purchase a car are fiscally foolish. (B3)
13. **T / F** It is not necessary to set a budget when buying a car. (B3)
14. **T / F** There are many on-line resources available to research features in a car. (B3)
15. **T / F** Trust your intuition when shopping for a car. (B3)
16. **T / F** If a car title says "SALVAGED" – RUN! (B3)
17. **T / F** The FAFSA is only for student loans, not for scholarships or grants also. (B4)
18. **T / F** Student loan debt can take up to 20 years to repay. (B4)
19. **T / F** Every senior military college cadet must participate in the ROTC program. (B4)
20. **T / F** Military Tuition Assistance can be used for vocational/technical programs. (B4)
21. **T / F** Military Tuition Assistance can only be used while actively serving in the military. (B4)
22. **T / F** You can use BOTH the Montgomery GI Bill AND the Post 9/11 GI Bill. (B4)
23. **T / F** Post 9/11 GI Bill benefits never expire. (B4)
24. **T / F** Montgomery GI Bill benefits never expire. (B4)
25. **T / F** ROTC scholarships require you serve as an Officer after graduation. (B4)

**Circle the most correct answer:**

1. In simplest terms, marketing is the act of: *(B1)*
  - a. driving prices up
  - b. driving profits
  - c. driving profitable customer action
  - d. driving consumer response
  
2. The “4 P’s” of marketing are: *(B1)*
  - a. Product, Price, Promotion, Place
  - b. Product, Price, Persuasion, People
  - c. Product, Proposals, Perseverance, Praise
  - d. Placement, People, Product, Persistence
  
3. The purpose of advertisements is to: *(B1)*
  - a. Educate you about their product
  - b. Influence you to buy their product
  - c. Hope to increase their sales
  - d. Do nothing. Advertising is useless.
  
4. What are the top three things most U.S. teens spend their money on? *(B1)*
  - a. Food, cars, dates
  - b. Clothes, food, video games
  - c. Electronics, sports, music
  - d. Food, clothing, cars
  
5. Top factors that influence our buying are: *(B1)*
  - a. Need the item
  - b. Friends have it, so I want it
  - c. Instant gratification
  - d. Want to impress others
  - e. All of the above

6. Tips for bargain shopping are: (B2)
  - a. Never buy new when used will do, pay with cash, buy name brand, pay full price
  - b. Never buy new when used will do, pay with cash, buy off-season, shop sales
  - c. Never buy new when used will do, use a credit card, buy peak season, buy off-brands
  - d. Never buy new when used will do, use a credit card, buy off-season, buy off-brands
  
7. Why should you pay with cash? (B2)
  - a. Less susceptible to an upsell
  - b. Less likely to waste money
  - c. You FEEL IT when it leaves your hands
  - d. All of the above
  - e. None of the above. You should use a credit card.
  
8. As an example, when would be a good time to buy a winter jacket and save between 20-90%? (B2)
  - a. End of winter when spring clothes come out
  - b. Summer
  - c. Fall
  - d. Winter
  
9. How can you be sure generic items are just as good as name brands? (B2)
  - a. Ask the store clerk
  - b. Compare labels for ingredients and nutrition
  - c. Believe the commercials
  - d. You can't be sure

10. What are some wise things to do when shopping at a brick and mortar store? (B2)
- Shop when in a good mood
  - Shop alone (unless your shopping buddy is a bargain shopper)
  - Make a shopping list and stick to it!
  - Ask for discounts, haggle, or ask if they match a lower price at another store
  - All of the above
11. What are some suggestions about how to haggle or negotiate a price? (B2)
- Shop at the end of the month
  - Carry cash
  - Ask for a cash discount
  - All of the above
12. **Depreciate** means: (B3)
- An item increases in value
  - An item decrease in value
  - An item has no change in value
  - I have no idea
13. What is the wisest way to pay for a car? (B3)
- Save your money, pay with cash, buy used
  - Save your money, pay with cash, buy new
  - Take out a loan, buy used
  - Take out a loan, buy new
14. Consider Cadet Frivolous. What were some consequences of buying a new car with an 8-year loan? (B3)
- Heavy monthly cost burdens took away freedom
  - Having debt removes choices
  - Being upside down in the car loan was devastating financially
  - All of the above

15. Consider Cadet Wise. . What were some consequences of buying a used car with cash? (B3)
- Low monthly expenses permitted a lifestyle that put Cadet Wise in control
  - Cadet Wise had freedom to choose an internship resulting in a higher paying job
  - Cadet Wise was able to pay cash for a newer used car when the original one was in a wreck
  - All of the above
16. Steps in buying a car are: (B3)
- Set a budget, research, test drive, get a loan, pay full price
  - Set a budget, research, test drive, check out the car, negotiate the deal
  - Set a budget, go to the dealer, get a loan, pay full price
  - Set a budget, go to the dealer, pay cash, buy a new car
17. Things to look for when test driving a car are: (B3)
- Steering wheel jiggle
  - Car pulls to one side
  - Car rattles and shakes
  - All of the above
18. Steps to check out a vehicle include: (B3)
- Get a Carfax report
  - Check your insurance rate
  - Take car to an independent mechanic for a full inspection
  - All of the above
19. A "SALVAGED" title usually means: (B3)
- The car was in a bad accident or experienced flooding
  - The car was originally from a salvage yard
  - The car looks ugly
  - Nothing to worry about

20. When paying for college, “free” money options include: (B4)
- Grants, loans, scholarships
  - Grants, scholarships, part-time work
  - Loans, scholarships, part-time work
  - Loans, loans, loans
21. Which of the U.S. Service Academies are free? (B4)
- U.S. Military Academy
  - U.S. Naval Academy
  - U.S. Air Force Academy
  - U.S. Coast Guard Academy
  - All of the above
22. Other military financial assistance options include: (B4)
- Military loans, Montgomery GI loan, Post 9/11 GI loan
  - Military loans, ROTC loans, Montgomery GI Bill, Post 9/11 GI Bill
  - Montgomery GI Bill, Post 9/11 GI Bill, ROTC Scholarships
  - There are no other military financial assistance options
23. The Montgomery GI Bill is given to those entering service: (B4)
- Before 1977
  - After 1977
  - Any time
  - No longer available
24. The Post 9/11 GI Bill is given to those entering service: (B4)
- After September 10, 2001
  - Before September 10, 2001
  - Any time
  - No longer available

25. Regarding ROTC Scholarships: (B4)

- a. It pays for tuition, fees and books
- b. College life is just like other college students
- c. Required to take addition courses and maybe intensive summer program
- d. All of the above