

Needs and wants



All people want things that give them satisfaction. Some **wants** are for essential items such as food, clothing and shelter. These things are known as **needs**. They keep us alive by providing energy for our body and keeping us warm.

In pre-historic times, this meant satisfying your own wants by hunting animals and gathering edible foods while living in a cave or a hut.



Today, in Australia, needs have a different meaning because it is hard to determine what is essential. Things such as education, medical treatment and transport are also seen as essential for us to survive.

People have other less important wants. These **luxuries** are not essential to survive. For example, the desires for entertainment, recreation and personal care.

Wants (needs and luxuries)

food at breakfast



bread

recreation



tennis racquet

personal care



having your hair cut

Good and services

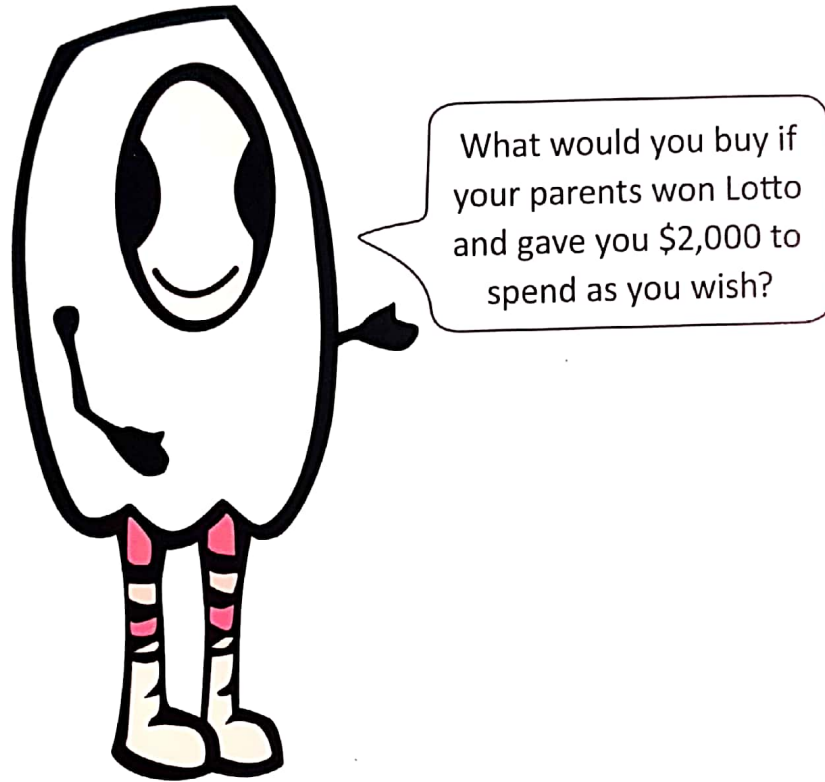
Buying goods and services

Our wants are typically satisfied when we buy and use **goods** and **services** that are made and sold by **businesses**. You may want a pair of jeans, a mobile phone, a hamburger, to download some new music or to go to a football game. Each of these goods and services satisfies a want.



32.59 million
the number of mobile
phones in operation
in Australia (2016)

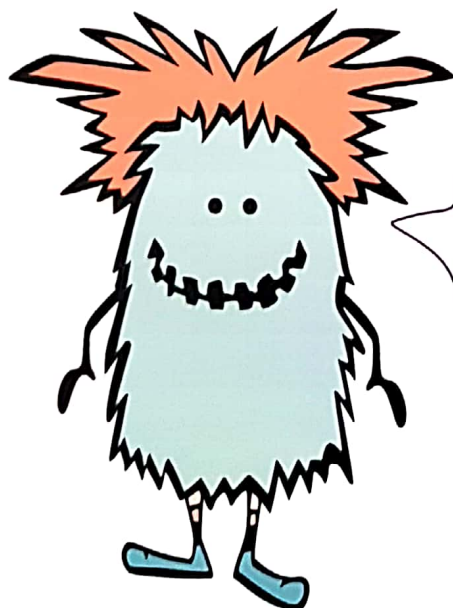
People still satisfy some of their own wants. They do things like making their own clothes, painting their house or growing their vegetables.



Is there competition?

Some goods compete with each other. For example, the different brands of breakfast cereal such as Weet-Bix and Coco Pops. When you buy one of them you do not usually buy the other. So, if people buy more Weet-Bix it is likely that less Coco Pops will be purchased.

Other goods 'go together'. For example, a pet and pet food, or bathers and a towel. So if more people buy a puppy then it is likely that more dog food will also be purchased.



