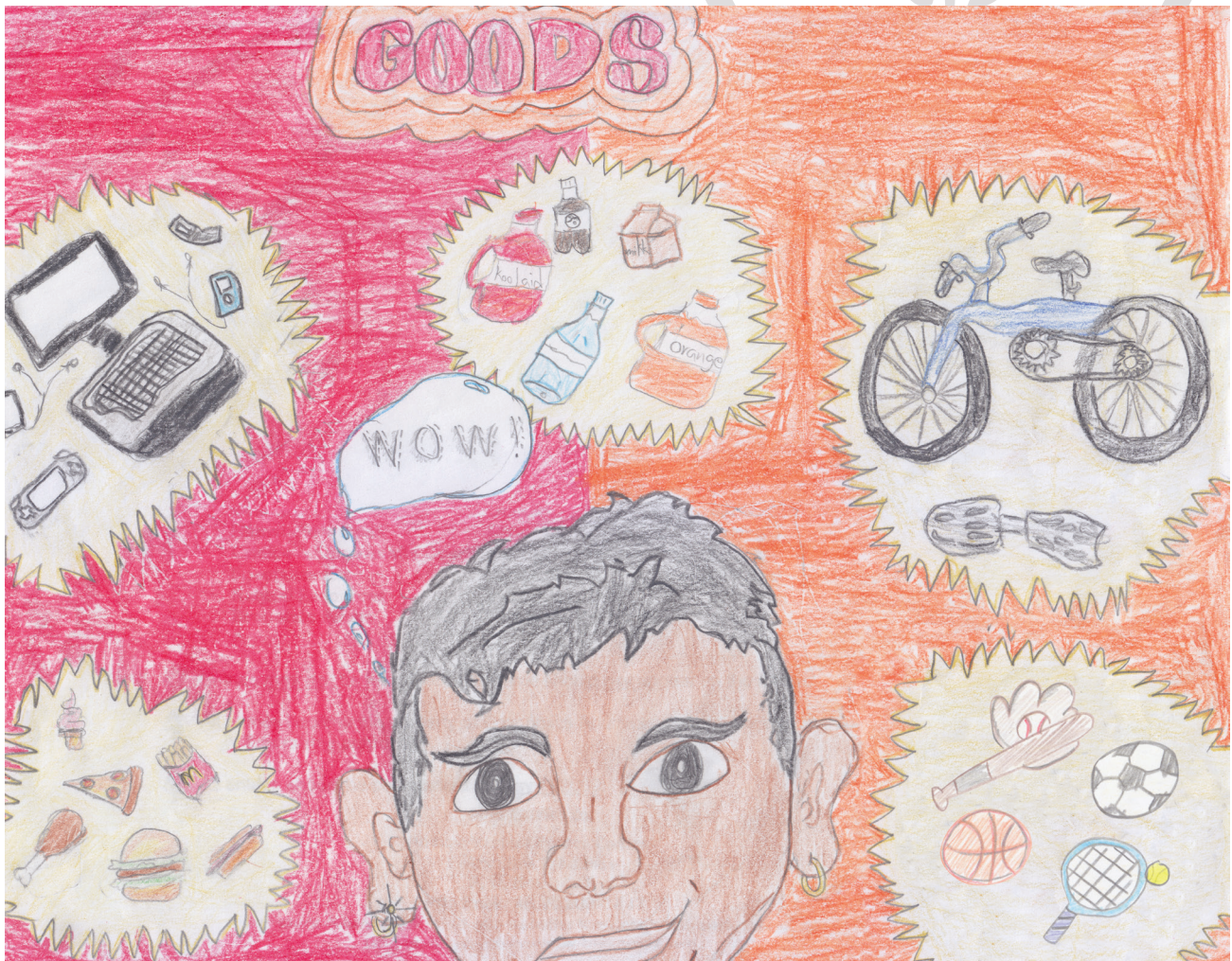


# WANTS, GOODS, SERVICES, CONSUMERS



PEOPLE CONSUME GOODS  
AND SERVICES TO HELP  
SATISFY THEIR WANTS.



**Economics  
Arkansas**  
EDUCATION FOR REAL LIFE

# CONCEPT STATEMENTS FOR ELEMENTARY ECONOMICS

1. **People consume goods and services to help satisfy their wants.**
2. Resources are used to produce goods and services.
3. Because many things are scarce, people need ways to allocate them.
4. Scarcity requires people to make choices that involve trade-offs and have opportunity costs.
5. Specialization and division of labor increase people's productivity and dependency on one another.
6. People are willing to make exchanges when what they receive is worth more to them than what they give up.
7. Money makes trading easier.
8. The price of a good, service, or resource is determined by buyers and sellers in that market.
9. People earn income when they sell their resources.
10. People incur expenditures when they buy goods and services.
11. Entrepreneurs and businesses incur costs when they buy resources and earn revenues when they sell the goods and services produced with those resources.
12. Governments provide goods and services and collect taxes.

