

WELCOME TO YOUR..

**CRASH COURSE IN
SMART MONEY
MANAGEMENT**

Team
Diversus
2023



TODAY'S SESSION

1

Knowledge Check

2

Group Icebreaker

3

The dangers of Buy Now Pay Later (BNPL) schemes

4

Good vs Bad Debt

5

Gambling

6

How to Manage Credit Cards and Overdrafts Responsibly and Section 1 Quiz

7

Scam-proof: Don't get played! & Section 2 Quiz

8

Post-session Knowledge Check

KNOWLEDGE CHECK-IN



How are you feeling about this topic right now?

Let us know your existing knowledge status on each of the topics within the survey as a way to track your learning progress through this workshop.



Time: 5 minutes

**Guess
Who!?**

**TIME FOR AN...
ICEBREAKER**

**LET'S
BEGIN!**

Are YOU Ready?





THE **DANGERS** OF BUY NOW PAY LATER SCHEMES

Presented by
Joyce and
Louis

OUR TEAM HAVE CREATED A GREAT VIDEO ON
BUY NOW PAY LATER SCHEMES:



**POPCORN
AT THE
READY!**



Any questions
on the video?

BUY NOW PAY LATER (BNPL)

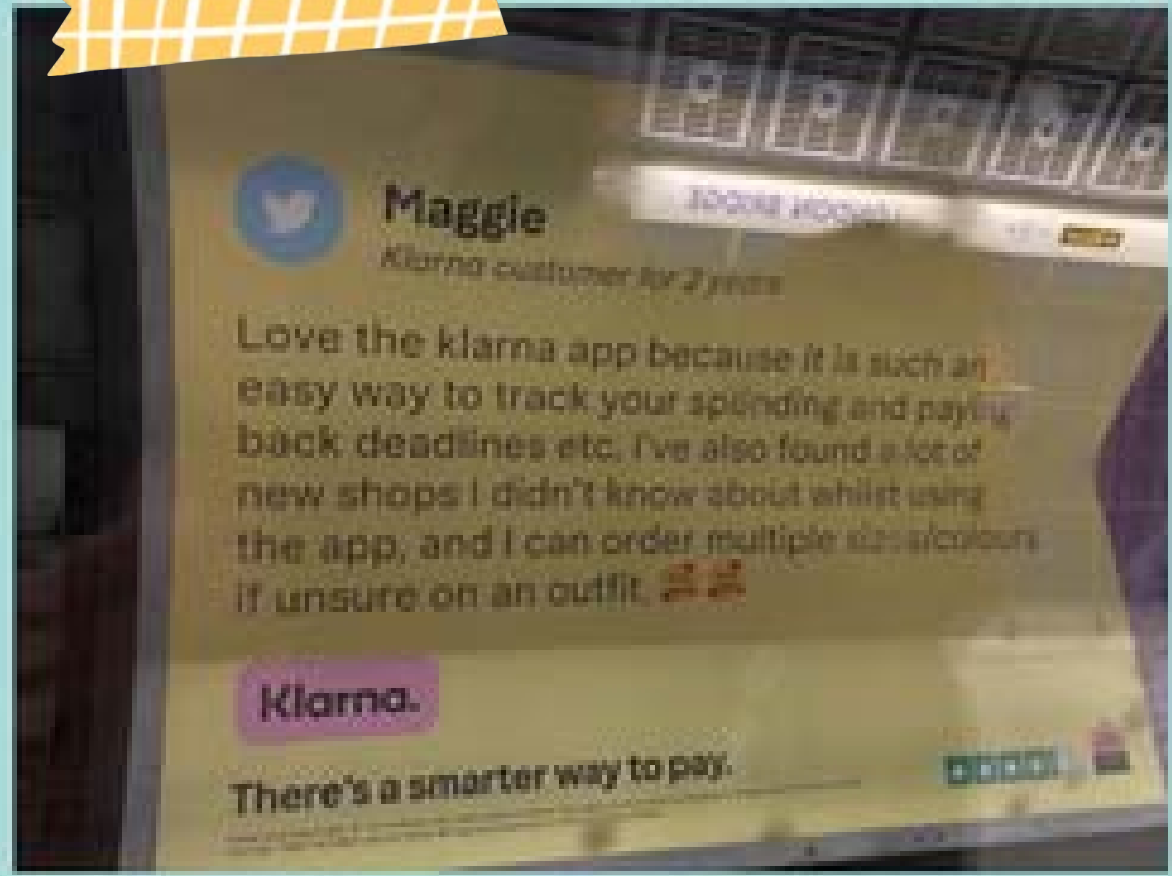


TOP POSTS
#klarnapartner

10,415 likes

nicolealysee Did I NEEDED new yellow converse? Welllll, no... but when @klarna.usa makes it so easy to shop from @hyst, how could I not treat myself? They have an amazing shop directory which offers flexible payment options where you can choose to pay after delivery, or slice the price in 4 and use their easy instalment plan So go get shopping and start building a dream shoe wall of your own! #KlarnaAD #PayLater#klarnapartner

