

James resists impulse spending

Students experience an interactive adventure exploring impulse spending and answer questions about their own financial habits.

Learning goals

Big idea

Advertisements, peers, and your impulses can influence your spending decisions.

Essential questions

- How do my feelings about myself and other people affect my spending decisions?
- How do I avoid spending and start saving?

Objectives

- Explain how both internal and external factors affect spending decisions
- Describe ways to make saving a habit

What students will do




- Complete an online, interactive adventure independently or as a group.
- Practice creating a plan for saving.
- Answer questions about their spending habits.

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

-  Executive function
-  Financial habits and norms
-  Financial knowledge and decision-making skills

Grade level: High school (11-12)

Age range: 16-19

Topic: Save and invest (Building emergency savings), Spend (Budgeting, Buying things)

School subject: JROTC/ROTC (Servicemembers)

Teaching strategy: Blended learning, Cooperative learning, Personalized instruction

Bloom's Taxonomy level: Remember, Understand, Apply

Activity duration: 75-90 minutes

National Standards for Personal Financial Education, 2021

Spending: 8-1, 8-2, 8-3, 12-1, 12-2, 12-3, 12-4, 12-5, 12-9

Saving: 8-1, 8-2, 12-9

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

ABOUT

Misadventures in MONEY MANAGEMENT

PRESENTED BY THE CONSUMER FINANCIAL PROTECTION BUREAU

Misadventures in Money Management (MiMM) educates, advises, and trains future and current servicemembers and their families on critical financial decisions and consumer rights. The program is available for use by all of the U.S. Armed Forces. MiMM follows the stories of seven servicemembers, each covering a different financial topic:

- Angela - Debit, credit & credit scores
- Cruz - Car buying tactics
- Dirk - Smart spending
- James - Impulse purchases
- Miya - Budgeting, saving & investing
- Sonya - Emergency relief & researching
- Xavier - Debt advice & student loans

MiMM focuses on some of the unique problems and solutions that servicemembers experience.

Preparing for this activity

- While it's not necessary, completing the "Reflecting on needs versus wants" activity first may make this one more meaningful.
- Print copies of all student materials for each student, or prepare for students to access them electronically.
- Become familiar with the Misadventures in Money Management (MiMM) online graphic novel at <https://mimm.gov/>.
- Review James's MiMM adventure, "Impulse purchasing." If time permits, it may be helpful for you to complete his MiMM adventure on your own before class.
- Decide if you want students to complete James's MiMM adventure as a whole class, in small groups, or individually.
 - If you choose to complete the adventure as a whole class, obtain a computer with Internet access, a projector or smartboard, and speakers.
 - If you choose for students to complete the adventure in small groups or individually, provide them with computers or tablets with Internet access and with headphones to manage the noise.

TIP

If your students have access to computers or tablets with Internet access, they can also complete the adventure as homework. Direct them to <https://mimm.gov/>, where they can complete the entire program, get a certificate of completion, and email their unique certificate to you or print it out. Students can only get a certificate for completing the entire program, not when they finish each character's story.

What you'll need

THIS TEACHER GUIDE

- **James resists impulse spending** (guide)
[cfpb_building_block_activities_MiMM_james-resists-impulse-spending_guide.pdf](#)
- A computer with Internet access, a projector or smartboard, and speakers (if you choose to complete the online portion as a whole class)

STUDENT MATERIALS

- **James resists impulse spending** (worksheet)
[cfpb_building_block_activities_MiMM_james-resists-impulse-spending_worksheet.pdf](#)
- **Tips for reaching your financial goals** (handout)
[cfpb_building_block_activities_MiMM_tips-reaching-financial-goals_handout.pdf](#)
- Computers or tablets with Internet access and headphones (if you choose for students to complete the online portion in small groups or individually)

Exploring key financial concepts

Whether we recognize it or not, many of the decisions we make about saving or spending money are affected by people close to us. When it comes to money, each person may have different ideas about what's important and why. Sometimes people buy things because of how they see themselves or because of concern over what others may think.

Mass marketing can also influence our spending decisions. We see advertisements every day, and while ads aren't necessarily a bad thing, they can influence us.

So many things compete for our attention and our money that it can be hard to keep track. Cultural influences, social influences, and advertisements are all aspects of our daily lives that sometimes drive our financial decision-making. Although choosing what to own is different for everyone, it is important to recognize the social, mass media, and psychological pressures that influence our spending. Making mindful spending decisions helps you to save for tomorrow.

TIP

Because financial products, terms, and laws change, students should be encouraged to always look for the most up-to-date information.

