LESSON PLAN

Avoiding Lifestyle Creep

- IT'S A -
MONEY THING®

INCLUDED IN THIS PACKAGE

- **LESSON PLAN** *(2 pages)*
- **ACTIVITY** *(5 pages)*
- **QUIZ** *(1 page)*
- **ACTIVITY ANSWER KEY** *(2 pages)*
- **QUIZ ANSWER KEY** *(1 page)*

COLLECT FROM YOUR LIBRARY

- **VIDEO 44** *(Avoiding Lifestyle Creep)*
- **PRESENTATION 44** *(Avoiding Lifestyle Creep)*
- **HANDOUT 44** *(Avoiding Lifestyle Creep)*



BROUGHT TO YOU BY

CapEd CREDIT UNION

LESSON PLAN

Avoiding Lifestyle Creep

GRADES
9 to 12

TIME
45 minutes



OVERVIEW

Earning more money can feel exciting—but it can also make it easier to spend more without realizing it. In this lesson, students will learn to recognize lifestyle creep, its warning signs and its impact on savings goals. Through a debate-style activity, students will explore the trade-offs between lifestyle upgrades and future savings goals.

GOALS

- Help students recognize how spending habits can change as income increases
- Encourage students to think critically about the trade-offs between spending and saving

OBJECTIVES

- Identify warning signs of lifestyle creep in everyday spending
- Explain how lifestyle creep can affect savings goals and financial priorities
- Describe strategies for preventing lifestyle creep and making intentional spending choices

ASSESSMENT

Use the activity in this lesson plan to assess students' grasp of the topic. An optional quiz is also provided (the quiz is not factored into the lesson's 45-minute runtime).

Did you know? *This lesson plan explores concepts from Standard 3 (Saving) from the* ***Council for Economic Education's National Standards for Personal Financial Education.***

MATERIALS

- ☐ **VIDEO 44**—*Avoiding Lifestyle Creep*
- ☐ **HANDOUT 44**—*Avoiding Lifestyle Creep*
- ☐ **PRESENTATION 44**—*Avoiding Lifestyle Creep*
- ☐ **ACTIVITY**—*Upgrade Debate and Answer Key*
- ☐ **QUIZ**—*Avoiding Lifestyle Creep and Answer Key*

PREPARATION

- *Gather digital materials (video and presentation)*
- *Print and cut out the* **ACTIVITY** *cards*
- *Print* **HANDOUT 44** *for each student*
- *(Optional) Print* **QUIZ** *(Avoiding Lifestyle Creep) for each student*

LESSON PLAN

Avoiding Lifestyle Creep

TIMELINE

5 minutes	Introduce topic and show **VIDEO 44** *(Avoiding Lifestyle Creep)*
10 minutes	Go over **PRESENTATION 44**
25 minutes	Facilitate the **ACTIVITY**
5 minutes	Wrap up and distribute **HANDOUT 44**
(Optional)	Assessment: **QUIZ** *(Avoiding Lifestyle Creep)*

INSTRUCTIONS

1. Ask students:
   - Do you think earning more money automatically makes it easier to save? Why or why not?

   Briefly discuss responses as a class.
2. Introduce the video: "While earning more money can create opportunities, it can also lead to increased spending. This pattern, known as lifestyle creep, is what we will be exploring today."
3. Show **VIDEO 44**
4. Go over **PRESENTATION 44**
   - On slide 8, pause after each warning sign and invite students to brainstorm real-life examples
5. Facilitate the **ACTIVITY**
   - Divide students into an even number of teams (up to 10 teams)
   - Distribute one Scenario card to each team; each scenario should be assigned to two teams: one Team Upgrade and one Team Save
   - Explain that Team Upgrade will support the lifestyle upgrade, while Team Save will argue for saving instead
   - Give teams approximately 10 minutes to prepare a one-minute argument
   - One scenario at a time, invite both teams to present their arguments to the class
   - After both teams have presented, ask the class to vote on which argument they found more convincing
   - Use the Answer Key prompts to guide discussion as needed
6. Wrap up with a brief discussion:
   - Does a lifestyle upgrade always mean someone is making a poor financial decision?
   - What strategies can help people enjoy extra income without losing sight of their savings goals?
7. Distribute **HANDOUT 44** for students to take home
8. (Optional) Distribute **QUIZ** for individual assessment, or answer the questions together as a class; decide whether or not students can reference their notes/handouts during the quiz

