

Technology and Livelihood Education ICT and Entrepreneurship Module 2: Buying and Selling Products Based on Needs and Demands



TLE-Grade 6

Alternative Delivery Mode

Module 2: Buying and Selling Products Based on Needs and Demands

First Edition, 2020

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Published by Department of Education

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Undersecretary: Diosdado M. San Antonio

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Printed in the Philippines by _____

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**Technology and
Livelihood Education
ICT and Entrepreneurship
Module 2: Buying and Selling
Products Based on Needs and
Demands**

Introductory Message

This Self-Learning Module (SLM) is prepared so that you, our dear learners, can continue your studies and learn while at home. Activities, questions, directions, exercises, and discussions are carefully stated for you to understand each lesson.

Each SLM is composed of different parts. Each part shall guide you step-by-step as you discover and understand the lesson prepared for you.

Pre-tests are provided to measure your prior knowledge on lessons in each SLM. This will tell you if you need to proceed on completing this module or if you need to ask your facilitator or your teacher's assistance for better understanding of the lesson. At the end of each module, you need to answer the post-test to self-check your learning. Answer keys are provided for each activity and test. We trust that you will be honest in using these.

In addition to the material in the main text, Notes to the Teacher are also provided to our facilitators and parents for strategies and reminders on how they can best help you on your home-based learning.

Please use this module with care. Do not put unnecessary marks on any part of this SLM. Use a separate sheet of paper in answering the exercises and tests. And read the instructions carefully before performing each task.

If you have any questions in using this SLM or any difficulty in answering the tasks in this module, do not hesitate to consult your teacher or facilitator.

Thank you.



What I Need to Know

This module is designed and written with you in mind. It is here to help you master the knowledge and skills that will lead you to buy and sell products based on needs and demands in your school and community. The scope of this module permits it to be used in many different learning situations. The language used recognizes the diverse vocabulary level of students. The lessons are arranged to follow the standard sequence of the course. But the order in which you read them can be changed to correspond with the textbook you are now using.

This module focuses on buying and selling products based on needs and demands.

After going through this module, you are expected to:

1. Buy and sell products based on needs; and
2. Sells products based on needs and demands in school and community.



What I Know

Read the following statement carefully. Encircle the letter of the correct answer.

1. Which item below is a product?



<https://commons.wikimedia.org/wiki/File:Soccerball.svg>



http://miraclehealinginstitute.weebly.com/uploads/6/2/2/7/6227557/miracle_institute_booklet.pdf



MS Word Clipart



clipart rabbit black and white 2475140

2. Which word describes the picture below?



<https://www.shutterstock.com/consumer-clipart-png-download/>

a. seller

c. buyer

b. product

d. service

3. Which word describes the picture below?



barber clipart 2240431

a. service

b. buyer

b. seller

d. product

4. Which word describes the picture below?



<https://pngio.com/images/png-a1806969.html>

- a. product
- b. service
- c. buyer
- d. seller

5. Which word describes the picture below?



https://www.clipartkey.com/view/mminthi_small-icon-cleaning-services-icon-png/

- a. seller
- b. product
- c. buyer
- d. service

6. Peanuts are abundantly grown in San Carlos City, Negros Occidental. The following are simple products that can be produced from peanuts. Which one is NOT?

- a. Soy sauce
- b. Peanut butter
- c. Peanut brittle
- d. Salted peanuts

7. In selling process, the first thing you must do is to_____.

- a. conduct an opening party
- b. invite all people in the community
- c. conduct a survey of prospective and qualified buyers of the product
- d. request the services of an advertising agent

8. In order to effectively promote your product in the buying process, you should first_.

- a. understand the buying decision process
- b. prepare for selling strategies
- c. conduct an opening party
- d. invite all people in the community

9. The basic needs of a person are the following, except for_.
- a. food
 - b. jewelry
 - c. clothing
 - d. shelter
10. It is the basic necessity of a person. He/she cannot survive without them.
- a. demand
 - b. wants
 - c. needs
 - d. likes

Lesson

1

Buying and Selling Products Based on Needs and Demands

Buying and selling for profit is nothing new. It has been around for thousands of years; the only difference is that the currency has switched from barter system to Philippine money.



What's In

There are two primary reasons why buying and selling has recently exploded from being the closely guarded secret of a few, to the popular occupation of hundreds of thousands of people worldwide, who are now buying and selling as their sole source of income. The first reason is the advent, wide acceptance and use of the internet and the second reason is what I refer to as the new economy.

https://www.entrepreneur.com/article/74316?fbclid=IwAR1-UJDD8Cx_3oLGSbNRNYcUJKU6QkKkYUxSVmUknxc0HajxdfuhQD53A



What's New

Buying and Selling Process Buying Process

In order to effectively promote your product, you should first understand the buying decision process and later prepare for selling strategies.

"A **buying process** is the series of steps that a consumer will take to make a purchasing decision." - *Shawn Grimsley in Education Portal*

Figure 1 illustrates the buying decision steps involved in the process.