## PEOPLE CONSUME GOODS AND SERVICES TO HELP SATISFY THEIR WANTS.

**WANT: a desired way to be (or not to be)**

**Examples:**

- ❖ to be warm (not to be cold), to be healthy (not to be sick), to be entertained (not to be bored), to be hydrated (not to be thirsty)
- ❖ to be full (not to be hungry), to be safe/secure (not to be unprotected), to be rested (not to be tired), to be clean (not to be dirty)

**GOOD: an object that helps satisfy people's wants**

**Examples:**

- ❖ food (apple, pizza, milk); clothes (shirt, pants, shoes); furniture (chair, bed, table); toys (doll, ball, game)
- ❖ pencil, air, medicine, house, car, blanket, phone, soap, book, bowl, water, television, backpack

**SERVICE: an action that helps satisfy people's wants**

**Examples:**

- ❖ repair, wash, advise, mow, serve, connect, deliver
- ❖ cut, entertain, examine, teach, cook, transport, play

**CONSUME (CONSUMPTION): using goods and services to help satisfy one's wants**

**CONSUMER: a person who uses goods and services to help satisfy his/her wants**

### Concept Statement Examples

- ❖ Joe wears a sweater (good) to help satisfy his desire to be warmer (want).
- ❖ Rosa gets her hair cut and styled (service) to help satisfy her desire to be fashionable (want).
- ❖ Joe and Rosa are both consumers (users of goods and services to help satisfy their wants).
- ❖ The want to be healthier could be partially satisfied by eating more fruits and vegetables (goods), having a trainer provide exercise advice (service), and/or riding a bike (good).
- ❖ A meal at a restaurant is both a good (the food) and a service (bringing the food to the table).
- ❖ Tanya and Nate satisfy their desires to be entertained (want) differently. Tanya plays a video game (good), while Nate enjoys a ride (service) on a rollercoaster.

## GETTING STARTED

- ❖ Discuss the illustration on the front cover. Ask: What do you see? Do you see anything you would like to have? Are there other things you want? Listen for something like a game, toys, sports ball, etc.
- ❖ Ask: Why do you want that? Listen for, “It would be fun. I’d like to play with it.” Respond: Then doing something fun is your real desire or want.
- ❖ Allow students time to discuss other things that would satisfy their desire to do something fun.
- ❖ Explain: Those things are goods and services like the ones shown in the picture. We say we want them...and we do...but it is because we have desires that they help satisfy; desires such as to be happy, to be healthy, to be safe, to be well-fed, or to be having fun. These things we desire to be are defined as wants.
- ❖ Gather an assortment of small items students might like (decorated pencils, erasers, small toys, stickers, individual pieces of candy, etc.). Allow students to choose one item from the box. Then have each student complete the following writing prompt:

I chose a \_\_\_\_\_ from the box of goods. I chose this because I desire to be \_\_\_\_\_ .

## USING IDENTIFYING GOODS AND SERVICES

(This can be used as a small group or individual activity, assessment, or home/school connection.)

- ❖ State that a good is an object and a service is an action that help satisfy a person’s wants. Allow time for students to give examples of each. As each example is given, discuss goods as physical objects and services as actions.
- ❖ Option 1: Distribute a copy of the activity to each student. Discuss what each picture shows without identifying them as a good or service. Have students cross each good with an “X” and circle each service with an “O.” Discuss responses. (*Note: Actions typically imply that someone is doing something so a person is necessarily involved as depicted in the examples. However, machines may also provide services such as an automated car wash or an ATM.*) On the back of the page have each student draw or write examples of their own of a good and a service.
- ❖ Option 2: Cut out and make 12 goods cards and 12 services cards. Have students pick a card out of a bag or box. Have them identify whether the item depicted is a good or service and then write a sentence about how this item would satisfy a want. For example: umbrella; good; It would satisfy my want to be dry if it was raining and I was walking home from school.
- ❖ **Writing extension:** Have students create a chart by listing goods or services to correspond with each letter of the alphabet. Goods might include a bed (B), hamburger (H), or puppy (P). Services might include a ride on a rollercoaster (R) or a haircut (H). When sharing with the class, students should be able to state if it is a good or a service and explain why they think so.

<b>A</b>	<b>B</b>	<b>C</b>
...	...	...
<b>X</b>	<b>Y</b>	<b>Z</b>

- ❖ **Home/school extension:** Define a consumer as someone who uses goods and services to satisfy their wants. Have students provide examples of how they have used any good or service shown in Identifying Goods and Services. Discuss other goods and services students have consumed. Create the following chart (including instructions) and send home for students to complete with their family.