12 March 2019



cherylholequeen · Follow
Paid partnership with klarna.uk

3,331 likes

cherylholequeen [ADVERT] This diva is so excited for tonight's @attitudemag Pride at Home opening party with my dolls @klarna.uk Make sure you tune in with me and watch an absolute TOP TIER line up! #KlarnaAD To learn more about this advert, go to: www.klarna.com/uk/influencers

10 June

WHAT IS BUY NOW PAY LATER? (BNPL)

"HEY SIRI DEFINE BNPL?"

"A short instalment loan with no interest paid over a few (often three) months."

1 A consumer picks the Pay Later option to buy a good worth £90 at an online checkout.



2 BNPL splits this into three instalments and charges the consumer £30 each month. (The consumer is charged late fees if they miss an instalment)

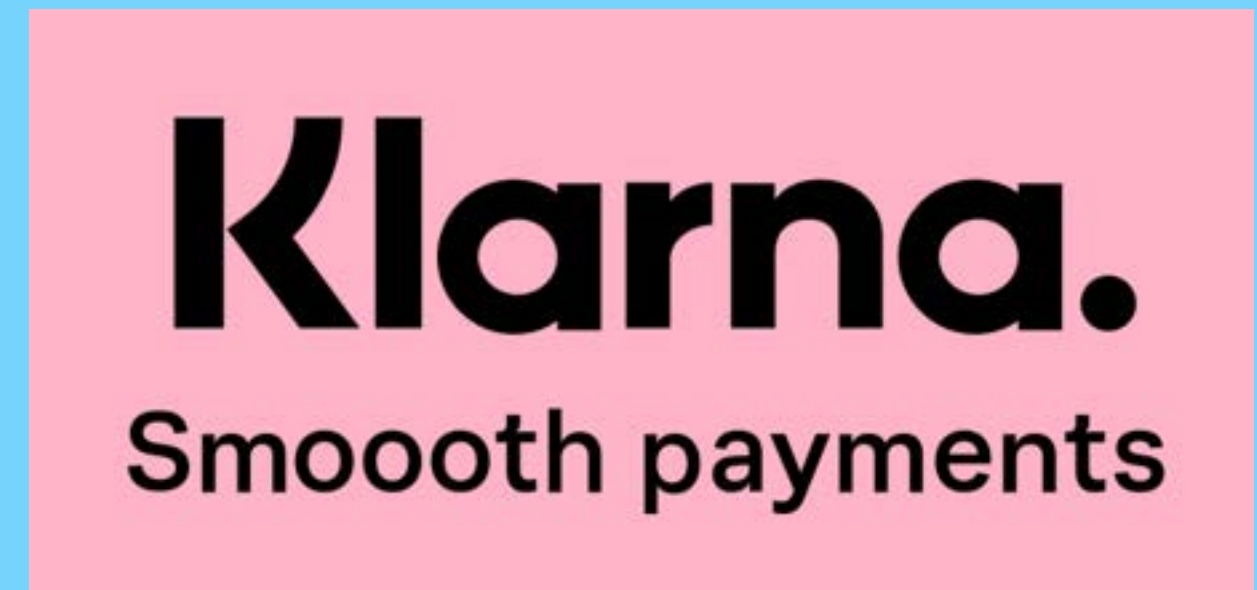


**37% OF BRITS
HAVE USED
BNPL**

**25% OF USER
ARE AGED
18-24**

**54% OF
MILLENNIALS
ARE USERS**

**39% YEARLY
GROWTH IN
ONLINE BNPL
SALES**



THE PROBLEM WITH BNPL

42%

Of users don't understand what BNPL entails

3 in 10

Users have faced an unexpected fee



44%

Started using other credit after using BNPL



2 in 5

Who see regular adverts always use BNPL



60%

Of those aged 18-34 have seen adverts

57%

Have seen it advertised on social media



HOW BEST TO USE BNPL PRODUCTS?

