



Consumer Mathematics

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UNIT 2

Spending Wisely



LESSON 5: How to Comparison Shop



GOAL: To learn to compare products and services to make sure you get the best value for your money

WORDS TO KNOW

Better Business Bureau (BBB)	manufacturer
consumer	recall
estimate	receipt
guarantee	refund

Comparison Shopping

When you buy a product or hire someone to do a job, you want to make sure that you get the best value for your money.

To get the best value, you must compare prices and quality.

It is easy to compare prices. If you are buying a product, you can just look at different price tags. If you are hiring a person or a company to do a job, you can compare estimates. An **estimate** is a written statement that tells how much the work will cost.

Comparing quality is not as easy. A product can look as if it is of good quality. But it can turn out to be poorly made. Or, you may hire someone whom you expect to do a good job. But the person may not do the job well at all.

You should always compare prices before you buy something. Compare the price of what you want to buy with the prices of other things that are like it. If you don't compare prices, you might end up spending too much money for something.

Here is an example of comparing prices:

Example

Felipe was shopping for gym socks. He saw that he could buy a package of 6 pairs of socks for \$6.60. Another brand of socks was \$4.95 for 6 pairs.

Both packages had the same number of pairs of socks. So Felipe bought the package selling for \$4.95, because it seemed like a better buy.

After Felipe had washed the socks three times, they began to fall apart. The socks were not of good quality. Felipe took the socks back to the store and bought the package selling for \$6.60. He has had these socks for two months. They still look great. Although these socks were more expensive, they were of better quality than the cheaper socks. Because they were of better quality, they lasted longer. This means that the more expensive socks were actually a better buy.

■ THINK ABOUT IT



Packages of white gym socks can all look the same. There are so many brands to choose from, each with different prices. What are some ways you could compare the quality of the socks before you buy them? Write your answer on a separate sheet of paper.

■ PRACTICE 24: Comparison Shopping

Read each example below, then answer the questions at the end of the example. Write your answer on the lines under the questions.

1. Cecil went to the store to buy a quart of milk. While he was there, he saw a pair of sunglasses he liked for \$25.00. He bought them. Did Cecil get the best value for his money? Why or why not?

2. Rosa needed to hire someone to paint the outside of her house. She asked her friends to recommend painters. She also went around the neighborhood looking at houses different people had painted. Then she got estimates from the painters she thought had done the best work. She hired the painter who gave her the lowest price. Did Rosa shop for the best value? Why or why not?

3. Reggie has a friend who just started a lawn care business. Reggie decided to hire him to take care of his lawn. Since Reggie's friend has just started his business, he does not have any experience. Will Reggie get the best value for his money? Why or why not?

4. Mary went shopping for indoor plants. She found one nursery where ferns were \$14.95. The nursery had been in business for a month and did not guarantee its plants. Then she went to another nursery that had been in business for six years. It guaranteed all of its plants. Mary found a fern at the second nursery for the same price. Mary bought the fern from the second nursery. Did Mary get the best value for her money? Why or why not?

Reading Labels

Almost everything that you buy will have a label on it. You can learn a lot about what you are buying by reading the label. A label can tell you what a product is made of. Labels can also tell you how to take care of something you have bought. Labels help you buy wisely.

There are different label laws in different states. But all states require that the labels on food packages tell you the exact ingredients of the food in the package. The ingredients on the label are listed in order. Whatever the food contains most is listed first. Whatever the food contains least is listed last. For example, look at the ingredient list on the next page from the label of Mama's Bean with Bacon soup.

INGREDIENTS

cooked white beans, water, tomatoes, bacon, carrots, modified food starch, salt, sugar, dehydrated onions, monosodium glutamate, yeast extract, smoke flavoring

As you can see from the list of ingredients, cooked white beans are the main ingredient in the soup. The ingredient used the least is smoke flavoring. One ingredient, monosodium glutamate, is a flavoring. Some people are allergic to it. If you were allergic to monosodium glutamate, reading this label would let you know that you should not eat this soup. You would be wasting your money if you bought a can of this soup for yourself.

Food labels may also include other information. A label may tell you about the nutritional value of the food. It may tell you how to cook the food. Many food labels give an address you can write to for more information. The label may also have a **guarantee** that promises the company will give your money back if you are not happy with the product.

■ PRACTICE 25: Reading Labels

Read the following ingredient list from a label on a can of chicken soup. Then answer the questions that follow. Write your answer on the line at the end of each question.

