

**(|B|) Broadview**  
Federal Credit Union

Smart  
Spending  
H.A.B.I.T.S.





The mission of Broadview Financial Well-Being is to guide and encourage individuals to focus on achieving economic stability – using innovative tools, making informed decisions, and encouraging positive habits.

Broadview Financial Well-Being learning content and activities are aligned to the applicable K-12 educational learning standards: The New York State Learning Standards: Career Development and Occupational Studies; The National Standards in K-12 Personal Finance Education; and the NYS Next Generation Learning Standards; or the applicable adult learning standards: Institute for Financial Literacy: National Standards for Adult Financial Literacy Education.

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# Positive Consumer H.A.B.I.T.S.

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## H

### **How important is this item?**

Identify the priority level of the purchase, and decide if you should move forward.

## A

### **Ask key questions: Is this something to buy now or later?**

Is it a need or a want? Can I fulfill the need or want in another way?

## B

### **Budget. Where does this item fit in your financial plans?**

Is it something you've saved up for, or is it a "pop-up purchase"? Can you get the same item for less money by doing some comparison shopping?

## I

### **Inquire. What information do I need to make a decision about this item?**

What are the reliable sources? Talk to friends and others you trust, who might know about this product.

## T

### **Take action.**

Go ahead! You've done your homework, so make the purchase and enjoy the consumer experience!

## S

### **Secure your purchase.**

Keep your purchase records in a safe place. Items like the receipt, payment method used, and warranty information will be helpful if you have a problem with the item in the future, or if you need to return the item.

Developing these H.A.B.I.T.S. means you have to pay attention, but the benefits are worthwhile!

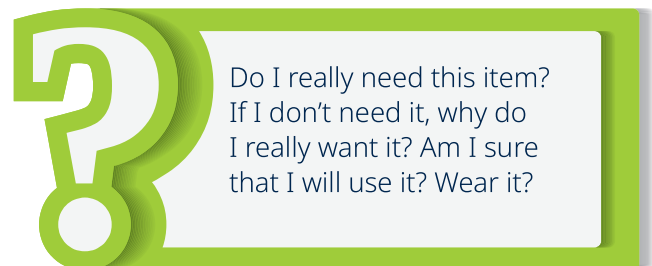
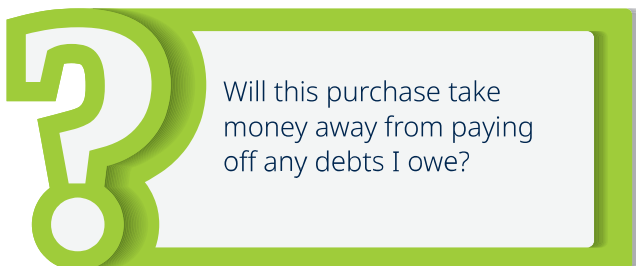
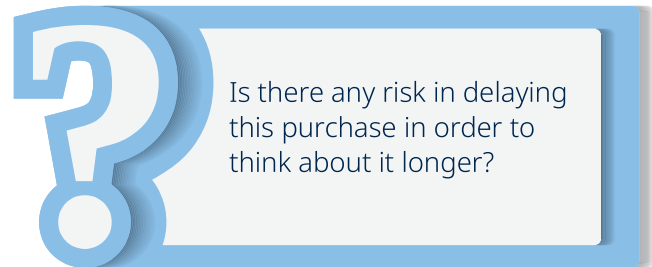
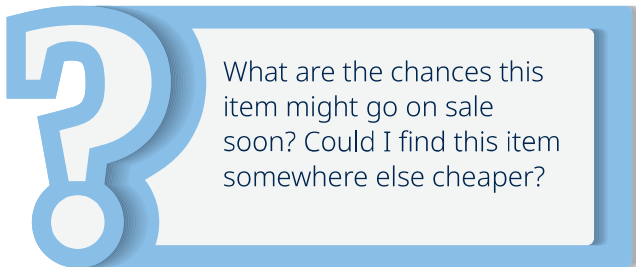
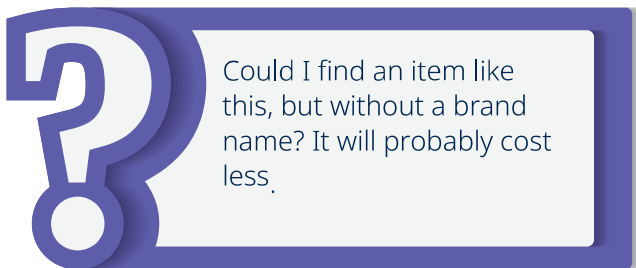
# Buy It...or Not?