BNPL PRODUCTS CAN BE VERY USEFUL TOOLS WHEN USED PROPERLY

YOU WANT TO BUY A NEW PAIR OF TRAINERS USING BNPL WORTH £90 AT AN ONLINE CHECKOUT



DON'T AUTOMATICALLY OPT-IN AT FUTURE CHECK OUT



MAKE YOUR REPAYMENTS ON TIME TO AVOID LATE FEES



YOU CAN EITHER PAY THIS £90 BACK LATER OR SPLIT THE PAYMENTS INTO INSTALMENTS AND BE CHARGED MONTHLY



CONSIDER BNPL ONLY IF YOU CAN ALREADY AFFORD THE PURCHASE



THIS WAY YOU CAN AVOID POTENTIAL NEGATIVE EFFECTS ON YOUR CREDIT SCORE



LEARNING OUTCOMES

1 Have an increased awareness of both the advantages and disadvantages of using BNPL

2 Have an increased understanding of how best to use BNPL

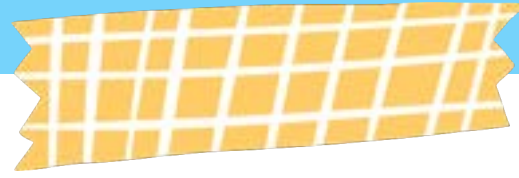
3 Know when to and when not to use BNPL

4 Know how to opt in/out of BNPL at checkout

5 Know how to make BNPL repayments

6 Know about associated fees and the impact on your credit score





GOOD VS BAD DEBT

Presented by
Jonayed

WHAT DO YOU THINK OF WHEN YOU HEAR THE WORD **DEBT**?



WHAT IS **GOOD** DEBT?

- **Good debt** is money you borrow to make more money.
- **Good debt** can be used to invest in an asset with the potential to **increase in value** over time, **generate income**, or provide some other long-term **financial benefit**.
- Debts can work as evidence of **good financial planning** and **responsible borrowing**



WHAT IS **BAD** DEBT?

- A type of debt that is used to purchase goods or services that do **not provide** any long-term financial benefit and often come with **high interest** rates and **short repayment** periods.
- Can often have a **negative** impact on your day-to-day finances and your credit score.



EXAMPLES OF **GOOD** DEBT VS **BAD** DEBT

GOOD DEBT



MORTGAGE



studentfinanceengland
the student finance experts

**STUDENT
LOANS**

BAD DEBT



**CAR
FINANCE**



**PAYDAY
LOANS**

REMEMBER TO ALWAYS...



**DO YOUR
DUE
DILIGENCE!**



Any questions
on Good Debt
vs Bad Debt?

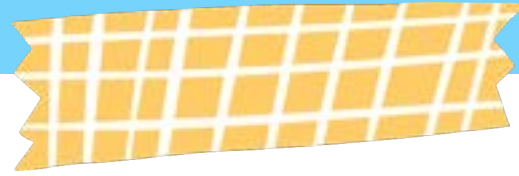
OUR TEAM HAVE CREATED A GREAT VIDEO ON
STUDENT LOANS, WHICH IS A FORM OF
GOOD DEBT:



**POPCORN
AT THE
READY!**



Any questions
on the video?



GAMBLING

Presented by
Natasha

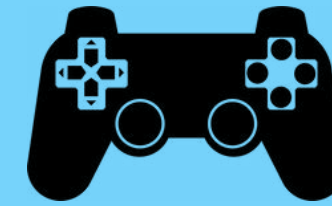
GAMBLING & HIGH RISK INVESTING

WHAT TYPES OF GAMBLING DO YOU KNOW OF?

**ONLINE
GAMBLING**



**VIDEO GAME
MICRO-
TRANSACTIONS
(LOOT BOXES,
IN-APP
PURCHASES)**



**HIGH-RISK
INVESTMENTS**

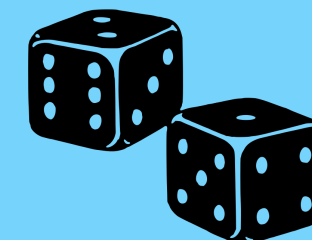
**TRADITIONAL
GAMBLING**



**SPORTS
BETTING**



**SCRATCH
CARDS /
LOTTERY**





ONLINE GAMBLING: WHAT ARE THE RISKS?

