



The Consumer Council

Be choosy about credit - quiz

What kind of shopper are you? Choose from a, b, or c below to find out.

1. **It's Christmas and you have loads of family and friends to buy stuff for. Do you:**
 - (a) Hit the shops with a few ideas of what to buy but clueless about how much to spend - 'it all depends what I see'. You see that expensive present you've been promising yourself? You know you can't afford it so you'll get a store card and treat yourself.
 - (b) Write out a list of what to buy and what your rough spending limit is, but go over this if you see a present that's 'just a little bit different', despite the extra cost.
 - (c) Work out beforehand what you can afford to spend and what you want to buy people, and stick to it.

A

B

C

2. You decide that you need to borrow to cover the extra cost of Christmas. Do you:

- (a)** Take whatever is easiest, whether it's a bank loan, credit card, store card or overdraft.
- (b)** Ask your bank for a loan or a credit card, without checking what's on offer from other lenders.
- (c)** Work out how much money you want and how to pay it back, and then shop around for the best deal.

A

B

C

3. A friend asks you to go on a last minute holiday to Ibiza. Do you:

- (a)** Say 'yes!' immediately and worry about paying for it when you get back.
- (b)** Say yes - you can pay for a bit of it now, put the rest on your credit card and work out a repayment schedule later.

A

B

C

4. How do you pay off your store cards or credit cards? Do you:

- (a)** Pay the minimum amount each month - 'the interest can take care of itself.'
- (b)** It depends on what you've bought. Sometimes you can pay off the whole amount, sometimes you pay just the minimum each month.
- (c)** You budget so that you can pay off the whole amount each month. On the few occasions that you can't, you can pay more than the minimum.

A

B

C

5. You're out with friends and you've run out of cash, but your friends are headed for a club. Do you:

- (a)** Go for it and put the rest of the night on your credit card.
- (b)** Hit the cash point to get some more money.
- (c)** Decide that you're busted, so call it a night.

A

B

C

6. Do you see credit as:

- (a)** Something that you are offered to make it easy to get what you want now.
- (b)** Something that the seller offers to increase their sales and profitability, but very convenient and quick.
- (c)** An add-on to your main purchase - and something else to shop around for to get the best deal.

A

B

C

Source: <http://www.ofc.gov.uk/Consumer/credit/Quiz.htm>

Answers

Mostly a - credit junkie

It's likely that you are on the edge of being unable to manage your money. You're probably still paying for the holiday long after the suntan has faded. Borrowing may help you to buy the things you want now, but how are you going to pay it back?

Mostly b - postcard from the edge

You mix occasional budgeting with a laid back approach to money and credit. This sees you teetering on the edge of a debt that you're not sure how you will pay back. Try to be as choosy when buying credit as you are when shopping, so you will have less to worry about.

Mostly c - credit cool

You treat credit in the same way you treat buying anything else - you shop around for the best deal. You mix this with sticking to what you can afford. You are in the great position of either having no debt at all, or a carefully considered debt that you can afford.