NOTES

IT'S A MONEY THING®

ACTIVITY

Avoiding Lifestyle Creep

BROUGHT TO YOU BY

CapEd CREDIT UNION

UPGRADE DEBATE

Directions: Print and cut out the Scenario cards. Distribute one card to each team. Each scenario should be assigned to two teams: one Team Upgrade and one Team Save.

SCENARIO 1 — A New Laptop

Marcus recently started earning extra money by working weekends. Marcus' laptop still works, but it is several years old and sometimes runs slowly when multiple programs are open. Marcus is considering buying a newer laptop with a faster processor and better battery life. Marcus believes the upgrade would make schoolwork easier and could support creative projects or future freelance work. At the same time, Marcus has been saving for college or university expenses after graduation.



You are:
Team Upgrade



Prepare a one-minute argument for why the benefits outweigh the costs.

SCENARIO 1 — A New Laptop

Marcus recently started earning extra money by working weekends. Marcus' laptop still works, but it is several years old and sometimes runs slowly when multiple programs are open. Marcus is considering buying a newer laptop with a faster processor and better battery life. Marcus believes the upgrade would make schoolwork easier and could support creative projects or future freelance work. At the same time, Marcus has been saving for college or university expenses after graduation.



You are:
Team Save



Prepare a one-minute argument for why the costs outweigh the benefits.

ACTIVITY

Avoiding Lifestyle Creep

BROUGHT TO YOU BY

UPGRADE DEBATE

Directions: Print and cut out the Scenario cards. Distribute one card to each team. Each scenario should be assigned to two teams: one Team Upgrade and one Team Save.

SCENARIO 2 — A Newer Vehicle

Kai recently received a raise at work and is considering replacing a reliable 10-year-old car with a newer model. The current vehicle requires occasional repairs and lacks some newer safety features, but it still gets Kai where they need to go. A newer vehicle would be more comfortable, fuel-efficient and potentially more reliable. Kai is also trying to build an emergency fund.



You are:
Team Upgrade



Prepare a one-minute argument for why the benefits outweigh the costs.

SCENARIO 2 — A Newer Vehicle

Kai recently received a raise at work and is considering replacing a reliable 10-year-old car with a newer model. The current vehicle requires occasional repairs and lacks some newer safety features, but it still gets Kai where they need to go. A newer vehicle would be more comfortable, fuel-efficient and potentially more reliable. Kai is also trying to build an emergency fund.



You are:
Team Save



Prepare a one-minute argument for why the costs outweigh the benefits.

ACTIVITY

Avoiding Lifestyle Creep

BROUGHT TO YOU BY

UPGRADE DEBATE

Directions: Print and cut out the Scenario cards. Distribute one card to each team. Each scenario should be assigned to two teams: one Team Upgrade and one Team Save.

SCENARIO 3 — A Better Apartment

Jamie recently started earning more money at work and is thinking about moving to a more expensive apartment closer to school and their job. The new apartment would reduce commute time, include a quiet study space and make it easier to get to work on time. Jamie's current apartment is less expensive, but the commute is long and the shared space can be distracting. The move would increase monthly housing costs. Jamie is also saving for future college or university expenses.



You are:
Team Upgrade



Prepare a one-minute argument for why the benefits outweigh the costs.

SCENARIO 3 — A Better Apartment

Jamie recently started earning more money at work and is thinking about moving to a more expensive apartment closer to school and their job. The new apartment would reduce commute time, include a quiet study space and make it easier to get to work on time. Jamie's current apartment is less expensive, but the commute is long and the shared space can be distracting. The move would increase monthly housing costs. Jamie is also saving for future college or university expenses.



You are:
Team Save



Prepare a one-minute argument for why the costs outweigh the benefits.

