

Spending

Key financial idea ★ Shopping around before you buy can help you to make better purchasing decisions.

Activity

With her remaining money, Kalala wants to buy herself a cellphone with these extra features:
 *photo and video chat *a camera *a digital music (MP3) player

Kalala looks through advertisements and searches the Internet.



Talkup 992

\$499 with 24 month plan or \$6.21 per week for 24 months

FEATURES

- MP3 player
- FM radio



Fotalk 600

\$399 with 24 month plan or \$5.05 per week for 24 months

FEATURES

- walkie-talkie
- online gallery
- photo and video chat
- camera



Talkup 973

\$299 with 24 month plan or \$3.95 per week for 24 months

FEATURES

- video recorder
- FM radio
- video chat



Fotalk 700

\$599 with 24 month plan or \$7.38 per week for 24 months

FEATURES

- camera
- photo and video chat
- MP3 player



Fotalk 800

\$699 with 24 month plan or \$8.54 per week for 24 months

FEATURES

- photo and video chat
- camera
- memory card
- MP3 player



Zardon 834

\$599 with 24 month plan or \$7.38 per week for 24 months

FEATURES

- photo and video chat
- headset
- camera
- memory card
- MP3 player



Use the advertisements above to answer the following questions:

- 1 Which phones have the features that Kalala is looking for?
- 2 How much would each of the phones shown above cost if paid for over a period of time (hire purchase)?
(12 months = 52 weeks)
- 3
 - a. None of the advertisements say what the monthly plan costs. What does Kalala have to think about when choosing her phone?
 - b. What are the advantages and disadvantages of buying a cellphone that has a plan?
- 4 Which phone would you buy, and how would you pay for it and any ongoing costs?

Reflective question ★ How can we avoid making financial mistakes?