

Is Purchasing Power right for me?

Purchasing Power is a great option when employees don't have the cash on-hand and want an automatic way to pay off purchases in a year or less. It's not the most affordable option if employees have cash or can use a credit card that is paid off every month.

How does Purchasing Power compare to other options?

Make no mistake, there are going to be times in everyone's life when paying with cash just isn't an option. And it is during those times that it's important to know your options, paying attention to the total price you're paying. When you know the Total Cost of Ownership, that includes hidden fees and interest charges not reflected in the initial purchase price, you can make choices that fit into your budget and make the most sense for you. In the following example, we've broken down different ways to purchase a \$900 refrigerator and the total cost to you.

KNOW THE TOTAL COST OF OWNERSHIP

	Cash	Purchasing Power	In-Store Credit Card (12 months)	Credit Card (Minimum payment)	Rent-To-Own	Pay Day Loan
						
Price	\$900	\$1,035	\$900	\$900	\$900 ⁵	\$900
APR	0%	0%	27.23% ¹	18% ²	200% ⁶	400% ⁸
Payment Term	N/A	12 mos	12 mos	130 mos	24 mos ⁷	12
Payment Amount	N/A	\$39.81 per paycheck	\$95 per month	2% ³ of balance	\$187.50 per month	\$375 per month
Total Cost of Ownership	\$900	\$1,035	\$1,145	\$1,996⁴	\$4,500	\$4,500

No credit check | No hidden fees | Fixed payments

Sources

NOTE: This is for explanatory purposes only. This does not reflect a specific Purchasing Power product or service, and other company's business practices reflected here are subject to change.

*APR calculations for In-Store Credit Cards Rent-to-Own, Credit Card Minimum payment and Pay Day loans were made using: <https://www.bankrate.com/calculators/credit-cards/credit-card-minimum-payment.aspx>

¹ <https://www.creditcards.com/credit-card-news/retail-store-credit-card-survey.php>

² <https://www.creditcards.com/credit-card-news/interest-rate-report-021418-unchanged-2121.php>

³ <https://www.nerdwallet.com/blog/credit-cards/credit-card-issuer-minimum-payment/>

⁴ The interest and Total Cost of Ownership for Credit Card (Minimum payment) was made using: <https://www.bankrate.com/calculators/credit-cards/credit-card-minimum-payment.aspx>

⁵ Rent-to-own cash prices are typically higher than cash retail prices, not reflected here.

⁶ <https://www.nerdwallet.com/blog/finance/rent-a-center-prices/>

⁷ Rent-to-own prices are typically 24 months payment term { <https://www.aarons.com/samsung-26-cu-ft-french-door-refrigerator-with-filtered-ice-maker-stainless-steel-7405SJ1.html?cgid=samsung#prefn1=refinementSubCategories&prefv1=Refrigerators&subcatid=refrigerators&start=7> }

⁸ <https://paydayloaninfo.org/facts>