1 Easily accessible

2 Temptation of free bets

3 In-play betting allows for rapid, repeat activities, which are risk factors for problem gambling

4 Young adults are more likely to engage in problem gambling behaviour

5 It's everywhere: 96% of people aged 11-24 see gambling marketing messages over a month

6 Gambling addiction! This is more common than you think

HIGH-RISK INVESTMENTS



RISK OF LOSING
YOUR INVESTMENT



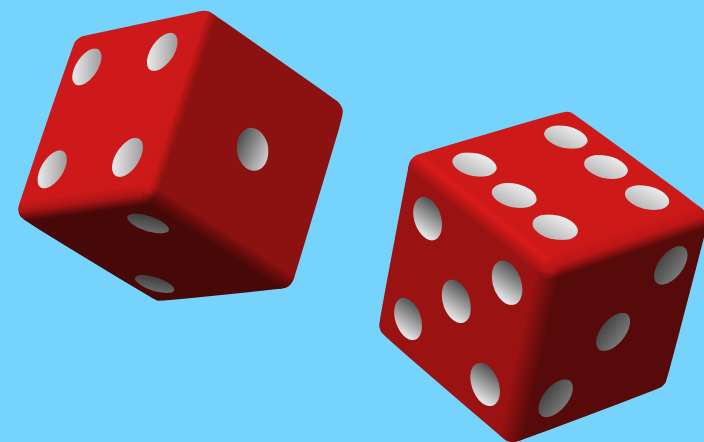
MARKET VOLATILITY



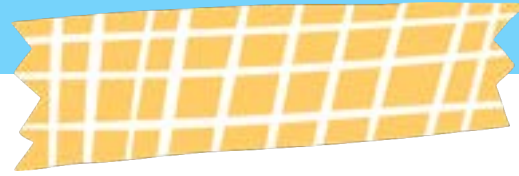
NO REGULATORY
PROTECTION

5 QUESTIONS TO ASK YOURSELF:

1. Am I comfortable with the level of risk?
2. Do I fully understand the investment being offered to me?
3. Am I protected if things go wrong?
4. Are my investments regulated?
5. Should I get financial advice?



ANY
QUESTIONS
ON
GAMBLING?



HOW TO MANAGE CREDIT CARDS RESPONSIBLY

Presented by
James

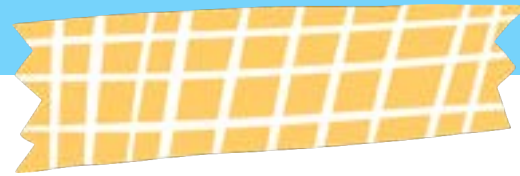
CREDIT CARDS - GOOD OR EVIL?

What words come to mind when you think about credit cards?

Slide No. #2502645



GROUP EXERCISE



**HANDS UP - HOW MANY OF YOU THINK
CREDIT CARDS ALWAYS LEAD TO
DEBT?**

**RAISE YOUR HAND - HOW MANY OF YOU
UNDERSTAND CREDIT CARDS?**



**OUR TEAM HAVE CREATED A GREAT VIDEO ON
HOW TO MANAGE CREDIT CARDS AND
OVERDRAFTS RESPONSIBLY:**



**POPCORN
AT THE
READY!**



Any questions
on the video?

QUIZ 1

HOW CREDIT SCORING WORKS: 'PERSON IN THE PUB' SCENARIO

1. Kim is a local and she always asks to borrow money and every time anyone lends money to Kim, she promptly repays them without having to be asked first.
2. Jimmy is a local who often visits the pub. Jimmy always asks to borrow money as he is forgetful never brings his wallet. He pays people back but is always late and often needs multiple reminders.
3. Billy is not a local and this is his first time to the pub. Billy appears pleasant and looks presentable, but no one has ever laid eyes on him before. He is a total stranger asking to borrow money.

WHO WOULD YOU LEND MONEY TO?....

QUIZ 12

PROTECTION: BUYING GLASTONBURY TICKETS

How would you go about buying Glastonbury Tickets? Cash/Debit card?....

Are there any risks you can think of?



QUIZ 12

PROTECTION: BUYING GLASTONBURY TICKETS

- John and five of his close friends want to attend the 2023 Glastonbury festival
- Tickets are hard to get hold of, as they often sell out within minutes of being posted online
- No official sites will often sell tickets for a higher prices due to demand
- John has agreed to take cash from his five friends, totalling £500.00. John buys the tickets online in one go
- John uses an alternative website to buy the tickets. This website happened to be the fourth search result on Google and looks legitimate
- John pays for the tickets using his debit card
- John does not have a credit card and feels there is no need as he already has all the money to pay for the tickets



QUIZ 12

PROTECTION: BUYING GLASTONBURY TICKETS

Outcome – unfortunately John never received confirmation of purchasing the tickets. A few days go by and the John logs back onto the site to check but the website appears to be down. John decides to leave it a few days, but the tickets never arrive. There is no way to contact the website who sold them the tickets. It appears John has been the victim of a scam from a bogus website

- Unfortunately as John paid with his debit card, he is not liable for any refund from his bank
- If John had used a credit card, he would have been protected from section 75. This would have allowed him to reclaim the money back in full, as the purchase was over £100 and under £30,000. Section 75 means the credit card and retailer are jointly liable for issuing the refund.



