

SAVING AND FINANCIAL CHOICES

Needs, Wants & Tradeoffs

Detailed practice, calculation, judgment, and assessment

GRADES 9-12	TIME 2 x 42 min	GROUPING I / pairs / whole	PRODUCT Context-aware spending decision
YOUR CHALLENGE Classify expenses without pretending every item fits one universal category. Analyze context, opportunity cost, influence, and consequences; then make a spending choice that protects essential needs and stated priorities.			

Core Ideas

Idea	Meaning
Need	Required for health, safety, basic functioning, or an unavoidable responsibility in the situation.
Want	Improves enjoyment, comfort, status, or convenience but can usually be delayed or changed.
Context-dependent	May be a need in one situation and a want in another.
Tradeoff	What changes when limited money, time, or another resource is assigned to one choice.
Opportunity cost	The most valuable alternative given up.
Impulse influence	A cue that encourages quick action before full comparison.
AVOID LABELING PEOPLE Classify the function of an expense in a stated situation—not the worth, discipline, or lifestyle of the person making it.	

Part 1 - Context Changes the Category

Item	Situation	Need / want / context	Evidence	Lower-cost alternative
Smartphone	Only device for employer scheduling and school authentication.			
Restaurant meal	Meal during a planned celebration; food is available at home.			
Winter coat	Student has no safe coat for a New York winter.			
Ride-share	Late-night trip from work when no safe transit is available.			
Streaming service	Used for entertainment; free alternatives exist.			
Brand-name shoes	Current shoes fit and are safe; purchase is for style.			

Choose two cases where reasonable people might classify the item differently. Identify the missing fact that would resolve the disagreement.

Part 2 - The \$320 Decision

Ari has \$320 available after regular income arrives. Before the next income date, Ari faces the following items. Assume no other money is available.

Item	Cost	Context	Initial category	Consequence if delayed
Prescription refill	\$45	Health; due now		
Transit pass	\$68	Needed for school/work		
Phone bill	\$55	Due; needed for work scheduling		
Groceries	\$95	Seven days		
Concert ticket	\$85	Sale ends tonight		
Friend birthday dinner	\$45	Social commitment		
Starter emergency savings	\$40	Self-set monthly target		
New headphones	\$60	Current pair works		

Total cost of all items: _____ Amount available: _____ Shortfall: _____

Fund now	Amount	Why now	Delay/change	Opportunity cost
TOTAL				

Part 3 - Influence Audit

Message	Influence	Question before acting	Cooling-off action
"Only two tickets left!"	Scarcity		
Friends are posting dinner photos	Social proof / belonging		
"Four payments of \$15"	Payment framing		
Free shipping above \$75	Threshold promotion		
Influencer says "everyone needs this"	Authority/status cue		

Rewrite one promotion as neutral information that includes total price and the tradeoff.

Pause Checklist

- ☐ What problem does this solve now?
- ☐ What is the total cost, including fees?
- ☐ What essential or higher-priority item would lose funding?
- ☐ Can I borrow, substitute, wait, or buy used?
- ☐ Would I choose it without the timer, audience, or payment framing?

Part 4 - Tradeoff Scenarios

Scenario	Revised decision	Immediate effect	Later effect	Best alternative given up
Keep the concert ticket				What must change in Ari's plan?
Unexpected \$35 school fee				Which funded item changes first and why?
Groceries cost \$20 more				How do priorities and alternatives change?
Ari receives an extra \$50				Spend, save, or split? Defend the marginal use.

Respectful Disagreement

Write two defensible but different choices for one scenario. State the value or assumption behind each without calling either person irresponsible.

Part 5 - Final Decision Memo

Decision test	Evidence from your plan
Essential health/safety protected	
Required transportation/communication protected	
Total does not exceed \$320	
Opportunity cost named	
At least one alternative considered	
Savings choice explained	
Influence checked	
Trigger for revising plan	

Write a 150–200 word memo recommending how Ari should allocate the \$320. Include total math, four funded priorities, at least two delayed/changed items, one opportunity cost, one influence, and one fact that could change the recommendation.