

Customizing your new vehicle

Students choose options for a new vehicle to learn how their choices affect the final price.

Learning goals

Big idea

Understanding how much things cost can help you see the bigger financial picture.

Essential questions

- How do different options affect a vehicle's cost?
- What are some things to consider when making a major purchase like a vehicle?

Objectives

- Choose options to customize a new vehicle
- Determine the new vehicle's final cost and decide whether it's worth the cost

What students will do


- Choose the options they'd want to have in their new vehicle.
- Determine the vehicle's final cost and decide whether they'd be willing to buy it when they're old enough.

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

 Financial habits and norms

Grade level: Middle school (6-8)

Age range: 11-14

Topic: Spend (Budgeting, Buying things)

School subject: CTE (Career and technical education, English or language arts, Math)

Teaching strategy: Simulation

Bloom's Taxonomy level: Analyze, Create

Activity duration: 45-60 minutes

National Standards for Personal Financial Education, 2021

Spending: 4-1, 4-2, 8-1, 8-2, 12-2, 12-3

Saving: 8-1

Managing Risk: 8-1, 8-2, 8-5, 12-2

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

Preparing for this activity

- While it's not necessary, completing the "Budgeting for needs and wants" activity first may make this one more meaningful.
- Print copies of all student materials for each student, or prepare for students to access them electronically.
- Print the vehicle options lists in this guide and post them on the wall so students can refer to them.
- Make sure students have access to calculators.

What you'll need

THIS TEACHER GUIDE

- Customizing your new vehicle (guide)
[cfpb_building_block_activities_customizing-your-new-vehicle_guide.pdf](#)

STUDENT MATERIALS

- Customizing your new vehicle (worksheet)
[cfpb_building_block_activities_customizing-your-new-vehicle_worksheet.pdf](#)
- Vehicle options lists (in this guide)
- Calculators

Exploring key financial concepts

A vehicle is often a necessity in an adult's life. Vehicles can be expensive, and so can some of the options available for them. When making an expensive purchase, researching more than one product or brand and comparing features, benefits, and costs can help you better understand your options and determine what you'd be willing to pay for. Comparison shopping may help you make more informed buying decisions.

Things to consider when shopping for a vehicle include how much the vehicle will cost in the long term. For example, does the vehicle cost more to run and maintain than other vehicles? Does the vehicle get good gas mileage, have good reliability ratings, or cost more to insure? In addition, many people are able to negotiate a lower price than listed if they research the dealer's actual cost and offer to pay something over that.

TIP

Because financial products, terms, and laws change, students should be encouraged to always look for the most up-to-date information.

Having an overall budget in mind for large purchases like a car and doing some research can help you manage your money.

Teaching this activity

Whole-class introduction

- Distribute the “Customizing your new vehicle” worksheet to students.
- Show them the vehicle options lists you’ve posted on the wall.
- Tell students that they’ll customize their new vehicle using the options lists and then determine the vehicle’s final cost.
 - Let students know that many people stay within a certain budget when they buy a new car, but for this activity, they don’t have any limits on how much they can spend.
- Be sure students understand key vocabulary:
 - **Budget:** A plan that outlines what money you expect to earn or receive (your income) and how you will save it or spend it (your expenses) for a given period of time; also called a spending plan.
 - **Comparison shopping:** The practice of comparing prices, features, benefits, risks, and other characteristics of two or more similar products or services.

TIP

Visit CFPB’s financial education glossary at consumerfinance.gov/financial-education-glossary/.

Individual work

- Students will work independently to complete the worksheet.
- Tell students to choose a sedan, sports car, SUV, or truck as their new vehicle.
- Students will go to the wall where the options list for the vehicle they chose is posted and select options from that list.
 - Be sure students understand that the options and prices listed are for example only; actual options and prices may be different.
- Students will write on their worksheets the cost of each option they selected.
- Students will calculate their new vehicle’s final price.
- Students will then answer reflection questions on the worksheet.

Wrap-up

- Bring the class back together and ask for volunteers to share their new vehicles and the vehicles' prices.
- Ask for volunteers to share their answers to the reflection questions.

Suggested next steps

Consider searching for other CFPB activities that address the topic of spending, including budgeting or buying things. Suggested activities include "Using a buying plan" and "Paying for a pet."

Measuring student learning

Students' responses on their worksheets and during the discussion can give you a sense of their understanding.

Keep in mind that students' answers may vary, as there may not be only one right answer. The important thing is for students to have a reasonable justification for their answers.

Vehicle options list:

Customize your new sedan

NOTE: The options and prices here are for example only; actual options and prices may be different.

About your sedan

- Fuel efficiency: 37 miles per gallon (mpg) of gas
- Cost to insure each month: \$125
- Reliability rating: 5 out of 5

Style options

- Basic package (power windows; no power seats or power mirrors): \$17,950 base price
- Mid-level package (power windows, power seats, power mirrors): \$19,245 base price
- Luxury package (power windows, power seats, power mirrors, automatic trunk, leather-wrapped steering wheel, heated seats): \$24,270 base price

Engine

- Gasoline (included): \$0
- Hybrid: \$3,000

Interior

- Cloth (included): \$0
- Leather: \$2,025

Audio

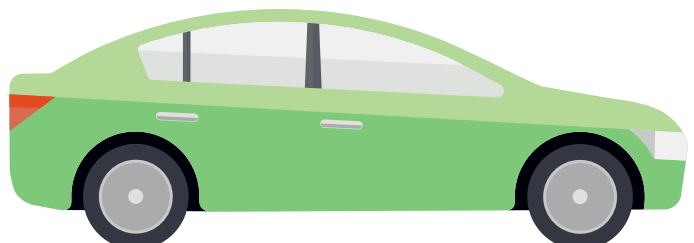
- AM/FM, aux input, Bluetooth (included): \$0
- AM/FM, aux input, USB port, Bluetooth, satellite radio: \$200

Wheel and tire options

- Standard (included): \$0
- Premium (smoother ride, last longer): \$568

Additional options

- Backup camera system: \$1,000
- Navigation system: \$174
- Remote keyless entry: \$350
- Remote start: \$350
- Spoiler: \$435
- Sunroof: \$987
- Tinted windows: \$250



Vehicle options list:

Customize your new sports car

NOTE: The options and prices here are for example only; actual options and prices may be different.

