

CHAPTER 2

BUYING TECHNOLOGY PRODUCTS

Let's Talk Tech

WHAT'S AHEAD

- 2.1** Technology and Consumer Choice
- 2.2** Move into Cyberspace
- 2.3** Choose a Computer
- 2.4** Shop on the Net
- 2.5** Protect Yourself on the Internet

LESSON 2.1

Technology and Consumer Choice

GOALS

- ▶ Explain why products based on new technologies are likely to be relatively expensive and often lose value quickly.
- ▶ Identify factors that make it difficult for consumers to make rational buying decisions when they shop for products based on a new technology.

KEY TERMS

- technological obsolescence
- depreciation

Choosing Technology-Based Products

- ▶ Technology challenge
- ▶ Decision overload
- ▶ Obsolescence
- ▶ Depreciation
- ▶ Search for information
- ▶ Service is important

When Should You Buy?

- ▶ Out-of-date technology
- ▶ High price of new technology
- ▶ Product quality of new technology
- ▶ Safety hazards and new products
- ▶ Is it ever smart to buy now?

CHECKPOINT 2.1

- Why are products based on new technologies likely to lose value quickly after they are purchased?
- What factors should consumers consider to ensure they make a rational buying decision when they shop for a product based on a new technology?

CHECKPOINT 2.1 ANSWERS

- Why are products based on new technologies likely to lose value quickly after they are purchased?
- New and better technologies are constantly developed, making existing technology obsolete

CHECKPOINT 2.1 ANSWERS

- What factors should consumers consider to ensure they make a rational buying decision when they shop for a product based on a new technology?
 - Will the technology be out of date soon?
 - Will competition result in a lower price soon?
 - Are all the “bugs” out, and is the product safe?
 - What are the alternatives to buying this product now?

LESSON 2.2

Move into Cyberspace

GOALS

- ▶ Identify equipment and services you need to access the Internet.
- ▶ Describe trade-offs you should consider when shopping for an Internet service provider.

KEY TERMS

- **HyperText Markup Language (HTML)**
- **World Wide Web (WWW or Web)**
- **modem**
- **Internet service provider (ISP)**
- **digital subscriber line (DSL)**
- **Wi-Fi alliance**

Explosive Growth of the Internet

- ▶ The start of the Internet
- ▶ Consumers use the Internet
- ▶ Access to the Internet

Choosing an Internet Service Provider

- ▶ ISP alternatives
- ▶ Cable-based ISPs
- ▶ DSL connections
- ▶ Investigate your alternatives
- ▶ Wireless access to the Internet

CHECKPOINT 2.2

- What equipment and services do consumers need to be able to access the Internet?
- Explain trade-offs you should evaluate when you choose an ISP.

CHECKPOINT 2.2 ANSWERS

- **What equipment and services do consumers need to be able to access the Internet?**
- **Modem:** device that allows computers to access the Internet over telephone lines or television cables
- **Portable devices:** (e.g., Blackberry, iPhone, Centro, etc.) allow people to use the Internet from what is essentially a cell phone
- **Internet service provider (ISP):** businesses that relay messages across the Internet from computer to computer, computer to cell phone, or cell phone to cell

CHECKPOINT 2.2 ANSWERS

- Explain trade-offs you should evaluate when you choose an ISP.
- Dial-up versus high-speed
- Cost for an ISP
- Equipment needed and services provided
- Cost versus benefits

LESSON 2.3

Choose a Computer

GOALS

- ▶ Identify components that would typically be included in a basic computer system.

KEY TERMS

- central processing unit (CPU)
- microprocessor
- random access memory (RAM)
- hard drive
- flash drive
- peripheral device
- laptop computer
- smartphone

Consider Your Choices

- ▶ Computer uses
- ▶ Future uses

What Should You Look For?

