

Chapter 7: Assessment Answer Keys

**Please note that assessment questions are randomized in our FoundationsDigital platform for each student. Therefore, the order these questions will appear for each student will vary.*

Chapter 7 Pre-/Post-test

1. Being married (or emotionally attached) to a purchase will cause you to lose bargaining power.
 - True
 - False
2. Joe tries to bargain at an electronics store but is unable to negotiate the price down. What should be his next step?
 - Ask about 90-days-same-as-cash
 - Shut up
 - Walk away
 - All of the above
3. The ability to walk away from a purchase when negotiating
 - Walk-away power
 - Buyer's advantage
4. A public sale in which property or items of merchandise are sold to the highest bidder
 - Thrift store
 - Auction
5. Having to do with a person's honesty and moral attributes
 - Integrity
 - Impulse

6. Shopping for bargains is part of a healthy financial plan because it makes your hard -earned money go further.

- True
- False

7. Making informed choices as a consumer will usually yield savings.

- True
- False

8. Which of the following is not recommended if you are trying to make your money go further?

- Buying clothing at end-of-the-season sales
- Buying only name-brand products
- Negotiating for a lower price
- Comparison shopping

9. In certain circumstances, it is okay to stretch the truth to get a bargain.

- True
- False

10. Getting the best deal on a purchase involves doing all of the following except:

- Having patience
- Negotiating
- Being first in line for a new product
- Shopping around to find the best deal

11. The Federal Trade Commission found that people who reported having more debt than they could handle were more likely to be victims of consumer fraud involving:
- Fraudulent work-at-home programs
 - Nonexistent foreign lotteries
 - Credit repair and debt consolidation
 - Dishonest prize promotions
12. Which of the following is true about the "If I" take-away technique?
- This technique involves negotiating the lowest price possible, then throwing something else into the deal.
 - This technique should only be used when the "good guy, bad guy" technique is used on you.
 - This technique is meant to take advantage of the other person in the negotiation.
 - Use this technique prior to negotiating price.
13. Process by which the holder of a mortgage sells the property of a homeowner who has not made interest and/or principal payments on time as stipulated in the mortgage contract
- Foreclosure
 - Refund
14. Excluding the United States, most countries use negotiating as a way of life.
- True
 - False

15. Which of the following statements is false?

- Using a cost-benefit analysis approach to your buying decisions will make you a wise consumer.
- In addition to economic savings, wise consumers also enjoy improved health and have a positive impact on the larger social and even global environment.
- Being a wise consumer involves developing a variety of skills, from product research to careful comparative analysis.
- Your choices as a consumer have no impact on the larger social environment.

16. Learning to be quiet is actually a powerful tool in negotiation.

- True
- False

17. Using cash gives you more bargaining power than using credit.

- True
- False

18. The exchange of goods or services without the use of money

- Barter
- Bargain

19. The process of quantifying costs and benefits of a decision

- Cost-benefit analysis
- Purchase plan

20. When buying things at an auction, it is important that you:
- Familiarize yourself with the item you want to purchase (quality, condition, age, etc.)
 - Don't get caught up in the excitement and end up paying more than retail price
 - Set a limit on the amount you are willing to pay
 - All of the above
21. Retail store where people sell items and the owner of the shop gets a percentage of the sale
- Consignment shop
 - Convenience store
22. Which of the following is not recommended when selling something you own?
- Find an uninformed buyer and charge the highest price possible.
 - Be armed with information so that you can be sure it's a win-win deal.
 - Get antiques or collectible items appraised and sell them slightly below that price.
 - Make it clear that, as a seller, you have walk-away power.
23. Which of the following describes why using cash is a great bargaining tool?
- Cash is emotional.
 - Cash is visual.
 - Cash has immediacy.
 - All of the above
24. The difference between the wholesale price and retail price
- Margin
 - Markup

25. Most of the items at a pawnshop are stolen.
- True
 - False
26. The good guy, bad guy technique is a negotiating tool that you should be aware of.
- True
 - False
27. Which of the following statements is false?
- Negotiation involves a conversation of back-and-forth, give-and-take.
 - If negotiation is done correctly, it will end up being a win-win deal.
 - Just asking for a great deal doesn't always mean that you'll get one.
 - A great deal often just happens by accident.
28. "The Lucky Seven" rules can get you incredible deals on the stuff you buy every day, but they only work if you:
- Use them
 - Visit another country
 - Are willing to buy the item regardless of the price
 - Have a lot of money
29. If you're trying to buy something, it's not your job to come up with a good price. Make the seller work for your business.
- True
 - False
30. To bargain for a lower price
- Window shop
 - Negotiate

31. Store return policies must balance customer service and profits. As a consumer, to ensure the best possible store return process, you should:
- Familiarize yourself with the store's return policy prior to your purchase
 - Hold on to your receipt and keep the labels and price tags on the item
 - Return the item to the store as quickly as possible
 - All of the above
32. Type of yard sale with more items, usually the entire contents of a household
- Pawn shop
 - Estate sale
33. Which of the following is typically not a good place to find a deal?
- Online auctions
 - Consignment shops
 - Individuals
 - Mall

Chapter 7, Section 1 (Video 1:1b) Quiz “It’s Okay to Want a Better Deal”

1. Don't be afraid to ask for a _____-_____ deal.

- Win-Win
- Win-Lose
- Lose-Win
- Lose-Lose

2. In order to get a deal, you have to misrepresent the truth.

- True
- False

3. _____ is negotiable.