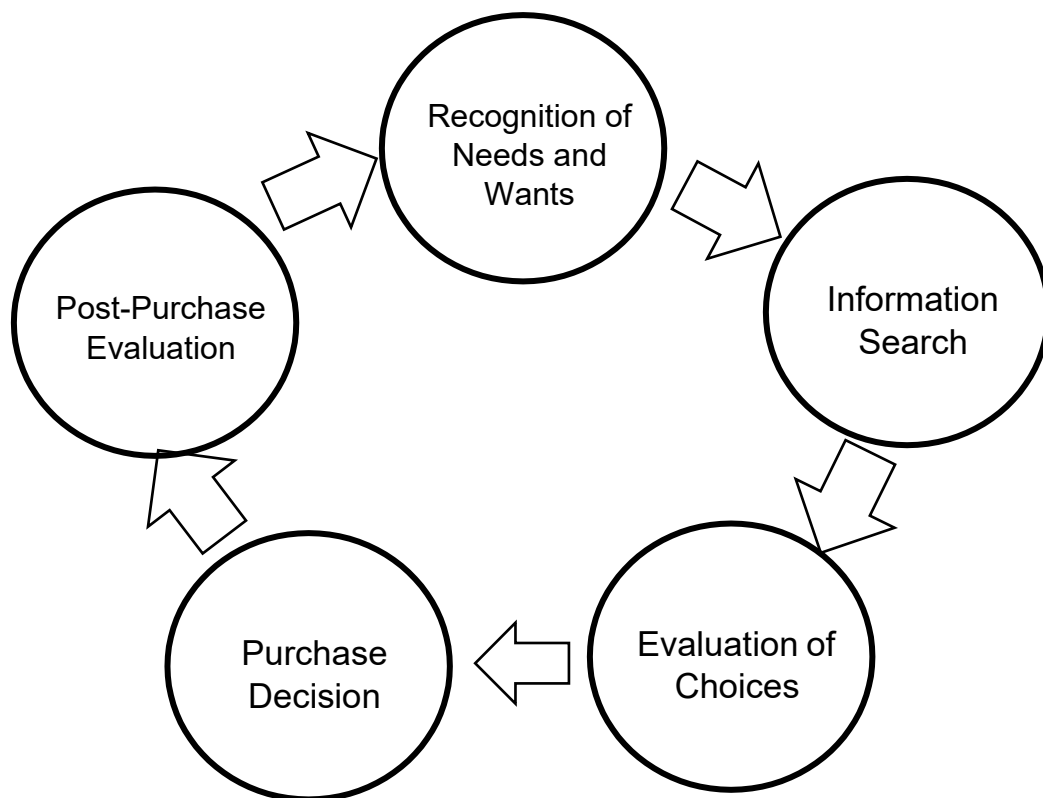


Figure 1. Buying Decision Process Model

(Tarum, Ivy M., MSIT, DIT, Grade 6 ICT and Entrepreneurship, Technology and Livelihood Education Textbook, pages 14)

Selling Process

For you to make more sales, follow this traditional **7-step Selling Process** given in Figure 2. These steps will help you improve your individual sales aside from the sales you earn in your business area.

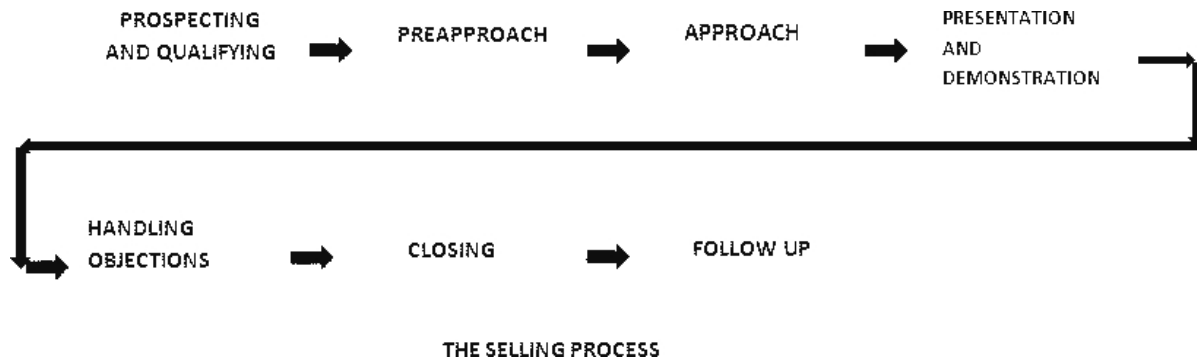


Figure 2. Selling Process

(Tarum, Ivy M., MSIT, DIT, Grade 6 ICT and Entrepreneurship, Technology and Livelihood Education Textbook, pages 18)



What is It

The Buying Process

- The buying decision process model starts with the **recognition of needs and wants**. Purchase will not take place without first knowing what you need and want. A **need** is an important product that you must acquire while a **want** is a product that you desire but is not important. A need is a necessity while a **want** is a luxury. For example, you need water to survive while you may want soft drinks to satisfy your thirst but you don't need it. However, a person's wants may be another person's needs. For example, a person needs a car for going to work every day while this may be a want for others.
- Next to recognition of needs and wants is **information search**. Buyers search for the business environments to look for the potential product choices. Information may come from print, radio, television, and online advertising.
- **Evaluation of choices** takes place after having different products/services to choose from. Here, the best product/service is chosen based upon the needs and wants. The choice is said to be influenced by one's attitude and of course the available budget.

