



## Understanding needs and wants

Needs are goods or services that you need to be able to function and live. These include your needs for food, clothing and shelter. Wants are goods or services that are not necessary but are desirable such as a new phone or a family holiday.

Wants can feel like a need, but if we pause to think about them, we can usually identify whether they are something we genuinely need or just want really badly. If something is a want rather than a need, and you don't have the money to pay for it, it's often a good idea to wait until you have the money before you purchase it.

Delayed gratification is the ability to resist the impulse to do or get something straight away in order to get something better in the future. In terms of wants, delayed gratification might involve saving up for something instead of borrowing money to buy it or deciding not to buy something so that you can save the money instead.

Watch this short TED talk [Don't Eat the Marshmallow](#) to learn about the concept of delayed gratification.