INGREDIENTS

chicken stock, cooked rice, chicken meat, carrots, potatoes, diced tomatoes, potato starch, salt, yeast extract, citric acid, flavoring

1. You want to buy a chicken soup with more chicken in it than rice. Should you buy this can of soup? _____
2. You cannot eat food with yeast in it. Should you buy this can of soup?

3. You want to buy a soup that has vegetables in it. Should you buy this can of soup? _____

Shopping for Services

Sometimes you will need to shop for professional services. For example, you may need to find a mechanic to repair your car.

Your friends can often help you find a good person or company to hire to do a service. However, sometimes your friends will not be able to help you. In this case, you need to do two things. First, hire someone whose work is guaranteed. Second, hire someone who will give you an estimate of the cost of the work.

Remember that an estimate is a written statement that tells you how much the work will cost. Usually, you do not have to pay any more than the amount given in the estimate. But sometimes you may need to discuss a higher or lower price with the company or person you have hired.

A guarantee is a formal promise. It states that a product or service must be satisfactory to the buyer. Sometimes you will not be satisfied with the service you get from someone you have hired. If the service is guaranteed, you can have the service done over. Or, you may get your money back.

Sometimes you will not have to shop for a service. A salesperson will come to your door or call you on the phone to offer you a service. Be careful. Ask yourself if you really need the service that is being offered.

You can look in many different places for people to do services. For example, you can look in the Yellow Pages of your telephone book or in the newspaper. You can also find ads on bulletin boards in stores or other public places. Always shop around. Do not just hire the person with the first listing in the Yellow Pages or the best ad on the bulletin board. Call the phone numbers of the people you are thinking of hiring. Ask about their prices. Find out if their work is guaranteed and if they give free estimates. Also ask for references from other people who have hired them.

TIP



Guarantees are not all the same. You need to read the guarantee that comes with a product or service carefully. For example, a guarantee may promise to replace a product, but it may not promise to give your money back. Some guarantees have time limits. When you buy something that is guaranteed, save the guarantee information. Then you will know what to do and whom to contact if you are not satisfied.

PRACTICE 26: Shopping for Services

Look at the ads below. They are from a bulletin board at the supermarket. Read the ads carefully, and then answer the questions that follow. Write your answer on the line after each question.

ODD JOBS Alice and Joan will clean your yard or make your home sparkle! Call 234-7676.	Typist 683-2431 Reasonable Rates Ask for Sharon.	CHILD CARE Ages 18 mo. — 5 yrs. 283-4476 Licensed
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1. If you need your leaves raked, whom should you call? _____

2. Which ad does not give the name of the person you should call?

3. How many of the ads mention something about prices? _____

Getting Satisfaction from Your Purchases

You may not always be happy with a product or service that you buy. In many cases, you can take the product back to the store where you bought it, or ask the service provider to solve the problem. Most stores and businesses will be happy to make you happy, because you will be more likely to shop there again in the future. You can have your item replaced or repaired, or get a **refund**. A refund is when you get your money back. Always keep your **receipt** to make returning a product easier. Your receipt is the piece of paper that tells how much you paid. Many companies will refund your money only if you have a receipt.

Sometimes the company where you bought the product or service cannot or will not help you with your problem. In that case, you can try calling or writing to the **manufacturer**, or maker of the product, or the main office of the company. First, check to see if the company has a web site. Many times, companies have a special e-mail address for problems or concerns. If not, the maker's address, or the main office's address, is usually printed on the packaging of the product or on the receipt or work order you received. It may also be printed in the paperwork or instructions that came with the item. You may have to ask to speak to a supervisor before your problem is addressed. Do not give up!

You may not get the response you want from either the business that sold you the product or service, or the main office or manufacturer. In that case, it is time to make a complaint. For most companies, you can contact the **Better Business Bureau (BBB)**. The BBB will record your complaint about a company. It will also give you information about a company before you make a purchase. If you are planning to buy something important and expensive, it is a good idea to call the BBB. The BBB can tell you how long the company has been in operation. It can also tell you how many complaints have been received about the company's products or services.

For certain special services, such as issues with landlords and tenants or problems with public utilities, there are often state organizations that handle complaints. (Public utilities are companies that provide services such as telephone service, gas service, water service, cable service, and electrical service.) Check in your phone book under government listings. These are often in a special section in your phone book. Complaints about

public utilities are often handled by a special agency called the Public Utilities Commission of your state. Landlord and tenant problems are often handled by special local governmental bodies.