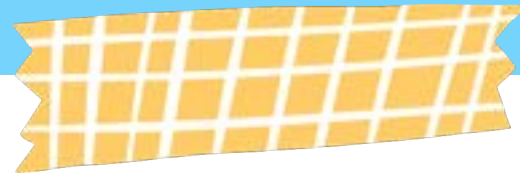


KEY POINTS TO TAKE AWAY

- 'Section 75' Protection
- Protection on purchases from £100-£30,000
- Start building a credit score
- Cashback on spending (some times)
- Best when used like a debit card

**ALWAYS PAY OFF YOUR CREDIT
CARD BALANCE IN FULL EACH
MONTH**

SLIDO SUMMARY EXERCISE

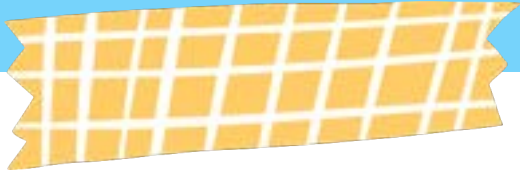


Knowing what you know now, what words come to mind when you think of credit cards?



ANY QUESTIONS
ON
CREDIT CARDS
OR
OVERDRAFTS?





**Believe me, you're doing
great. Halfway there!
Keep hustling to the
finish line.**

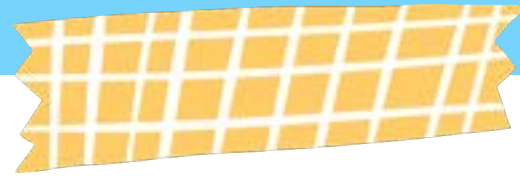




**BREAK
TIME**

Please help yourself to some refreshments. Enjoy!



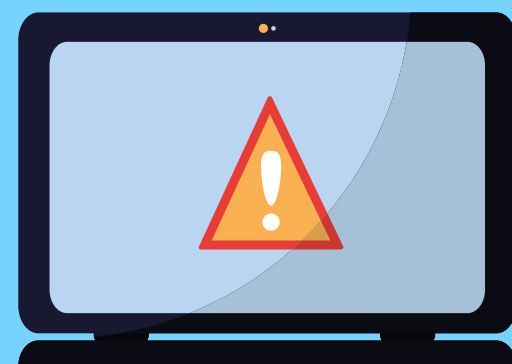
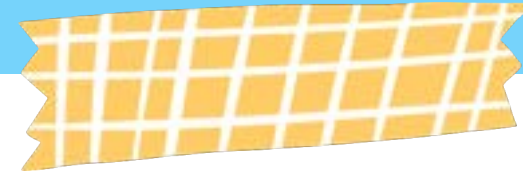


**Welcome Back - We hope
you're refreshed!
Let's move onto the
second and final section of
today's workshop...**



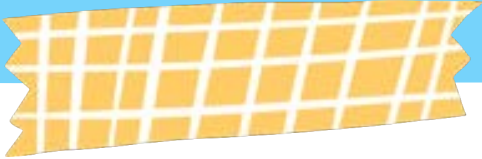


SCAM-PROOF: DON'T GET PLAYED!



Part 2
Presented
by Sofia &
Noor

CAR INSURANCE SCAMS

- 
- One of the most common types of scam that young people are falling victim to:
 - Car Insurance scams make up a large percentage of calls from young people.
 - Outcomes:
 - loss of money
 - loss of license
 - obtained criminal record and charges which affect future career and employment prospects
 - potential prison time

SCAMS THAT ARE ACTUALLY MONEY LAUNDERING

- A lot of young people are falling victim to money muling scams.
- The punishment for being a money mule is a prison sentence of 14 years.
- We have received many phone calls from parents of young people who have been blacklisted and cannot open a bank account, get a job or car insurance.
- There are documentaries on BBC iPlayer and YouTube narrating real life stories and examples of cases similar to these:
 - BBC iPlayer – Scam Stories: Money Mule – The Money Drop
- Ukraine/UberEats Scams
- Overdraft Loan Applications Scams



CRYPTOCURRENCY & SOCIAL MEDIA JOB SCAMS

- A lot of young people are vulnerable to online cryptocurrency scams due to influences in the media, such as wealthy cryptocurrency Instagram influencers.
- Typically they are approached via social media, e.g. Instagram. Scammers will typically advertise this opportunity as a chance to get paid in cryptocurrency.
- Get Rich Quick Schemes are very popular on social media. This can include money flips and crypto scams. Another popular scheme involves selling social media products in an MLM-type pyramid scheme.