ACTIVITY

Avoiding Lifestyle Creep

BROUGHT TO YOU BY

UPGRADE DEBATE

Directions: Print and cut out the Scenario cards. Distribute one card to each team. Each scenario should be assigned to two teams: one Team Upgrade and one Team Save.

SCENARIO 4 — Convenience Costs

Olivia recently started earning more money from a part-time job. Between school, work, sports and volunteering, Olivia often has very little free time during the week. To make busy days more manageable, Olivia has started buying lunch several times a week instead of preparing them at home. The routine saves time, reduces stress and makes it easier to stay on top of a packed schedule. However, the extra spending has made it harder to save for a graduation trip planned with friends next year.



You are:
Team Upgrade



Prepare a one-minute argument for why the benefits outweigh the costs.

SCENARIO 4 — Convenience Costs

Olivia recently started earning more money from a part-time job. Between school, work, sports and volunteering, Olivia often has very little free time during the week. To make busy days more manageable, Olivia has started buying lunch several times a week instead of preparing them at home. The routine saves time, reduces stress and makes it easier to stay on top of a packed schedule. However, the extra spending has made it harder to save for a graduation trip planned with friends next year.



You are:
Team Save



Prepare a one-minute argument for why the costs outweigh the benefits.

IT'S A MONEY THING®

ACTIVITY

Avoiding Lifestyle Creep

BROUGHT TO YOU BY

CapEd CREDIT UNION

UPGRADE DEBATE

Directions: Print and cut out the Scenario cards. Distribute one card to each team. Each scenario should be assigned to two teams: one Team Upgrade and one Team Save.

SCENARIO 5 — A Fitness Upgrade

Cameron recently received a pay increase and is considering upgrading from a basic gym membership to a premium membership with fitness classes, specialized equipment and trainer support. Cameron hopes to become a personal trainer and sees the upgrade as a chance to learn more about fitness while staying motivated. The upgraded membership would cost significantly more each month. Cameron is also saving for a personal training certification course.



You are:
Team Upgrade



Prepare a one-minute argument for why the benefits outweigh the costs.

SCENARIO 5 — A Fitness Upgrade

Cameron recently received a pay increase and is considering upgrading from a basic gym membership to a premium membership with fitness classes, specialized equipment and trainer support. Cameron hopes to become a personal trainer and sees the upgrade as a chance to learn more about fitness while staying motivated. The upgraded membership would cost significantly more each month. Cameron is also saving for a personal training certification course.



You are:
Team Save



Prepare a one-minute argument for why the costs outweigh the benefits.

IT'S A MONEY THING®

QUIZ

Avoiding Lifestyle Creep

NAME: _____

TOTAL
/ 7 pts

MULTIPLE CHOICE

Directions: CIRCLE the best possible answer from the given options.

1. After receiving a raise, which response is most likely to contribute to lifestyle creep?
   a. "Now I can increase my savings."
   b. "Now I can spend more on things I want."
   c. "Now I can review my financial goals."
   d. "Now I can pay off some debt."

2. Which example best reflects a warning sign of lifestyle creep?
   a. Buying only brand-name items
   b. Replacing items that are still in good condition
   c. Paying for subscriptions you rarely use
   d. All of the above

/2 pts

SHORT ANSWER

Directions: Answer the following question in one or two sentences.

3. Describe one strategy for preventing lifestyle creep and explain how it can help someone stay focused on their financial goals.

_____

_____

/2 pts

TRUE OR FALSE

Directions: CIRCLE either true or false.

4. TRUE or FALSE — Lifestyle creep can happen gradually over time without a person noticing it.

5. TRUE or FALSE — Lifestyle creep can make it harder to reach savings goals.

6. TRUE or FALSE — Any lifestyle upgrade is automatically a poor financial decision.

/3 pts

BROUGHT TO YOU BY

CapEd CREDIT UNION

IT'S A MONEY THING®

ACTIVITY ANSWER KEY

Avoiding Lifestyle Creep

UPGRADE DEBATE

Directions: Use this discussion guide during the Activity. The points below are not required answers; they are examples of ideas students may raise. Encourage students to support their arguments with details from the scenario.

