

ECON: I've Got An Idea!

Every day, new product ideas are created which eventually turn into the things we buy. Once those products are made available for purchase, competitors take notice and start to ask themselves if it's possible for them to profit off the same item, or if they can improve upon the original idea. In this activity, students will create new product ideas, iterate on the ideas of others, and analyze how this process can affect prices and the budgets of consumers.

Part I: Lightbulb Moment

Follow your teacher's directions to divide into groups. Your group's task is to create an idea for a product or service that:

- Does not currently exist
- Is useful or solves a problem

Be sure to include:

- Company name
- Product/service name
- Description of the product/service
- A plan for how consumers will be able to find and buy the product/service
- Your best estimate as to what price the product/service would sell for

Coming up with an idea can often be the hardest part of creating a new product or service. Don't be afraid to get creative with your ideas. Sometimes groundbreaking things come from silly ideas. For example, a pizza delivery robot would have once sounded like a dream--but now we have them delivering pies to our doorstep!

Part II: Here Comes the Pitch

Each group will give a 60 second presentation of their product idea to the class. Put together a Google Slides presentation that briefly explains the product's strategy for each of the bullet points from Part I.

Use a copy of [this document](#) to score each presentation and take down any notes. After each group has presented, follow your teacher's directions to report your scores. Your teacher will tabulate the scores and determine which group's idea is the winner.

Once the winner is determined, you and your classmates should then ask the winning group the following questions (feel free to add your own). The answers will be helpful in the next part of the activity.

- What inspired your idea?
- What difficulties do you think you would have in bringing your idea to market?
- How did you choose the price at which you would sell your product to consumers?

Part III: Anything You Can Do...

We've been introduced to an exciting new product or service that's entering the market. Now it's time for some competition! The winning group will now strategize how they will handle competitors entering the market. Each other group will abandon their original idea and be tasked with coming up with their own version of the winning idea. All groups (including the winners) should attempt to:

- Improve upon the product or service in general
- Make it easier for consumers to find and buy
- Lower the price of the item (or keep an appropriate price point relative to the improvements made)

Each group will present their new version of the idea and their strategy for the bullet points above in another 60 second Google Slide presentation. The winning group will choose if they would like to present first or last. Use [this version of the score sheet](#) to evaluate each group's presentation. After each group has presented, follow your teacher's directions to report your scores. Your teacher will tabulate the scores and determine which group's version of the idea is the winner.

Part IV: Reflection

Competition and substitute products impact the industry they're in as well as our spending and personal budgets. To explore more, answer the following questions.

Competition and Markets:

1. Was it easier to create a new product idea or to innovate on an existing one? Why?

2. What were some of the difficulties you had to overcome when innovating on someone else's idea?

3. Which group had the best strategy for making their product or service easily available for consumers? Describe why their strategy was successful.

4. What would you expect to happen to the price of the product or service as more competitors are introduced? Where did you see that happen in this activity?

5. Imagine all the products from Part II were available to buy. Do you think all consumers would automatically buy the winning product or service? Why or why not?

Personal Finance:

1. Do you consider the winning idea a want or a need? Explain.

2. If you were creating a personal budget, is the winning idea something you would consider including in your spending? Why or why not?

3. Imagine your budget is tight with no room for extra spending. Is there anything you spend money on that would consider cutting from your budget in order to make room for this product? Explain why you would make that tradeoff OR why it doesn't fit into your budget.

4. Explain how substitute products and competition can be beneficial when creating a budget.