

Title: Sneaker Shopping and Stock Talk



Talking to kids and young adults about being owners rather than just consumers is crucial for instilling financial literacy and a sense of responsibility towards their own financial future. By understanding the concept of ownership, they learn the value of investments and how their money can work for them. When it comes to owning stock in companies like Nike, it goes beyond merely buying and wearing their products. By owning Nike stock, the idea of becoming a shareholder, essentially owning a part of the company is grasped. This ownership provides an opportunity for them to learn about the stock market, dividends, and the potential for their money to grow over time. Simultaneously, when they buy Nike shoes, they participate in the consumer side of the equation too. Gotta be both a consumer and an owner!

A play by play on how to talk to your kids about owning Stocks!

Characters:

- Mom (M)

- Son (S)

Setting: Inside a Nike Store

M: (excitedly) Hey there, these sneakers look really cool, don't they?

S: (nodding) Yeah, Mom. I've been wanting a new pair of sneakers for a while.

M: Well, before we pick out a pair, how about I teach you something interesting? Have you ever heard of stocks?

S: (confused) Stocks? Yeah, I've heard the term, but I'm not exactly sure what they are.

M: (smiling) That's alright! Think of stocks as tiny pieces of ownership in a company. When you buy a stock, you're essentially buying a small piece of that company.

S: (intrigued) So, like, I would own a piece of Nike if I bought their stock?

M: Exactly! You got it. When a company wants to raise money to grow or expand, they might decide to sell pieces (shares) of their company through stocks. Investors, like you and me, can then buy those shares.

S: (thoughtful) That's interesting. So, if I own a share or a piece of Nike, does that mean I get to make decisions for the company?

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M: (smiling) Not exactly. Owning a few shares wouldn't give you much say in the company's decisions. But shareholders do get certain rights, like voting on important matters at the company's annual meetings.

S: Got it. But how does that relate to these sneakers?

M: (pointing at the sneakers) Well, let's say Nike is doing really well and making a lot of money from selling products like these sneakers, you could do well too! When the company's profits go up, it can make the stock price go up too.

S: (curious) So, if I own Nike stock and the company is doing well, I could make money?

M: Exactly! If you buy a stock at one price and its value goes up over time, you could sell it later at a higher price, making a profit. And some companies share their profits with you by giving you a dividend. Nike is one of those companies!

S: (impressed) That sounds like two ways to make money! But what if the company isn't doing well?

M: (nodding) Good question. If the company's performance drops, the stock price might go down. So, it's not a guaranteed way to make money. But over the long term, most companies become worth more and more.

S: (thoughtful) I see. So, you can be a part of the company when it grows. How cool!

M: (chuckling) Yes! But, just know it's important to do your research and think long-term when it comes to buying stocks. It's not about quick gains.

S: Thanks, Mom. This is pretty interesting stuff. Maybe someday I'll buy some stocks of companies I like.

M: (proudly) I'm glad you're interested. Just remember, it's important to learn more before you start investing. Now, let's pick out those sneakers!

[They continue browsing through the sneakers, both with newfound knowledge about stocks and cool shoes. 😊]

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