

Consumer Education: Financial Literacy

Lesson 1: Advertising and Shopping

Time of lesson: Approximately 45 minutes

Overview: This lesson covers the basics of advertising and shopping laws in Ohio. It also covers concepts of how to be a smarter shopper when making purchases online.

Objectives: Students will learn about Ohio's Consumer Sales Practices Act. Students will understand deceptive advertising practices and consumer laws they may deal with on a regular basis.

Materials:

- Lesson 1 PowerPoint
- Markers
- Poster Paper
- Sample Ads (optional)

Activities:

1. Handling Advertisements (group activity)

Divide students into small groups and pass out poster paper and markers. Give the students five to ten minutes to list the kinds of advertisements or offers they might receive in the mail, see online or watch on TV. Discuss how these offers could lead to potential consumer problems. Provide examples, such as an Internet ad offering ten ring tones for \$10 or a credit card application. After the students have written their lists, have each group post their list on walls in the classroom. Ask students to compare their list with the other lists circling common answers with a marker. Have students discuss how they can avoid consumer problems related to advertisements.

2. Handling Advertisements II (extension activity)

Ask students to bring in three actual advertisements similar to the ones they discussed in class. Have students discuss whether the ads comply with Ohio consumer law and present ways to avoid consumer problems. Also explain that they can report deceptive advertising to the Attorney General's Office by filing a complaint with the office.

3. Evaluating the Cost of Rent-to-Own Transactions (homework)

Have students calculate the total cost of a rent-to-own transaction and compare it to the cost of purchasing the item outright.

4. Refund Policies and Restocking Fees (homework and group activity)

Give an assignment instructing students to go to at least three stores with an adult to find out the store's refund policy and whether it charges restocking fees. Direct the students to write the name of each store, where the refund policy was posted (if it was posted), the terms of the policy, and the amount of the restocking fee, if applicable.

When the assignment is complete, divide students into pairs. Students will share the results of their research discussing what each discovered. To conclude the lesson, choose students to share their findings in a classroom discussion.

Other supportive resources:

<http://www.admongo.gov/> - an advertising game from the Federal Trade Commission

Standards:

Ohio Department of Education: Financial Literacy Academic Content Standards - Financial Literacy
Consumerism:

Informed purchasing decisions are essential for responsible financial management. Limited protections against some consumer fraud exist in government regulatory agencies and laws. Ultimately, consumers must be informed and vigilant when making purchasing decisions.

Standards Updated: 6/12/2012