SCENARIO	TEAM UPGRADE	TEAM SAVE	DISCUSSION PROMPTS
1 A New Laptop	• A faster laptop could make schoolwork more efficient • Replacing it early could prevent problems during important assignments • The laptop could support future freelance projects and skill-building	• The current laptop still works • Waiting could help Marcus choose a laptop that better fits future college or university needs • Lower-cost fixes may solve the problem for now	• When is technology considered an investment, rather than a luxury? • What details would help Marcus decide whether the upgrade is worth it?
2 A Newer Vehicle	• A newer vehicle could provide safety features the current car does not have • Better fuel efficiency could reduce some ongoing costs • Fewer repairs could make transportation more reliable	• The current vehicle still meets Kai's needs • A newer vehicle may come with higher monthly costs • Building an emergency fund could provide flexibility if future repairs are needed	• How should Kai compare repair costs with replacement costs? • Is reliability a need, a want or both?
3 A Better Apartment	• A shorter commute could save time each day • A quiet study space could support school success • The move may improve Jamie's daily quality of life	• Higher rent could slow progress toward Jamie's future goals • Jamie could use the library or another quiet study space instead • Housing costs are a long-term commitment	• Can spending more sometimes save time or reduce stress? • How much should convenience factor into a housing decision?
4 Convenience Costs	• Buying food can save time during busy weeks • Convenience may help Olivia keep up with a busy schedule • Time saved could be spent on school, work or other activities	• Small purchases can add up quickly • The habit may make it harder to save for the graduation trip • Meal planning could reduce costs without giving up all convenience	• Is spending money to save time ever worth it? • How can someone tell when a small habit is affecting a bigger goal?

- IT'S A -
MONEY THING®

ACTIVITY ANSWER KEY

Avoiding Lifestyle Creep

UPGRADE DEBATE

SCENARIO	TEAM UPGRADE	TEAM SAVE	DISCUSSION PROMPTS
5 A Fitness Upgrade	• Trainer support could help Cameron stay motivated • The classes and equipment could provide new learning opportunities • The upgrade supports Cameron's career interests	• The extra cost could delay the certification course • The certification course may be a more direct step toward Cameron's goal • Paying more does not guarantee better results	• Which option is the better investment in Cameron's future? • How can someone decide whether extra support is worth the added cost?

GENERAL DISCUSSION PROMPTS

Use these questions to guide discussion throughout the activity as needed:

- Which argument was the most convincing? Why?
- What additional information would help you make a better decision?
- Could the same upgrade make sense for one person but not another? Why?
- At what point does a reasonable upgrade become lifestyle creep?

- IT'S A -
MONEY THING®

QUIZ ANSWER KEY

Avoiding Lifestyle Creep

MULTIPLE CHOICE

Directions: CIRCLE the best possible answer from the given options.

1. After receiving a raise, which response is most likely to contribute to lifestyle creep?
   a. "Now I can increase my savings."
   (b.) "Now I can spend more on things I want."
   c. "Now I can review my financial goals."
   d. "Now I can pay off some debt."

2. Which example best reflects a warning sign of lifestyle creep?
   a. Buying only brand-name items
   b. Replacing items that are still in good condition
   c. Paying for subscriptions you rarely use
   (d.) All of the above

/2 pts

SHORT ANSWER

Directions: Answer the following question in one or two sentences.

3. Describe one strategy for preventing lifestyle creep and explain how it can help someone stay focused on their financial goals.

RAISE YOUR SAVINGS, CHOOSE VALUE OVER LUXURY, RESIST THE PRESSURE;

OR ANY VALID EXAMPLE FROM THE LESSON SUPPORTED BY A CLEAR REASON.

/2 pts

TRUE OR FALSE

Directions: CIRCLE either true or false.

4. (TRUE) or FALSE — Lifestyle creep can happen gradually over time without a person noticing it.

5. (TRUE) or FALSE — Lifestyle creep can make it harder to reach savings goals.

6. TRUE or (FALSE) — Any lifestyle upgrade is automatically a poor financial decision.

/3 pts