LOAN SCAMS

- Loan scams often target people who have a reasonable good credit score i.e. new adults like yourself as they wouldn't have much credit history and thus would have an average/good credit score.
- These scams can have a long lasting detrimental effect on someone's credit score which more often than not can be very difficult to rectify.
- One way that these types of scammers can be so convincing is via the loss leader method.



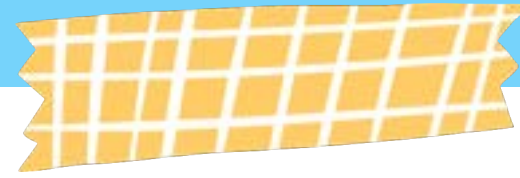
ANY
QUESTIONS
ON
SCAMS?

KEY POINTS TO TAKE AWAY



- If it's too good to be true, it usually is. "No such thing as a free lunch"
- A major sign of a scam is a **strong sense of urgency and pressure** to do something/part with your money/details.
- If something is not addressing you, it could be a **scam/generic email**. If an email is claiming to be from a firm/organisation you can check the email address to verify this. Make sure it is not ending in **@gmail.com/outlook.com** (this is a common one people fall for).
- If you want to verify the legitimacy of a firm and or want to make sure you're actually speaking to someone from the firm **ALWAYS** use the FCA register.

I HOPE YOU'VE BEEN LISTENING..



LET'S TEST YOUR KNOWLEDGE



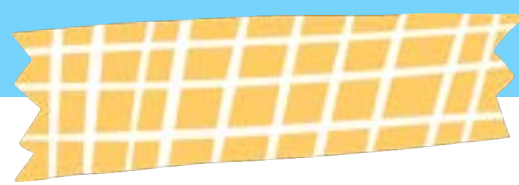
Are **YOU** Ready?

Kahoot!





