

Modern Digital Banking



NAME _____

DATE _____

THIS OR THAT: ONLINE VS. TRADITIONAL BANKING

INSTRUCTIONS

Read the following scenarios and decide whether it is best to use online or traditional banking for each person's needs. Be sure to include a detailed explanation of your decision for each scenario.

1. It's Sunday and you and your friend are planning on going to a local drive-in movie showing tonight. However, the drive-in movie theater only accepts cash for ticket and concession stand purchases. Your friend prefers to use their debit card to buy things and doesn't typically carry cash, but they'll need to obtain cash for tonight's movie. It's Sunday, so banks are closed. In this scenario, which option is best for your friend and why?

2. You and your friend are going to an outdoor mall today to walk around and do some window shopping. Your friend needs cash on hand in case he sees something he actually wants to buy so that he won't risk overspending. Once his cash is gone, he knows that he has reached his spending limit. However, his preferred bank branch is all the way across town and 30 minutes out of the way of the outdoor mall. He thinks there may be other branches nearby. In this scenario, which option is best for your friend and why?

3. Your family is thinking about moving to a different neighborhood in your school district. Your family needs to shop for a competitive mortgage interest rate before purchasing a home in the new neighborhood. In this scenario, which option is best for your family and why?

4. Your twin sister is saving up to buy her first car. She just started a new job bagging groceries at the local supermarket. She looks forward to payday, which is every other Friday, because it puts her closer to her savings goal of \$5,000 for her new car. She is trying to figure out the easiest way to set aside \$200 every two weeks when she gets paid. In this scenario, which option is best for your sister and why?

5. Your cousin just started a new job at the local car wash station this week. She told you that she enrolled in direct deposit but that her employer doesn't expect it to kick in until next month. In the meantime, she will receive a physical paycheck on paydays. She wants to find the most efficient way to deposit her paychecks into her checking account. In this scenario, which option is best for your cousin and why?

6. You just got a job as a hostess at your favorite local restaurant. As part of your pay, you get 10% of the tips earned by restaurant staff for each shift you work. You notice that most of the tips are paid out in cash. You're afraid of losing the money so you want to deposit it into your checking account. In this scenario, which option is best for you and why?

7. Your brother just graduated from college and got his own apartment. He's responsible for paying the electricity bill, but water is included in his rent. He wants to set up autopay for his electricity bill so that he doesn't have to worry about calling the electricity company to pay his bill each month. In this scenario, which option is best for your brother and why?

8. Your family finally found a new house in the neighborhood they've been wanting to move to. You overhear them talking about the paperwork that is needed to fill out the mortgage loan application, including copies of bank statements from the last 60 days. You think you might have a suggestion for getting those bank statements quickly. In this scenario, which option is best for your family and why?