

Exploring needs and wants

Students review pictures of items and decide which ones are needs and which are wants.

Learning goals

Big idea

Understanding the difference between needs and wants can help you make spending decisions that are best for you.

Essential questions

- What is a need?
- What is a want?

Objectives

- Distinguish between needs and wants
- Consider how understanding the difference between needs and wants can be helpful

What students will do

- Sort cards showing different items based on whether they're needs or wants.
- Answer questions about their decisions.

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

-  Executive function
-  Financial habits and norms
-  Financial knowledge and decision-making skills

Grade level: Elementary school (K-1, 2-3, 4-5)

Age range: 5-7, 7-9, 9-11

Topic: Spend (Buying things)

School subject: Social studies or history

Teaching strategy: Cooperative learning

Bloom's Taxonomy level: Understand, Analyze, Evaluate

Activity duration: 15-20 minutes

National Standards for Personal Financial Education, 2021
Spending: 4-1, 4-2, 8-1

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

Preparing for this activity

- While it's not necessary, completing the "Playing a need or want game" activity for grades K-1 or "Bouncing ball spending game" activity for grades 2-5 first may make this one more meaningful.
- Print enough copies of the "Needs or wants" cards page in this guide for each group of students to have a set of cards.
- Cut apart each set of cards.

What you'll need

THIS TEACHER GUIDE

- Exploring needs and wants (guide)
cfpb_building_block_activities_exploring-needs-wants_guide.pdf

STUDENT MATERIALS

- "Needs or wants" cards (in this guide)

Exploring key financial concepts

There are things in life that we need and things that we want. Our needs include things we have to have to survive, like food, clothing, and shelter. Our wants may include things we enjoy but can live without, like a new toy, a video game, or a candy bar. Sometimes, something that's a need for one person is a want for another person. For example, some older teenagers might need a car so they can get to a job after school. Another teenager might want a car just so they can go to places they enjoy. Understanding the differences between needs and wants helps you decide what's important to spend money on. To tell the difference between a need and a want, ask yourself, "Is this something I need, or do I just really want it?"

Teaching this activity

Whole-class introduction

- Ask students to share some things they think are needs.
- Ask students to share some things they think are wants.

- If necessary, explain the difference between needs and wants. You can read the “Exploring key financial concepts” section to the students.
 - Tell students that just because something is a want doesn’t mean it’s not important.
 - For example, a family may want to take a camping trip. That’s not something they need to survive, but maybe it’s important to all of them that they spend time together in nature.
- For older students, consider asking whether they or someone they know has had to choose between a need and a want.
- Be sure students understand key vocabulary:
 - **Needs:** Basic things people must have to survive (such as food, clothing, and shelter), resources they need to do their jobs (such as reliable transportation and the tools of the trade), and resources to help build and protect their assets so they can meet future needs (such as emergency savings and insurance).
 - **Wants:** Upgrades and other things that would be nice to have but aren’t necessary for living, earning, or protecting what you have.

TIP

Visit CFPB’s financial education glossary at consumerfinance.gov/financial-education-glossary/.

Group work

- Divide students into groups of three to five.
- Give each group a set of the “Needs or wants” cards.
- Tell the groups to work together to decide whether the item on each card is a need or a want.
- Students will sort the cards into two piles, one for needs and one for wants.
- Give students time to decide and sort their cards.
- For each item, ask one group to share their decision about the item and why they felt it was a need or a want.

Wrap-up

- If there’s time, bring the students back together and ask them:
 - Which items were easy to decide on and why?
 - Which items were hard to decide on and why?
 - Why might it be helpful to know the difference between a need and a want?

Suggested next steps

Consider searching for other CFPB activities that address the topic of spending, including buying things. Suggested activities include "Making spending choices" (grades K-3) and "Understanding our money choices" (grades 4-5).

Measuring student learning

Students' answers during discussion can give you a sense of their understanding.

Keep in mind that students' answers may vary, as there may not be only one right answer. The important thing is for students to have reasonable justification for their answers.

Needs or wants cards

Print copies of this page single-sided and cut out the cards.



Home



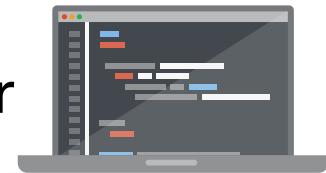
Doctor visit



Ice cream



Computer



Dog



Food



Video game



Carnival visit



Bike



Shoes