- Money
- Everything
- Saving
- Sales tax

Chapter 7, Section 2 (Video 2:1b) Quiz “Negotiate with Integrity”

1. What items should you buy extended warranties on?

- Cars
- Washing Machines
- Nothing
- Cell Phones

2. If an expensive item breaks, use your _____ to cover the cost to fix or replace it.

- Checking account
- Credit card
- Parent's money
- Emergency fund

3. You should buy extended warranties.

- True
- False

Chapter 7, Section 2 (Video 2:2a) Quiz “Know How to Score a Good Deal, Part 1”

1. Cash is _____.

- Emotional
- Temporary
- Risky
- Fake

2. When negotiating for a lower price, you should not use cash.

- True
- False

3. Using cash can be fun.

- True
- False

Chapter 7, Section 2 (Video 2:2b) Quiz “Know How to Score a Good Deal, Part 2”

1. When negotiating for a good deal, you have to maintain your:

- Eye contact
- Tone of voice
- Strategy
- Walk-away power

2. _____ people don't care what other people think about the car they drive.

- Broke
- Rich
- Poor
- Important

3. Sellers can tell by your _____ if you're interested in buying what they're selling.

- Body language
- Hand shake
- Shoe size
- Car model

4. When buying a used car, you should pay to have the car inspected before buying.

- True
- False

Chapter 7, Section 2 (Video 2:3a) Quiz “Know How to Score a Good Deal, Part 3”

1. Price is the only way to make a deal sweet.

- True
- False

2. The _____ person to speak, usually loses.

- First
- Second
- Last
- Loudest

3. When negotiating, Dave tells us to _____.

- Shut up
- Speak loudly
- Repeat yourself
- Stand still

Chapter 7, Section 2 (Video 2:3b) Quiz “Know How to Score a Good Deal, Part 4”

1. In this lesson, Dave recommends using which of the following phrases?

- "You've got a deal"
- "That's not good enough"
- "That's all I have"
- "Show me the money!"

2. Another name for Good Guy, Bad Guy technique is called _____
Selling.

- Scripted
- Mature
- Partner
- Position

3. Collection agencies learn special techniques that will get you to pay them.

- True
- False

4. What should you do in order to get out of a Good Guy, Bad Guy negotiation?

- Speak to the person with the decision making authority
- Become friends with both the Good Guy and the Bad Guy
- Pay with cash to avoid confrontation
- Decide your price and don't back down

5. A common example where the Good Guy, Bad Guy technique is used is at the:

- Car Dealership
- Laundry Mat
- Grocery Store
- Farmers Market

Chapter 7, Section 2 (Video 2:4a) Quiz “Seal the Deal”

1. Patience pays off.

- True
- False

2. Which of the following is a negotiating technique that Dave mentions in this video?

- "Sometimes when..."
- "Only if..."
- "But first..."
- "If I..."

3. Roger Fisher says, "The people that win negotiations have the most _____ and the most patience."

- Focus
- Information
- Confidence
- Passion

Chapter 7, Section 2 (Video 2:4b) Quiz “The Third Key to Getting Huge Bargains”

1. In order to be an aware consumer, you should...

- Use coupons whenever possible
- Leverage credit card points
- Listen to what your friends say
- Understand everything before you sign up

2. If you don't want to change insurance companies but want a better price, you can...

- Ask to speak to the manager
- Go without insurance
- Ask them to match another company's lower price
- Tell them you can't afford their price

3. You'll never get a bargain unless you _____ for it.

- Ask
- Complain
- Lie
- Shout

4. Bargains and deals are impossible to find

- True
- False

5. Banks and insurance companies all have the same fees and prices.

- True
- False

Chapter 7, Section 3 (Video 3:1a) Quiz “Where to Find Great Deals, Part 1”

1. One way to find a great deal is to _____ something of value, goods, or your services.

- Steal
- Take
- Trade
- Learn

2. It's always a good idea to buy from _____.

- Individuals
- Department stores
- Friends
- Family

3. When giving a gift, it should always cost you money.

- True
- False

Chapter 7, Section 3 (Video 3:1b) Quiz “Where to Find Great Deals, Part 2”

1. What should you do as you prepare to go to a public auction to buy something?

- Find someone to bring with you
- Wear professional clothes so others will take you seriously
- Do research and understand the product you're bidding on
- Ask your parents advice on what to buy

2. Couponing is a great way to get a deal when they're used on what?

- Items you were going to buy anyway
- Food for your family
- Cleaning supplies
- Everything

3. Dave cautions us by saying, "Don't buy _____ you don't need."

- Food
- Junk
- Toys
- Clothes

4. Estate sales and auction houses have mailing lists you can join.

- True
- False

5. It's a good idea to look at estate sales and public auctions for a deal.

- True
- False

Chapter 7, Section 3 (Video 3:1c) Quiz “Where to Find Great Deals, Part 3”

1. Everything sold at a Pawn Shop is stolen.

- True
- False

2. You can sell your old clothes at _____ stores to make money.

- Consignment
- Thrift
- Department
- Family-run

3. Which of these are not one of the four techniques to find a good deal?

- Negotiate everything
- Think about where to find the deals
- Look for a win-win
- Shop exclusively online

4. You can get burned on online auctions like eBay.

- True
- False

Chapter 7, Section 3 Quiz “Which is the Better Deal”

1. Which is a better deal on a \$10.99 item: 30% off or buy one, get one at half price?
 - 30% off
 - buy one, get one at half price
2. What is the price per item if you purchase a \$25.99 product at “Buy two, get one free”?
 - \$17.33
 - \$16.72
3. Which is a better deal on a \$200 item: 40% off original price or 35% off, plus an additional 10% off?
 - 40% off original price
 - 35% off, plus an additional 10% off
4. Which is a better deal on a \$159.99 item: 60% off original price or 50% off, plus an additional 10% off?
 - 60% off original price
 - 50% off, plus an additional 10% off