



Activity:

Wants vs. Needs Self-Assessment

The goal of this activity is to help you assess your past purchasing behavior, with an eye toward evaluating future purchases based on whether the items are “needs” or “wants.” Breaking down purchases this way may help you change your behavioral patterns.

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Take a few minutes to envision your living room (or look around if you are completing this activity at home). Do you see mostly needs or wants? Take inventory and use the following worksheet to assess your spending habits.

Enter the description of each item in the room. Check whether the item is a “need” or a “want” and enter the approximate cost of the item. Then decide whether you would reconsider purchasing the item now, and why or why not?

1. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____

2. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____

3. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____

4. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____

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5. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____

6. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____

7. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____

8. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____

9. Item Name or Description _____ Need or Want

Would I reconsider my purchase now? Why or why not?

Estimated Cost

\$ _____



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The goal of this activity is to help you consider your next purchase. Whenever you get ready to make a purchase, you should always ask yourself, “Is this a need or a want?” “Do I really need this?” Over time, you will notice that your purchasing pattern will change. You may even start feeling guilty when you get ready to spend money on something you know you don’t need. Even the most amazing sale doesn’t justify buying more of something you didn’t need in the first place. That money could go toward your savings and other goals instead. If you break down all your expenses between needs and wants, you will quickly realize that not only could you save a lot more, but you also may not need as much as you’ve forecast for a future situation – like when you finish your advanced degree or retire.

Now, nobody expects you to stop spending money on all your wants. Life is supposed to be fun, too! All you have to do is evaluate and prioritize each purchase.

The want for daily, premium coffee is very important to you? That’s fine! Maybe pack your lunch each day instead of grabbing a meal at the food court.

Want coffee AND a hot lunch? Okay! Maybe reevaluate whether buying the premium car you’ve been eyeing is the best choice.

Once you distinguish between your needs and your wants, you will start being more selective about where you spend your money.

Good money management is all about choices. Some wants will be more important to you than others, and the decision will be different for each of us.