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We live in a world where the pressure to spend money is constant. We are surrounded by ads. Advertisers are now placing products in movies and inserting messages on social media. They're even in online blogs and message boards.

**Resist impulse buying.** Advertisers study buyers and buying habits all the time. They have some pretty clever ways to convince you that you must have something. Advertisers don't want you to think about what you're doing. They want you to buy right now – if you stop to think, you might not buy.

Why can't you just dip into savings – just this once – to make the purchase? Once you start spending your savings on things you don't really need, it will be gone before you know it. How do you hang on to your cash so you don't just buy impulsively? Ask yourself these questions:

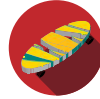


# Practice Positive Consumer H.A.B.I.T.S.

Let's role play! Using the Positive Consumer H.A.B.I.T.S. process on page 2, decide the best way to spend your money in each scenario below. NOTE: The money to be spent on these items for the role play is your personal money, not your family's money. You cannot solve the problem by asking your parents, grandparents or family/friends for money.



1. You want to buy an iPad and you have saved enough money to buy one. You would like more information before making the purchase, so you go to the store to check out the current models. The salesperson tries to talk you into buying a larger iPad, a case, and a protection plan to go with it. What is the best way to spend your money?



4. You go to a store to buy a new skateboard. The salesperson informs you that if you buy today, you will get a discount on the newest model. It will cost more than you wanted to spend, but it looks awesome!! What do you do?



2. You want a new backpack for school. The local store has one for \$35; it is a name brand and it is the color and style you want. You really want it, but it will take you a few weeks of saving your allowance. A school friend tells you he has the same backpack and will sell it to you for \$20. He says it's only slightly used. It is a different color from the one you want but it is \$15 cheaper. What do you do?



5. You need a calculator for school. There is a great calculator for \$19.99 at your local bookstore, where prices are known to be higher. You are supposed to have it on the first day of school, which is two days away. Should you buy the calculator now at the local store or should you check prices at other stores where you can probably get it for half the price? What do you do?



3. You have saved up \$80 for your school supplies. School supplies cost \$100 a year. After buying the needed supplies for the first half of the year, you have \$20 remaining. You see an advertisement for a one-day sale on concert tickets for your favorite performer. Do you use the \$20 on this purchase or save it for the school supplies for the second half of the year?



6. Your cousin is taking orders for mega-size chocolate candy bars. They cost \$5 each and part of the profits will be used to support school activities for her school. The candy looks a lot like another chocolate bar that is only \$1 at the grocery store. What do you do?





# Shop Smart

There are ways of getting what you want without paying top dollar. Here are some ideas:

**Don't shop as entertainment.** When you hang out at the mall on a Saturday afternoon, you see things you don't need. But because you see them, you want them.

**Shop the sales.** If you shop the big sales to buy needed items, your shopping stays focused, and you get more for your money. But don't buy just because something is on sale. Do you really *need* it?

**Wait for the sale.** When you see something you like, approach a salesperson to ask if the item will go on sale anytime soon.

**For gifts, shop in advance instead of the last minute.** You may be able to get something on sale. Don't wait until the last minute. If you cannot find just the right thing, you may spend your money on something else out of desperation.

**Shop places other than the mall.** Explore small businesses that are locally owned or second-hand stores.

**Use coupons.** Read the fine print and use common sense. Don't let the coupon influence the need for your purchase. Use them for items you are already planning to buy.

## Clothing

• **Shop outlet stores.** They offer good deals on popular designer names.

• **Try discount stores.** They can help you cut corners on important wardrobe items. Not everything you own has to have a designer logo. Buy the basics here, and shop specialty stores for accessories.

• **Look in consignment or second-hand stores.** These stores are usually choosy about accepting only clothes in good condition. You can find great deals.

## Entertainment

• **Go to matinees and discount theaters.** You know that movie you've been dying to see? Sure, you can go to a multi-plex theater and pay full price. Know the discount theaters in your area, or go to a matinee (tickets are usually cheaper).

• **Don't spend all your money on drinks and popcorn.** Without too much trouble, you can spend more on snacks than on the price of admission. Eat before you go to the movie, buy a beverage during the movie, and then catch a pizza or a burger afterwards. You'll at least be getting more food for your money.