You might also be protected under special laws for consumers, depending on the nature of your complaint. A **consumer** is a person who buys something. For instance, the federal government directs each state to make car manufacturers repair or replace new cars that have problems under a law called a “Lemon Law.” Other laws require companies to **recall**, or to have returned to them, items known to be unsafe or to have problems that cannot be fixed. If an item you purchased is part of a recall, you will either get your problem solved or have all your money returned to you.

■ PRACTICE 27: Getting Satisfaction from Your Purchases

Read the Yellow Page listings below carefully. Then answer the questions that follow the listings. Write your answer on the line after each question.

BETTER BUSINESS BUREAU

1334 G St NW Washington DC.....393-6222

CONSUMER FRAUD DIVISION, STATE OF MARYLAND

4305 St Barnabas Rd

Suite 302 Temple Hills MD423-6902

CONSUMER FRAUD DIVISION STATE OF VIRGINIA

801 N Pitt St Alexandria836-8772

HOUSING/LANDLORD COMPLAINT BUREAU

1501 16th St NW Washington DC332-9110

1. If you live in Virginia, what is the number you should call about consumer fraud? _____
2. If you want information about a company, what is the best number to call? _____
3. If you are having a problem with your landlord, what number should you call? _____

Shopping Around

One of the easiest ways to shop is to compare prices in newspaper ads. There are ads throughout any newspaper. There are also special sections of the paper where ads for similar products are grouped together. There may even be special advertising sections, often printed in color. They advertise the products on sale at a certain store.

Always make sure you check sale ads for the dates of the sale. You do not want to go out of your way to a store only to find that the sale is over or has not started yet!

Sale prices may seem so cheap that you want to go right out and buy whatever is on sale. Remember, though, that buying something at a low sale price does not always mean you are getting good value for your money. Make sure anything you buy is of good quality. Also, only buy things that you will use. If you will not use something, it is not a bargain at any price. You will only waste your money.

It is also important to make sure the things you buy have *only* the features you want or need. For example, DVD recorders are much more expensive than DVD players you just play movies on. You might even have a DVD recorder already on your computer! If you only want to play rented movies, paying extra for the recording feature is a waste of money.

■ IN REAL LIFE



Elena planned to buy a new car, but she did not know what kind of car she should get. The ads on television made every car sound perfect. Elena thought about the features she really wanted. She wanted a sedan with four-wheel drive, anti-lock brakes, and side airbags. Elena then began her research. She put the words “automobile ratings” into an Internet search engine and looked at the web sites she found. She was able to find several good sedans, at good prices, with all the safety features she wanted. The web sites also showed how well those cars did in crash tests. Next, she checked out how reliable they were. She narrowed down her search to two cars and test-drove both before making her purchase.

■ PRACTICE 28: Shopping Around

Read each example below carefully. Then circle the best answer to each question.

1. Aram saw a store's ad in the newspaper that said his favorite brand of coffee was on sale for \$6.50 for a 2-pound can. Then he saw an ad for another store. It had the same coffee on sale for \$12.50 for a 4-pound can. Which store had the better deal?
 - a. The store that sold 2 pounds of coffee for \$6.50 had a better deal.
 - b. The store that sold 4 pounds of coffee for \$12.50 had a better deal.

2. Bertha needs to buy 5 pounds of grass seed for her lawn. A store near her house is selling grass seed for \$5.95 for a 5-pound bag. Another store has grass seed on sale for \$7.95 for a 10-pound bag. Should Bertha buy the 10-pound bag of grass seed?
 - a. Yes. The 10-pound bag is a much better deal than the 5-pound bag.
 - b. No. Because she only needs 5 pounds of grass seed, buying the 10-pound bag would be a waste of \$2.00.

3. Carl is planning to buy a used car. He is trying to decide if he should buy a car with 4-wheel drive. Carl lives in a city where all of the streets are well paved and where it never snows. He does not plan to drive the car outside of the city. Cars with 4-wheel drive cost much more than cars without 4-wheel drive. What should Carl do?
 - a. Carl should spend the extra money on a car with 4-wheel drive. Maybe someday he will move to a place where he will need it.
 - b. Carl should buy a car without 4-wheel drive. Spending extra for a feature that he probably will never use would be a waste of money.