Finance – Chapter 12

Read through chapter 12 in your book and answer the following questions.

1. What is legal tender?
2. What is counterfeiting? What features does the five-dollar bill have to discourage counterfeiting?
3. What is consumer price index? What does it measure?
4. Explain why the dollar’s purchasing power changes.
5. List and define the three types of personal income
6. Name and briefly describe the five key factors that influence consumer-buying decisions.
7. Define conspicuous consumption. Provide an example.
8. What customs or habits influence your purchasing decisions?
9. What is the difference between clearance sales and promotional sales?
10. What is impulse buying? Describe some strategies that could help you avoid it?
11. Think of three products that you would like to purchase in the next year. Using the Internet shop for the products at three different stores. Find out the price and delivery costs at each store. Put your findings in a char.