

NAME: _____

DATE: _____

ACTIVITY

Checkout Confusion

What + Why: Examine checkout options to figure out when a purchase uses your money and when it creates a borrowing obligation.

Mario is so excited to buy the headphones he's been wanting for months. But when Mario gets to the checkout screen, there are five different ways to pay. Now Mario pauses for a second and starts wondering how each one actually works.

Part 1

Instructions:

1. Look at the checkout screens, which show the same purchase with different ways to pay.
2. For each screen, answer:
 - Where does the money come from?
 - Is borrowing happening?
 - Who pays the seller right now?

1.

**CHECKOUT**

How would you like to pay?

- ☒ Debit Card
- ☐ Credit Card
- ☐ Pay in 4 Installments
- ☐ Pay Later (30 Days)
- ☐ Mobile Payment

1 ITEM**\$120.00**Bluetooth, Noise-Cancelling,
Wireless HeadphonesQty: **1**

Pay with Debit Card ending in 4821

TOTAL TO PAY**\$120.00**

- Where does the money come from?

- Is borrowing happening? (Check one)
 - ☐ Yes
 - ☐ No
- Who pays the seller right now?

2.

**CHECKOUT**

How would you like to pay?

- ☐ Debit Card
- ☒ Credit Card
- ☐ Pay in 4 Installments
- ☐ Pay Later (30 Days)
- ☐ Mobile Payment

1 ITEM**\$120.00**Bluetooth, Noise-Cancelling,
Wireless HeadphonesQty: **1**

Pay with Credit Card ending in 9903

TOTAL TO PAY**\$120.00**

- Where does the money come from?

- Is borrowing happening? (Check one)
 - ☐ Yes
 - ☐ No
- Who pays the seller right now?

3.

**CHECKOUT****How would you like to pay?**

- ☐ Debit Card
- ☐ Credit Card
- ☒ Pay in 4 Installments
- ☐ Pay Later (30 Days)
- ☐ Mobile Payment

1 ITEM**\$120.00**Bluetooth, Noise-Cancelling,
Wireless HeadphonesQty: **1**Pay \$30 today, 3 payments of
\$30 every two weeks**TOTAL TO PAY****\$120.00**

- Where does the money come from?

- Is borrowing happening? (Check one)
 - ☐ Yes
 - ☐ No

- Who pays the seller right now?

4.

**CHECKOUT****How would you like to pay?**

- ☐ Debit Card
- ☐ Credit Card
- ☐ Pay in 4 Installments
- ☒ Pay Later (30 Days)
- ☐ Mobile Payment

1 ITEM**\$120.00**Bluetooth, Noise-Cancelling,
Wireless HeadphonesQty: **1**

Pay \$0 today. Interest free for 30 days.
Full payment due in 30 days.

TOTAL TO PAY**\$120.00**

- Where does the money come from?

- Is borrowing happening? (Check one)
 - ☐ Yes
 - ☐ No
- Who pays the seller right now?

5.

**CHECKOUT**

How would you like to pay?

- ☐ Debit Card
- ☐ Credit Card
- ☐ Pay in 4 Installments
- ☐ Pay Later (30 Days)
- ☒ Mobile Payment

1 ITEM**\$120.00**Bluetooth, Noise-Cancelling,
Wireless HeadphonesQty: **1**

Pay with Google Pay.
Default payment method selected.

TOTAL TO PAY \$120.00

- Where does the money come from?

- Is borrowing happening? (Check one)
 - ☐ Yes
 - ☐ No

- Who pays the seller right now?

Part 2

Instructions:

1. Examine the payment tools listed.
2. Sort each payment tool by its funding source.
3. For any tool placed in the “It Depends” category, note what additional information you would need to determine the funding source.

Funding Source

A Lender	It Depends	My Own Money

Payment Tools

Google Pay	Credit card	Venmo
Prepaid card	Gift card	Apple Pay
Buy Now, Pay Later	Payday loan	Debit card
Cash	PayPal	