♥ ♥ ♥ ♥ ♥
GAME OVER



Are **YOU** Ready for..
**DEBT
DECODER!**



GAME ON ✨



KNOWLEDGE CHECK-IN

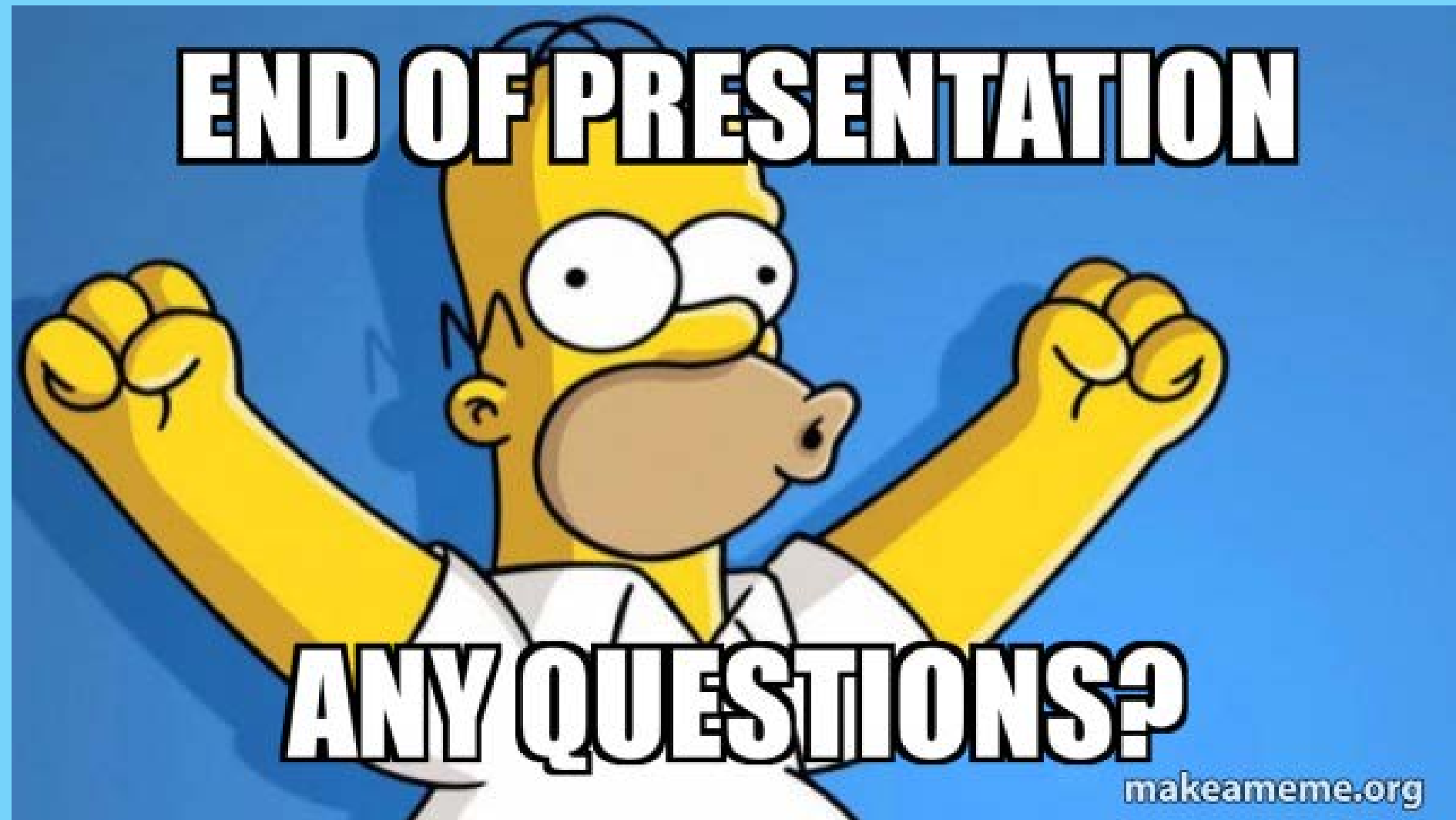


How are you feeling about this topic right now?

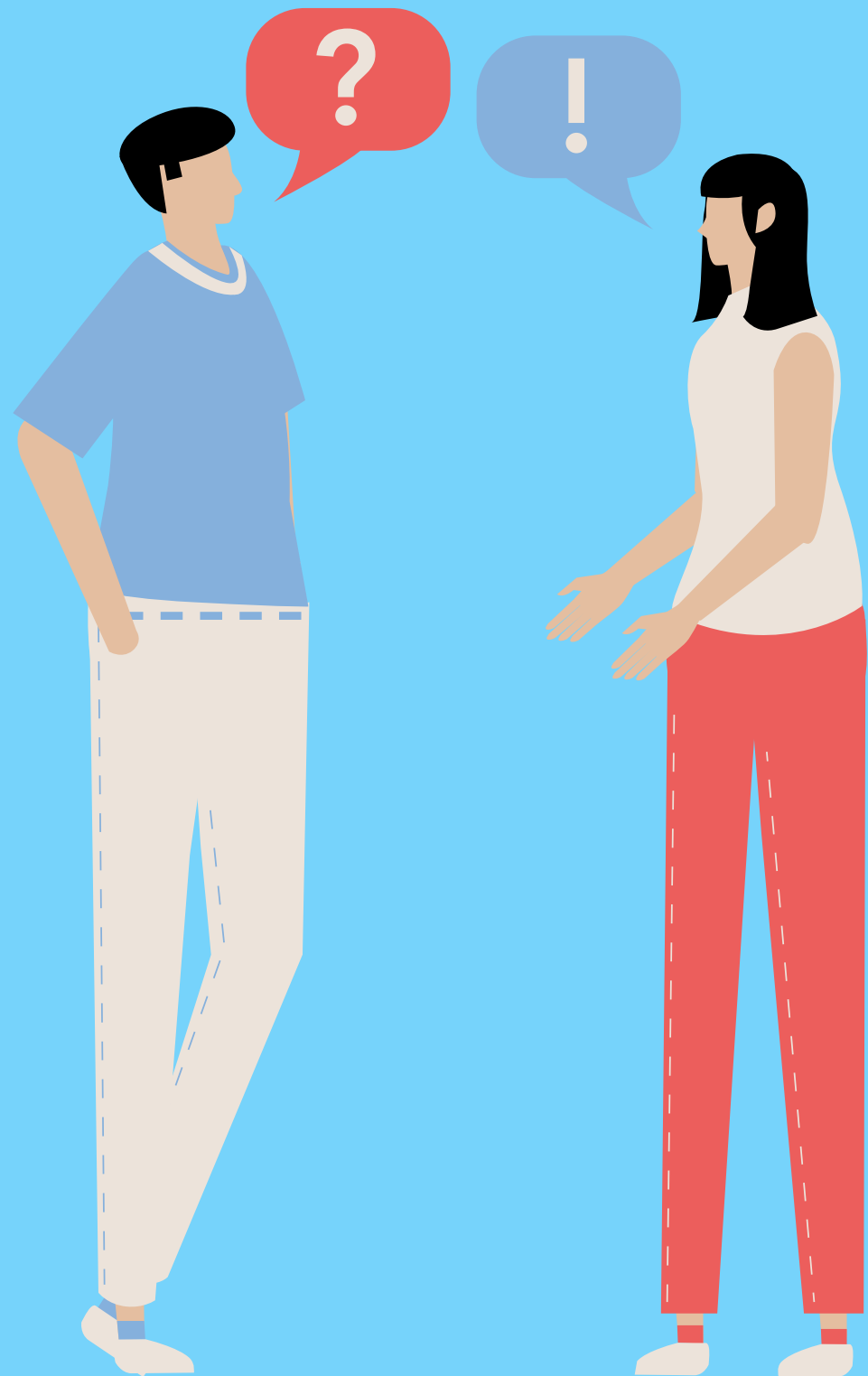
Let us know how your existing knowledge is on each of the topics within the survey as a way to track your learning progress through this workshop.