Teaching this activity

Whole-class introduction

- Introduce the Misadventures in Money Management (MiMM) program if students aren't familiar with it.
 - MiMM is an online graphic novel in which students make decisions for the characters as they move through the story. CFPB created the program to educate, advise, and train current and future servicemembers on critical financial decisions.
 - The program focuses on some of the unique problems and solutions that servicemembers experience.
- Explain to students that they'll explore the MiMM character of James.
 - James is called the "Watch Guy" because he loves his expensive watch so much. When it breaks, James needs to decide whether to replace it.
- Ask students to share what they know about buying the latest device, such as a new cell phone, smart watch, or computer.
- Read the "Exploring key financial concepts" section to students.
- Be sure students understand key vocabulary:
 - **Budget:** A plan that outlines what money you expect to earn or receive (your income) and how you will save it or spend it (your expenses) for a given period of time; also called a spending plan.
 - **Credit:** Borrowing money, or having the right to borrow money, to buy something. Usually it means you're using a credit card, but it might also mean that you got a loan.
 - **Debt:** Money you owe another person or a business.
 - **Impulse purchase:** Buying things without having planned for them beforehand. It can cause you to spend more money than you can afford.
 - **Needs:** Basic things people must have to survive (such as food, clothing, and shelter), resources they may need to do their jobs (such as reliable transportation and the tools of the trade), and resources to help build and protect their money and property so they can meet future needs (such as emergency savings and insurance).

TIP

Visit CFPB's financial education glossary at consumerfinance.gov/financial-education-glossary/.

- **Savings:** Money you have set aside in a secure place, such as in a bank account, that you can use for future emergencies or to make specific purchases.
- **Wants:** Upgrades and other things that would be nice to have but aren't necessary for living, income, or protecting what you have.

Individual or group work

Completing the online, interactive adventure at <https://mimm.gov/>

- Click "Explore a topic" and then "Impulse purchases" to access James's adventure.
- Students can complete James's adventure as a whole class, in small groups, or individually.
 - If you choose to complete it as a whole class:
 - Use the decision points in James's story to spark discussions and decide as a class what choice to make.
 - Help students build their understanding by clicking on the suggested resources and additional information that come up throughout the adventure.
 - If students work in small groups or individually:
 - Move among the students to check on the decisions they're making and what they're learning from their choices.
 - Encourage students to pause at each decision point and reflect on what happened to James as a result of that choice.
 - Help students build their understanding by encouraging them to click on the suggested resources and additional information that come up throughout the adventure. The suggested resources help students gather additional information to complete each character's final challenge.

Completing the worksheet

- Distribute the "James resists impulse spending" worksheet and the "Tips for reaching your financial goals" handout to each student.
- Students can work independently, in pairs, or in groups of three or four to complete the "Learning from James's experience" section of the worksheet.
- Have students read the handout independently.
- Once they've finished reading, students can complete the "Digging deeper" section and the reflection questions on their own.

Wrap-up

- Bring the class back together.
- Ask volunteers to share their answers to the “Learning from James’s experience” section.
 - Keep in mind that because students can choose their own path through the online adventure, each group or student could have a different experience.
 - Use their answers as a catalyst for a thoughtful discussion.
- Consider asking additional questions to extend the discussion. Possible questions include:
 - Do you think it’s a bad idea to own or buy things that aren’t an absolute necessity?
Answers could include:
 - No. Owning unnecessary possessions is normal. In excess, it can be unhealthy and lead to financial stress.
 - Name some influences in your life that encourage saving.
Answers could include:
 - Parents or guardians, counselors, spiritual advisors, grandparents, friends, teachers, local bank or credit union, and school clubs
- Ask volunteers to share their answers to the “Digging deeper” and reflection questions.

Suggested next steps

Consider searching for other [CFPB activities](#) that address the topics of saving and investing, including building emergency savings, or spending, including budgeting and buying things. Suggested activities include [“Understanding who shapes your money decisions”](#), [“Sonya gives advice on large purchases”](#), and [“Creating a savings first aid kit”](#).

Measuring student learning

Students’ answers on their worksheets and during discussion can give you a sense of their understanding.

The answer guide on the next page provides possible answers for the “James resists impulse spending” worksheet. **Keep in mind that students’ answers may vary.** The important thing is for students to have reasonable justification for their answers.

Answer guide

1. What are some important things James learned about impulse buying?

Answers could include:

- **Impulse buying can lead to unsustainable spending and too much attachment to material things for emotional value, comfort, and identity.**
- **Some people don't learn to save, and they spend too much money.**
- **Impulse buying can lead to high bills and high stress and living for years with no spending money because you're paying off the impulses of the past.**

2. James considers saving for a rainy day. What does this mean and why is it a good idea?

Answers could include:

- **Saving for a rainy day means putting money aside for emergencies.**
- **It's good to do because you can have peace of mind knowing you have money set aside in case something unexpected happens.**

3. Part of building good financial habits and norms is knowing how to make decisions about spending that are best for us. What are some factors that influence our spending decisions?

Answers could include:

- **Advertisements**
- **Social influences and status**
- **Friends and family**
- **Emotional reactions**

“Digging deeper” and reflection questions

Answers may vary.