<p>A consumer is a person who uses goods and services to help satisfy his wants. Each day you are a consumer of goods and services. List goods and services your family consumed over the weekend.</p>	
<b>Goods We Consumed</b>	<b>Services We Consumed</b>

## TEACHER THOUGHTS

1. Goods and services are not wants. A want is a desired way to be, while goods and services are what people use to achieve that. For example, a sweater (good) can be used to satisfy a person's desire (want) to be warm or to be stylish.
2. Goods and services are not needs. A need is best thought of as simply a high-priority want a person has such as a desire to be hydrated, to be fed, or to be safe.
3. Students will say they want some good without thinking much about why. It is important to get them to identify and understand their underlying wants. This can be as general as "I want to be happy" or more specific as "I want to be clean." That allows them to consider if there are different goods (or services) that might better satisfy that want.
4. Consumption is using goods and services to help satisfy people's wants. Consumption isn't about buying goods and services (although consumers do often have to buy them before they can use them) or just eating (although eating is one way of using a good such as an apple to satisfy one's want to be healthy).

## BOOK HUNT

Divide the class into small groups. Provide each group a copy of a picture book that has been read to the class. The books can be the same or different. Each group should review the story then discuss and record their responses to the following questions. If desired, limit the number of wants to discuss (two for early readers, more for advanced students).

- ❖ What wants did the characters have?
- ❖ Are the wants directly stated in the text or implied?
- ❖ What goods and services were used to help satisfy each want?

## DISCUSSION OR WRITING PROMPTS

- ❖ Describe some wants almost everyone has.
- ❖ Given the same want, explain why people might use different goods and services to satisfy that want.
- ❖ Pretend you get to create one good or service everyone in the world would want. Describe it and explain why it would be desirable.
- ❖ Wants are often said to be "unlimited." Do you agree or disagree? Explain.



## LITERATURE & ONLINE CONNECTIONS

- ❖ Scan the QR code above or go to [www.economicsarkansas.org](http://www.economicsarkansas.org). Click on *For Teachers - Grab & Go Economics-Concept Guides*

## TIMELINE

Even though many of people's desires have remained the same throughout history (to be warm, to be clothed, to be fed, to be educated), the goods and services they consume to satisfy these wants have changed.

- ❖ Select a want that is appropriate for your class and have students create a timeline of these changes.
- ❖ Example: People want to be mobile (able to move from one place to another). In the past, this desire may have been satisfied by walking, riding an animal or paddling a canoe. Later it was satisfied by riding a bike or a train and even later by driving a car or flying in an airplane.
- ❖ Example: People desire to be able to see in the dark. This was first satisfied by fires and torches, then candles and kerosene lamps, and today with LED lights.

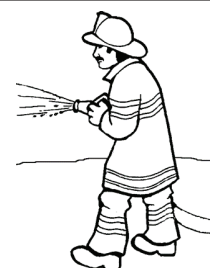
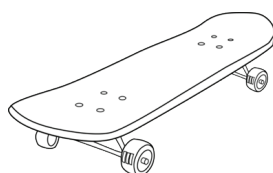
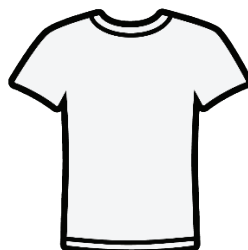
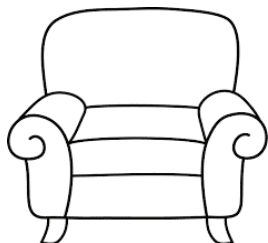
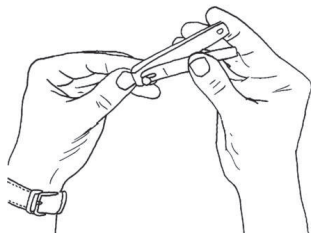
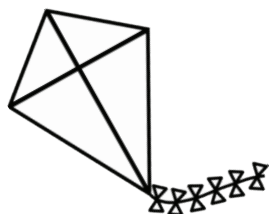
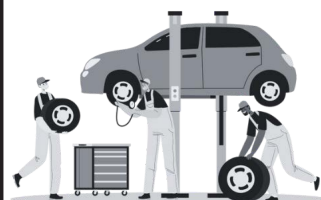
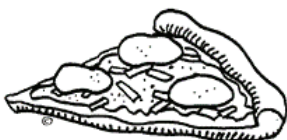
## A REALLY GOOD GOOD

Show the class a smartphone. Ask: What wants can be satisfied with this? Have them respond starting with "to be..." Possible responses are: to be connected (able to talk to friends/family); to be informed (about the time, weather, news, location); to be safe (light, call 911 in an emergency); to be entertained (games, music, apps); to be awakened (alarm); to be recorded (camera); to be able to do calculations (calculator). Explain that consumers love these phones because they satisfy so many of their wants. Have students suggest another good or service that could satisfy each of the wants satisfied by the smartphone. Possible responses are: to be connected (walkie-talkie); to be informed (newspaper, wristwatch, news on television); to be safe (flashlight, medic alert); to be entertained (music player, television, board game); to be awakened (alarm clock); to be recorded (camera); to be able to do calculations (hand calculator).

