

Needs vs. Wants

Money Foundations: Module 4

AGE RANGE	7–12	DURATION	35-40mins
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CORE LEARNING OUTCOME

Distinguish between needs and wants and understand that every spending choice involves a trade-off

Learning Objectives

TYPE	OBJECTIVE
Knowledge	Children can define needs and wants and give examples of each.
Skills	Children can identify a trade-off when given two spending options and a fixed amount of money.
Attitudes	Children practise thinking before they spend rather than acting on impulse.

Materials Needed

- Module 4 animation video, “Needs vs. Wants” (cued up, device tested with sound)
- Printed “Needs vs. Wants” activity sheet — one per child
- Pencils

Lesson Flow

STEP	TIME	WHAT HAPPENS
1. Warm-Up	5 min	Ask: “If you had 20 Practicoins to spend, what’s one thing you’d want to buy?” Take a few answers. Then ask: “Is that something you need, or something you want?” to start the distinction before the video begins.
2. Watch the Video	~2 min	Play the Module 4 animation, “Needs vs. Wants.” Prompt before playing: “Sam earns 20 Practicoins and has to decide what to spend it on. Watch what goes wrong with his plan.” After the video, take 1–2 quick answers before moving on — this is a temperature check, not a discussion yet.
3. Direct Instruction & Discussion	10–12 min	Walk through the three key concepts in the Content Knowledge table below. Concept 2 (trade-offs) is the heart of the Skills objective — make sure children can articulate that choosing one thing meant Sam giving up another, not just that he “made a good choice.”
4. Guided Activity	15–18 min	Hand out the “Needs vs. Wants” activity sheet. Complete Activities 1–2 in class (see Activity Breakdown table below). Both activities have genuinely ambiguous items (is a bicycle a need or a want?) — reinforce the sheet’s own note that there isn’t one perfect answer, and that explaining their reasoning matters more than the label they pick.

5. Closure & Recap	5 min	Bring the group back together and pose one or both discussion prompts (see below). Check for understanding: ask a child to name one need and one want from their own life, and describe a trade-off they might have to make between them.
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Content Knowledge — Used in Step 3

Each concept below has a plain-language explanation and a suggested script you can read almost verbatim.

CONCEPT	EXPLAIN IT LIKE THIS	SUGGESTED SCRIPT
Needs vs. wants — defining the difference	A need is something you genuinely require to get through daily life — food, clothes, school supplies. A want is something you'd love to have and enjoy, but could manage without — games, toys, sweets, trainers. Both are a completely normal part of life; they're just not the same thing, and mixing them up makes spending decisions harder.	<i>In the video, Lottie explained it clearly: needs are things you truly require, like a backpack to carry your school things. Wants are things you'd love to have but could live without, like a new video game or a football. Can you think of one need and one want from your own life?</i>
Every choice involves a trade-off	When you don't have enough money for everything you want, choosing one thing usually means giving up another — that's a trade-off. Sam had 20 Practicoins and had to choose between a want (a new football) and a need (a backpack, once he discovered he had a hole in it). Buying the backpack meant he couldn't also buy the football, at least not that day.	<i>Remember Sam's 20 Practicoins? He wanted the football, but then he found a hole in his backpack. He couldn't buy both — choosing the backpack meant giving up the football for now. That's a trade-off: getting one thing often means not getting another.</i>
Needs come first when money is limited	Sam decided the backpack mattered more in that moment, because it was something he genuinely needed — and he could always earn more money later for the football (he even plans to do more gardening for Dad). This is what thinking before spending looks like, even when a friend disagrees with your choice.	<i>Sam's friend Max really wanted him to buy the football, and was disappointed when Sam chose the backpack instead. But Sam felt proud and satisfied with his choice. Why do you think Sam made that decision, even though it disappointed his friend?</i>

Activity Breakdown — Used in Step 4

ACTIVITY	FORMAT	TIME
Activity 1: Rank the Items	Rank 8 items 1–8 by importance, plus a written reflection, individual	~8–10 min
Activity 2: Venn Diagram	Sort 9 items into Needs / Wants / Both, individual	~7–8 min

Discussion Prompts — Used in Step 5

- “Why do you think Sam chose the backpack over the football, even though Max was disappointed?”
- “Can you think of a need and a want that you have right now?”

Homework / Offline Challenge — Activity 3: Reflection

OPTION	WHAT IT INVOLVES	BEST FOR
Default: send home as homework	Children complete Activity 3, Reflection — next time their family does the grocery shop, they sort the list into needs and wants, count each group, and reflect on which was bigger and what surprised them.	Most classes — this needs a real family grocery trip, which only take-home timing can provide.
Alternative: run a shorter version in class	Give children a sample grocery list (10–12 items you provide) and have them sort it into needs and wants themselves, then compare totals as a class.	Classes where a take-home task tied to an actual shopping trip is impractical. Note this loses the real family context the original activity is built around.

Differentiation Notes

LEARNER	STRATEGY
Extension	Ask children to think of something that could be a need for one person and a want for another — for example, a car for someone who needs it for work versus someone who just likes driving.
Support	For Activity 2, work through 2–3 items together as a class (e.g. water, birthday cake) before children continue independently.
Shy / non-verbal learners	Allow drawing instead of writing for the Activity 1 reflection question.

Common Misconceptions to Watch For

MISCONCEPTION	TEACHING TIP
Children may think wants are “bad” and needs are always “good,” rather than understanding both are a normal part of life.	Reinforce the video's own framing: it's “completely fine to have wants” — the skill is deciding when a need should come first, not feeling guilty about wanting things.
Children may treat the needs/wants line as fixed and identical for everyone, rather than context-dependent.	Point to the worksheet's own note: “there isn't one perfect answer.” A bicycle might be a want for one child and closer to a need for another who uses it to get to school.