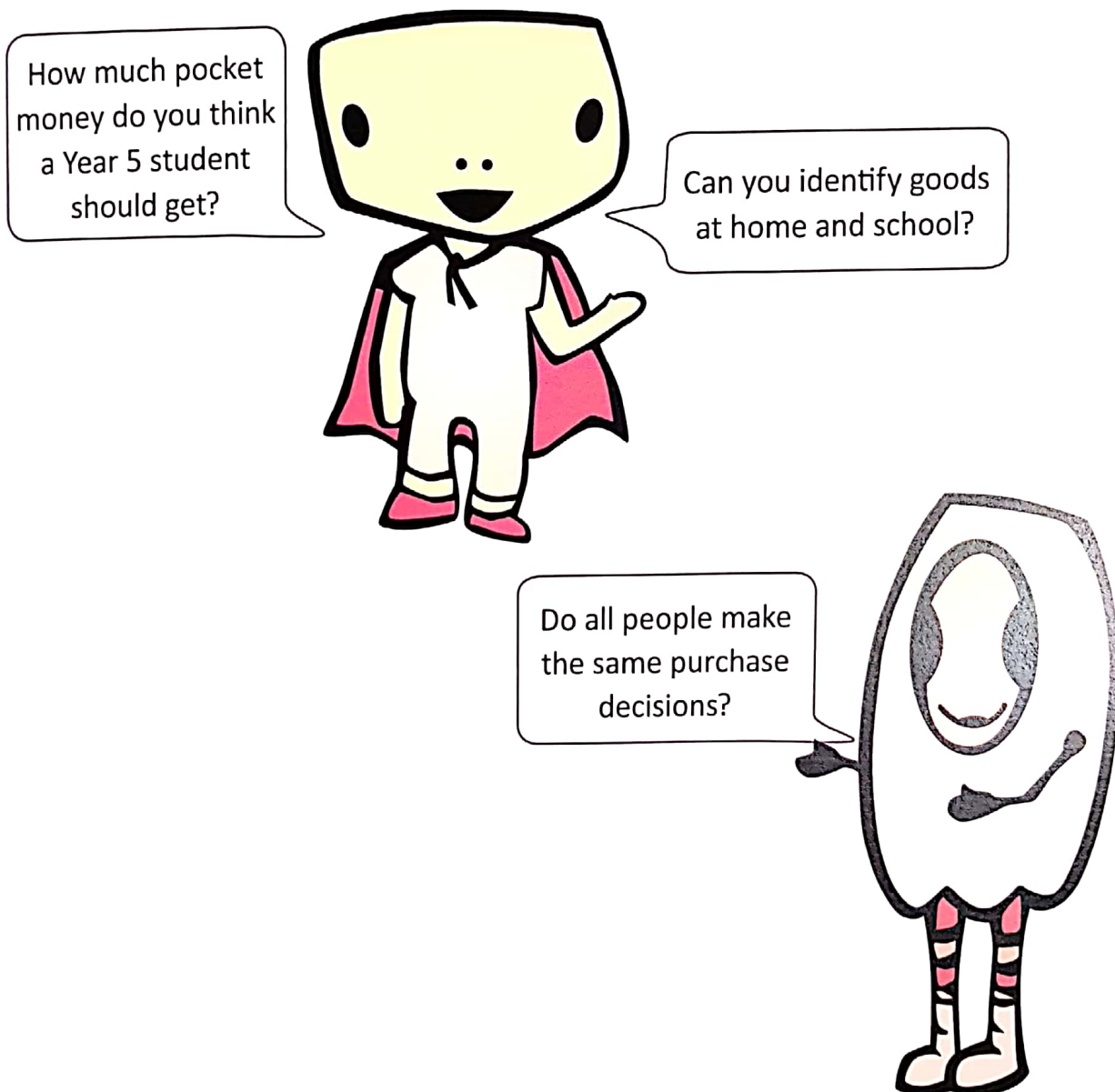
Can you identify goods that compete with each other and goods that go together?

Kid power

Adults **spend** most of the money in our economy as they have the most money. Young people do however have money of their own that they can spend. In Australia, children and teenagers are estimated to:

- spend about \$1 in every \$100 spent (1% of the total amount spent by all consumers)
- influence how \$10 in every \$100 is spent (10% of the total amount spent by all consumers).

The **spending** of young people and their family influences what goods and services businesses choose to produce.



Lotto win



Imagine that your parents have won \$500,000 in the weekend Lotto draw and they have given you \$2,000 to spend as you wish.



Part A

In the table below, list all the goods and services that you would purchase (buy).

In the second column order (rank) the items that you have chosen beginning with 1 for the item you want the most.

In the third column, write the approximate dollar value next to each.

If the total is more than \$2,000 then remove one or more items from the list.



You could use the internet to get accurate values.

Me: _____

Goods or services	Ranking (1 = most wanted)	Approximate value (\$)



Share and compare lists with a partner of the opposite gender.



Use the table below to write down the goods and services that your partner chose, in order from most wanted with the approximate value of each item.

Partner: _____

Goods or services (most wanted first)	Approximate value (\$)



Ask an adult at home what goods and services they would buy if they were given \$2,000 to spend.



Get them to put the items in order and to give an approximate dollar value for each one.

Adult: _____

Goods or services (most wanted first)	Approximate value (\$)



Part B

Write a paragraph about the similarities and differences that you can identify among the goods and services chosen by you, your partner and your adult.

Use this space to plan – list the key words you will use and then sequence them.



Write a few sentences to describe what the evidence that you collected tells about the effect of gender and age on what consumers buy.