## Electronics, Sports Gear and Big-Ticket Stuff

**Be a smart consumer.** Looking for a new phone? With the Internet, you can read people's posted reviews of some products. You can also learn about brands, models, and features. The Internet can help you compare prices, too, before you visit a store. Getting all this information before you buy helps you find the right phone for your needs. Collecting information makes you a smart shopper — and can save you money!

## How Small Savings Add Up

**Don't underestimate saving a little here and a little there.** Let's take a common way of saving that everyone is familiar with: grocery shopping. Perhaps you buy sale items, clip coupons, and use a preferred-customer card. Your plan pays off. You save \$12 a week. Doesn't sound like much, does it? You'd be surprised. At the end of the year, you will have saved \$624. That's a bundle of cash you could definitely use elsewhere!



# How to Use Savings

Have you earned money or received it as a gift? What do you do with it? Run right out and spend it? Wait a minute. You have lots of choices. You can:

- 1. Spend All of It**
- 2. Save All of It**
- 3. Save Some of It and Spend the Rest**

You can do even more with your money. Anyone can SPEND money. That's easy. However, you will not have any money in your bank when you need it.

The idea is not to SPEND money but to be money smart and learn how to HANDLE IT. Here's how smart people use the money they have.

## Little Things

Want to buy a snack at school? Want to go to the movies? If you have enough money saved up, you can. In fact, the more you save, the more you can do.

## Bigger Items

Do you dream of getting a new bike or sporting equipment? Then you'll need even more time to save because these items cost more money. Keep saving! Even small amounts add up. How about presents for others? You need to save for birthday and holiday gifts, too.

## Giving

Do you feel that helping others is important? Then, save some money for giving, too. You can help those who run animal shelters, protect forests, or look for medical cures. Your money can help pay for this work. Or maybe you want to give money to help other people who need money.

## Emergencies

You forget your jacket at soccer practice, and now it is lost. Or you forget to lock up your bike, and it disappears. Your family may expect you to help purchase the new coat or bike. If you don't have some money set aside for such emergencies, you may run into a challenge.





# Positive Spending Infographic

## Criteria for a Quality Infographic:

- Be creative.
- Take design risks.
- Provide important information.
- Make it flow.
- Capture the viewer's attention.
- Show your knowledge and skills.
- Appeal to your audience.

**Teach your teen GOOD MONEY HABITS**  
These four steps will get your teen started on the right foot.

**STEP 1: Teach some basic money do's and don'ts.**

- ✓ Think before buying.
- ✓ Understand needs vs. wants.
- ✓ Save some of your money.
- ✗ Buy things you can't afford.
- ✗ Spend all your money as soon as you get it.

**STEP 2: Lead by example.**

- ✓ Show your teen good spending habits and explain your spending decisions.
- ✓ Have a monthly family budget meeting.

**STEP 3: Create a simple budget.**

- ✓ Budgeting can help teens spend wisely, save, and give to help others.

**STEP 4: Practice makes perfect.**

- ✓ Give your teen an allowance and see if they can make it last until the next "payday."
- ✓ Have them pay for things they want.
- ✓ Open a teen checking/savings account. Supervise their activities while they learn how to use a bank account, debit card and save money.

**Find an online tool or game that makes budgeting fun!**

**SAVE GIVE SPEND**

**USAA**

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### Math Solutions to Smart Consumer Choice Word Problems (p. 5)

1.  $\$18 \div 3 \text{ shirts} = \underline{\$6}$  per shirt.

2. No math needed.

3.  $\$65 - \$50 = \underline{\$15}$   
Savings  
 $\underline{\$15} \times 3 \text{ games} = \underline{\$45}$   
Savings                      Total Savings

OR

$\$65 \times 3 = \underline{\$195}$   
(X)  
 $\$50 \times 3 = \underline{\$150}$   
(Y)  
 $X - Y = \underline{\$45}$   
Savings

4. No math needed.

5.  $\$65 \times (0.08 \text{ sales tax}) = \underline{\$5.20}$   
Sales Tax  
 $\underline{\$5.20} + \underline{\$65} = \underline{\$70.20}$   
Sales Tax      Price                      New Sneakers Cost  
 $\underline{\$70.20} \div \$8 = \underline{8.80}$   
New Sneakers Cost

Number of Pairs of Sneakers  
 You Will Need To Sell = 9

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