- ▶ Central processing unit (CPU)
- ▶ Memory
- ▶ Data storage
- ▶ Peripheral devices
- ▶ Software
- ▶ Laptop computers
- ▶ Smartphones
- ▶ More choices for the future

▶ Data Storage

- ▶ Hard drive
- ▶ CDs
- ▶ DVDs
- ▶ Flash drive

▶ Peripheral Devices

- ▶ Monitors
- ▶ Printers/Scanners

▶ Software

- ▶ Software already installed
- ▶ Subscriptions
- ▶ Programs that meet your needs

▶ Laptop Computers

- ▶ Higher cost
- ▶ Other trade-offs

CHECKPOINT 2.3

- Identify and describe the components you would expect to find in a basic computer system.

CHECKPOINT 2.3 ANSWER

- Identify and describe the components you would expect to find in a basic computer system.
- Central processing unit and memory capabilities
- Software for basic functions
- Adequate data storage
- Peripherals that include monitor, keyboard, mouse, printer

LESSON 2.4

Shop on the Net

GOALS

- ▶ Identify advantages and disadvantages of Internet shopping.
- ▶ Describe services that can be purchased over the Internet.
- ▶ Explain the importance of online advertising to the Internet.

KEY TERMS

- search engine

Ups and Downs of Internet Shopping

- ▶ Getting the best deal
- ▶ Variety of choices
- ▶ You can't try it on
- ▶ The junk mail hassle

Buying Services over the Internet

- ▶ Banking on the Net
- ▶ Travels in cyberspace

Web Advertising

- ▶ Business web sites
- ▶ Advertising space
- ▶ Buying advertising

CHECKPOINT 2.4

- Describe advantages and disadvantages of buying products over the Internet.
- How does web advertising help maintain the Internet?

CHECKPOINT 2.4 ANSWERS

- Describe advantages and disadvantages of buying products over the Internet.

Advantages

- shop from home anytime
- easier to find a wide variety and to comparison shop

Disadvantages

- you can't try it on; return policy issues
- the junk mail problem

CHECKPOINT 2.4 ANSWERS

- How does web advertising help maintain the Internet?
- Advertising pays a large part of the cost of maintaining the Internet
- The more businesses spend to place ads on the Internet, the less ISPs need to charge you for your access

LESSON 2.5

Protect Yourself on the Internet

GOALS

- ▶ Describe precautions you should take to protect your privacy on the Internet.
- ▶ Explain how cookies appear in your computer's memory and how they may harm or help you.
- ▶ Recognize scams and ways to protect yourself from fraud on the Internet.

KEY TERMS

- computer virus
- spyware
- cookies
- spoofing
- social networking web sites
- spam

Privacy Issues on the Internet

- ▶ Right to privacy
- ▶ Internet information
- ▶ Other Internet dangers
 - ▶ viruses
 - ▶ spyware
 - ▶ buy protection

Your Cookie Jar

- ▶ How cookies happen
- ▶ Cookies can be good
 - ▶ shopping baskets
- ▶ Cookies can be bad
 - ▶ no control
 - ▶ erase those cookies

Internet Scams

- ▶ I can make you rich
- ▶ I can make you well
- ▶ I represent a legitimate organization
- ▶ I can be your friend
- ▶ Spam is a four-letter word
- ▶ Safeguard against Internet scams

CHECKPOINT 2.5

- How do viruses harm a computer?
- How can cookies make Internet shopping easier?
- How can you protect yourself from Internet scams?

CHECKPOINT 2.5 ANSWERS

➤ How do viruses harm a computer?

Viruses take up space in a computer's memory and slow or destroy its ability to work

CHECKPOINT 2.5 ANSWERS

- How can cookies make Internet shopping easier?
- Help an Internet store know your preferences and personalize your visit
 - Allow you to be recognized so that you don't have to "register" every time you visit a familiar site
 - Provide "shopping baskets" that allow you to continue browsing and selecting additional items to purchase

CHECKPOINT 2.5 ANSWERS

- How can you protect yourself from Internet scams?
 - Don't send money or personal information to anyone who contacts you over the Internet without checking them out thoroughly first
 - Investigate companies with organizations such as the Better Business Bureau
 - Verify information through an independent source
 - Search the Net or visit the Federal Trade Commission web site and use the keyword *scam* to find more information