

# CONSUMERS



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## Consumers

People whose wants are satisfied by using goods and services are called consumers.

# CONSUMERS

## Definition/Background

People are consumers when they buy, own, or use goods and services. Consumers use goods and services to satisfy their economic wants. Young students may not see themselves as consumers, but they make consumer decisions every day.

Consumers generally make better choices when they evaluate their opportunity cost before making a consumption decision. The anticipated benefits gained should be greater than the anticipated costs (what is given up).

## Teaching Ideas

1. Students are consumers! In the classroom, they consume goods (paper, pencils, crayons, books, erasers) and services (teaching). Ask students to imagine a school day without consuming.
2. Help students understand that they are consumers when they buy their lunch and when they buy supplies from the school or classroom store. Have the students list what they spent money on in the last week. Then classify their purchases as goods or services.
3. Explain to students that advertising often influences our consumer spending habits. Show students a variety of ads from TV, newspapers and magazines. Discuss why these ads might influence their decision to consume these goods and services. Have the students create their own commercials.

## Lessons and Resources

### Print Lessons

**Financial Fitness for Life: Pocket Power** - Grades K-2, Lesson 8 - We Are Consumers

**Focus: Economics Grades 3-5, Lesson 11: How Many Snacks Will the Students Buy?**

**Choices & Changes: In Life, School, and Work** - Grades 7-8, Lesson 2 - You in the Economy

### Online Lessons

**We Are Consumers and Producers** (elementary)

<http://www.econedlink.org/lessons/index.php?lesson=457&page=teacher>

**Laura Ingalls Wilder's Frontier Town** (elementary)

<http://www.econedlink.org/lessons/index.php?lesson=384&page=teacher>

**Hey, Mom, What's for Breakfast?** (elementary)

<http://www.econedlink.org/lessons/index.php?lesson=41&page=teacher>

**Students are Consumers AND Producers** (middle)

<http://www.powellcenter.org/uploads/4StudentsAreProducersAndConsumersU.pdf>

### Fed Resources

#### Supermarket

[http://www.stlouisfed.org/education\\_resources/assets/lesson\\_plans/supermarket.pdf](http://www.stlouisfed.org/education_resources/assets/lesson_plans/supermarket.pdf)

**Fedville** – online interactive activity

<http://www.frbsf.org/education/fedville/>

### Literature

- **Max Goes Shopping** by Adria F. Klein. Picture Window Books, 2006. Young Max likes shopping at many different stores. [Grades K-2]
- **Bunny Money** by Rosemary Wells. Dial Books for Young Readers, 1997. Two young bunnies go to town to buy a present for their Grandmother. [Grades K-2]
- **How Much? Visiting Markets Around the World** by Ted Lewin. HarperCollins, 2006. Visit five local market places on four continents as students compare buying and selling around the world. [Grades K-3]
- **Who's Buying? Who's Selling? Understanding Consumers and Producers** by Jennifer S. Larson. Lerner Classroom, 2010. This book details the choices that are made by producers and consumers and how they interact in the market. [Grades 4-6]

# VIRGINIA COUNCIL ON ECONOMIC EDUCATION

VCEE is a nonprofit organization providing Virginia's K-12 teachers with professional development, quality curriculum and other resources to promote economic and financial education. Visit [www.vcee.org](http://www.vcee.org) or contact VCEE or one of its affiliated centers for economic education to learn about specific opportunities.

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**Teachers in Grades K-8:** Give your students the opportunity to illustrate their knowledge of economic concepts in a creative and fun way. They may be selected for a poster next year! Winning students also receive a \$50 U.S. Savings Bond.

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For more resources on teaching economics and the Federal Reserve System go to [www.richmondfed.org/educational\\_info](http://www.richmondfed.org/educational_info). You'll find free and easy to use resources such as lesson plans, workshop information and publications.

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