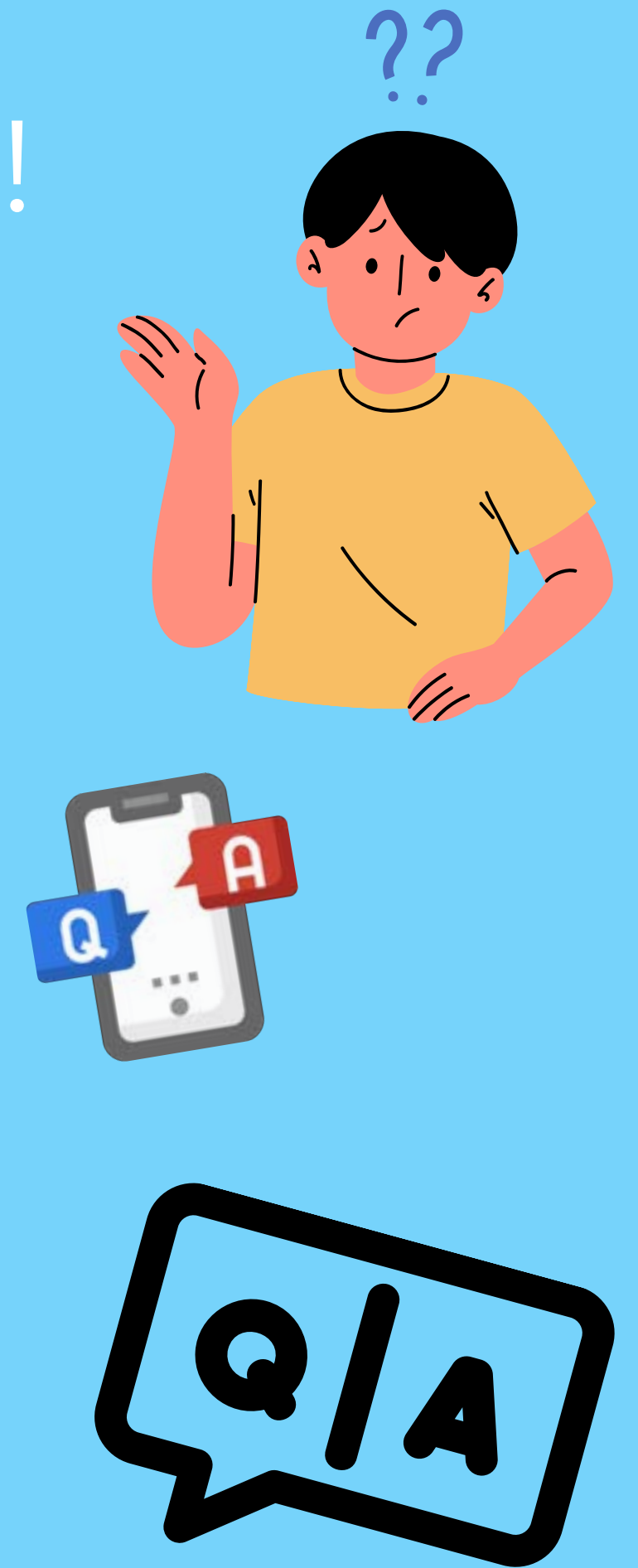
Time: 5 minutes



It's now your chance to talk!



CAREERS Q&A



**Hooray! You've reached
the end of the workshop.**

**Thank you for listening,
you've been awesome!**

**Please help yourself to the
remaining refreshments.**