## WEATHERING THE WEATHER

Examine ways the weather impacts our daily lives. Discuss the goods and/or services that could help you deal with each of the following weather conditions: cold and snowy; wet and rainy; hot and sunny; warm and windy.

# IDENTIFYING GOODS AND SERVICES



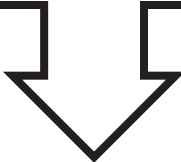
# SATISFYING MY WANT

**I desire to be:**



(My Want)

**Any of these would help satisfy my want:**



(Good or Service?)

# I CONSUME GOODS AND SERVICES

Draw a picture of or write about yourself in the box on the left side of the page. Write 3 wants you have in the middle boxes. In the last column of boxes write 3 goods or services you would use to help satisfy each want.

<b>I am a consumer.</b>	<b>I want to be:</b>	
	<b>I want to be:</b>	
	<b>I want to be:</b>	

## USING SATISFYING MY WANT

(Enlarge for whole group instruction. Copy and use for small group and individual activities, home/school connections, and assessments.)

- ❖ Distribute a copy of the activity to every student.
- ❖ Divide the class into groups. Assign each group a want to write in the first space (see suggestions below).
- ❖ Have students individually in each group draw or write goods (objects) and at least one service (an action) they could use (consume) to help satisfy their assigned want. Have them classify each response as a good or service on the line below the boxes.
- ❖ Have students in each group compare and discuss their responses. While there will be some similarities, there will also be differences in how students satisfy the same want.
- ❖ Have each group report their want and three goods and two services they identified that could help satisfy that want. Point out that people have many different wants (such as those given to the groups) and use many different goods and services to help satisfy them.
- ❖ **Math extension:** Have pairs of students in each of the groups above draw a Venn diagram of the goods and services they identified (each circle would contain those things identified by one of the students and would overlap if they have any goods or services in common.)
- ❖ **Writing extension:** Have students write a paragraph stating a want they have beginning with “I want to be...” and then describe what goods and services they would consume to satisfy that want.
- ❖ **Literature extension:** Satisfying My Want takes students from a want to goods and services which satisfy that want. The following activity takes them from a good (or service) back to the want it satisfies.
  - Read *If You Give a Mouse a Cookie* by Laura Joffe Numeroff. Select things from the story and ask: Why is he asking for that? Direct responses toward the mouse’s implied wants by having their answers begin with “to be.” Examples: glass of milk (to be less thirsty); napkin (to be clean); nail scissors (to be trimmed); mirror (to be sure he doesn’t have a milk mustache); box with blanket (to be rested); read a story (to be sleepy); tape (to be able to hang his picture); cookie (to be less hungry)
  - Select a book from the *If You Give a...* series. Create the chart below. List the goods and services found in the story. For each good or service listed, state a want that you believe the character was trying to satisfy. Start each statement with “To be...”

Goods and Services	Wants (To be...)

## USING I CONSUME GOODS AND SERVICES

(Enlarge for whole group instruction. Copy and use for small group and individual activities, home/school connections, and assessments.)

- ❖ Review definitions of consume and consumers. The teacher will play the role of a consumer and model one want and the goods and services used to satisfy that want.
- ❖ Have the students complete the activity page using the directions at the top. The wants can be chosen from the suggestions below or others determined by the teacher or students.

Suggestions for Satisfying My Want and I Consume Goods and Services

To Be	Goods	Services
warmer	blanket, coat, heater, hot chocolate	hug, massage, sunlight
cooler	air conditioner, iced drink, shorts	cool breeze, getting fanned, swimming
stylish	makeup, clothes, shoes, jewelry	haircut, hair coloring, tailoring, manicure
entertained	toy, game, ball, jump rope	magic show, concert, video streaming
clean	soap, water, wash cloth, shampoo	facial, pedicure, showering
relaxed	bed, pillow, comfy chair	massage, yoga instruction, soft music
healthy	fruits, vitamins, water, bike	doctor advice, help from trainer, walking
educated	books, computer, desk, pencil	internet access, lecture, trips, library