About your sports car

- Fuel efficiency: 28 miles per gallon (mpg) of gas
- Cost to insure each month: \$225
- Reliability rating: 3 out of 5

Style options

- Standard package (power windows, power seats, power mirrors): \$39,355 base price
- Luxury package (power windows, power seats, power mirrors, automatic trunk, leather-wrapped steering wheel, heated seats): \$46,595 base price

Engine

- Gasoline (included): \$0
- Hybrid: \$2,000

Roof option

- Hardtop (included): \$0
- Convertible: \$3,460

Interior

- Cloth (included): \$0
- Leather: \$2,025

Audio

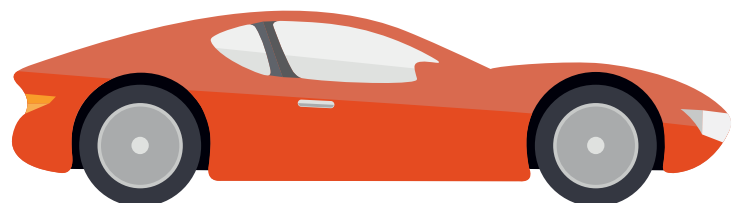
- AM/FM, aux input, Bluetooth (included): \$0
- AM/FM, aux input, USB port, Bluetooth, satellite radio: \$200

Wheel and tire options

- Standard (included): \$0
- Premium (smoother ride, last longer): \$568

Additional options

- Backup camera system: \$1,000
- Navigation system: \$174
- Remote keyless entry: \$350
- Remote start: \$350
- Spoiler: \$435
- Sunroof: \$987
- Tinted windows: \$250



Vehicle options list:

Customize your new SUV

NOTE: The options and prices here are for example only; actual options and prices may be different.

About your SUV

- Fuel efficiency: 23 miles per gallon (mpg)
- Cost to insure each month: \$150
- Reliability rating: 4 out of 5

Style options

- Standard package (power windows, power seats, power mirrors): \$26,500 base price
- Luxury package (power windows, power seats, power mirrors, automatic tailgate, leather-wrapped steering wheel, heated seats): \$32,620 base price

Engine

- Gasoline (included): \$0
- Hybrid: \$2,000

Drive system

- Front wheel drive (included): \$0
- All wheel drive: \$2,500

Interior

- Cloth (included): \$0
- Leather: \$2,025

Audio

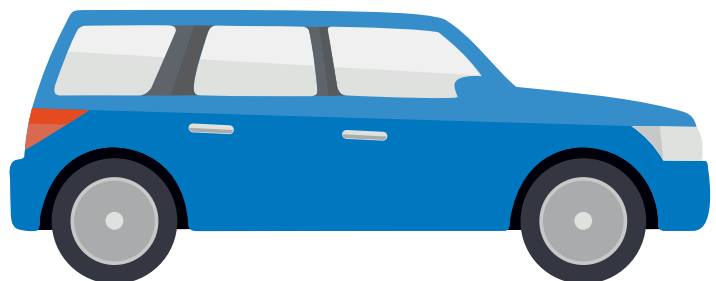
- AM/FM, aux input, Bluetooth (included): \$0
- AM/FM, aux input, USB port, Bluetooth, satellite radio: \$200

Wheel and tire options

- Standard (included): \$0
- Premium (smoother ride, last longer): \$1,500

Additional options

- Backup camera system: \$1,000
- Navigation system: \$174
- Remote keyless entry: \$350
- Remote start: \$350
- Sunroof: \$987
- Tinted windows: \$250
- Tow package: \$1,150



Vehicle options list:

Customize your new truck

NOTE: The options and prices here are for example only; actual options and prices may be different.

About your truck

- Fuel efficiency: 25 miles per gallon (mpg)
- Cost to insure each month: \$115
- Reliability rating: 4 out of 5

Style options

- Standard package (power windows, power seats, power mirrors): \$27,940 base price
- Luxury package (power windows, power seats, power mirrors, automatic tailgate, leather-wrapped steering wheel, heated seats): \$32,210 base price

Engine

- Gasoline (included): \$0
- Diesel: \$3,000

Drive system

- Front wheel drive (included): \$0
- All wheel drive: \$2,500

Cab options

- Two-door cab (included): \$0
- Four-door cab: \$5,000

Interior

- Cloth (included): \$0
- Leather (two-door cab): \$2,025
- Leather (four-door cab): \$3,750

Audio

- AM/FM, aux input, Bluetooth (included): \$0

- AM/FM, aux input, USB port, Bluetooth, satellite radio: \$200

Wheel and tire options

- Standard (included): \$0
- Premium (smoother ride, last longer): \$1,500

Additional options

- Backup camera system: \$1,000
- Navigation system: \$174
- Remote keyless entry: \$350
- Remote start: \$350
- Sunroof: \$987
- Tinted windows \$250
- Tow package: \$1,150
- Truck bed cover: \$479
- Truck bed liner: \$979