- **Purchase decision** step is where the actual purchasing takes place. However, this may be disrupted either by negative feedback or by unanticipated circumstances. For example, you want to buy a cellphone in Store A but one of your friends told you that Store A is selling cellphones that are not of good quality. So, your decision to buy a cellphone at Store A will be disrupted.
- **After purchasing**, evaluation is the next step which would determine whether the buyer will make similar purchases from the same seller in the future on the basis of being either satisfied or dissatisfied.

Since purchase decision depends highly on the needs and wants of the customers, you should then match your product/service according to their current and unmet needs and wants. Knowing that buyers search for information, you need to make your product available and establish your brand or identity. Give as much information to your product and why this is the best, among others. The information you give should be true and is really possessed by your product. Your product or service should satisfy your customer so that they will make similar purchases again with you.

The Selling Process

- **Prospecting and Qualifying.** Research for your potential buyers aside from the people living near your business area that might be willing and able to buy your product or service.
- **Pre-approach.** Familiarize the needs and relevant background information of the qualified prospects.
- **Approach.** Make a small talk to the qualified prospects and build a business relationship.
- **Presentation.** Present your product/service focusing on the benefits rather than the features. Keep the presentation interactive.
- **Objection Handling.** Treat objections or hesitations as opportunities to respond to customer's needs and concerns.
- **Closing.** This is the step where the seller asks if the customer is willing to make a purchase. "If you do not ask, then you don't get. (Sheldon Snodgrass)
- **Following-up.** Nurture the business relationship by following up. This ensures additional sales and customer referrals. You may make a call and say thank you or ask if they received the product in good condition.

Needs are basic necessities of people such as food, clothing, and shelter. People cannot survive without them. Nowadays, education and health care are part of the human needs. Garment products and real estate products are always patronized.

Wants are goods that people desire or wish to have. People can still live even without these products or services. Electronic products and entertainment industry fall under this category.

Abraham Maslow is a well-known American psychologist. He proposed the different levels of needs and human beings. The basic needs of man are food, clothing and shelter. He called them basic because it pertains to survival, biological and physiological needs of people – things needed in order to live. This level had been very helpful to all people. Once the need of a person is satisfied, he or she moves to the next level.

The knowledge of the needs of people helps entrepreneurs market their products and services. Products and services are bought because they satisfy the needs and wants of the customers. A product is something that is manufactured following a process or grown and nurtured in order to be sold for a profit. A service is a facility supplying a public or market demand. Some examples are hair salons offering hair care and hairstyling services; bus companies, offering transport services; and spas and wellness centers offering massages, skin care treatments, and the like.

There are different products and services that are available for each type of customer.

Here is a brief description of Maslow’s Hierarchy of needs.

1. Physiological needs or basic needs are things needed to survive such as food, water, air, sleep, clothing and shelter.
2. Security needs or safety needs are also important for survival but not as demanding as basic needs. Examples of these are employment, healthcare, and safe home.
3. Social needs include the need for belonging, love, affection, friendship, attachments and families.
4. Esteem needs include personal worth, social recognition, and accomplishments.
5. Self-actualization or self-fulfillment needs are personal awareness and have less concern with the opinions of others.

Selling of Products Based on Needs and Demands in the School and the Community

- Demands are a step ahead of wants. It is the amount of interest to a given product that consumers are willing to buy at a given price, at a given period.

Sellers could offer products in the school and the community based on existing needs and demands. Examples include the following:

1. Bottled water is one of the most in-demand products in school and community that can provide a solution to the need.
2. Used clothing commonly known as “ukay-ukay” business offers imported products and sometimes overruns sold at lower price.
3. Street foods such as fish balls, “siomai”, and assorted “kakanin” can be sold the whole day and are offered at a lower price.
4. Baked products such as pandesal, ensaymada, bread loaf, cakes, and other pastries are equally saleable.



What's More

Among the products that are always in demand are food items. Identify which of the following is a **need** or **want**:

- | | |
|--------------------|-----------------------------|
| _____ 1. New shoes | _____ 6. Bread |
| _____ 2. Water | _____ 7. Additional Clothes |
| _____ 3. Food | _____ 8. Extra Cellphone |
| _____ 4. Shelter | _____ 9. Fish |
| _____ 5. New Car | _____ 10. Meat |



What I Have Learned

Buying is acquiring the possession of, or the right to, by paying or promising to pay an equivalent especially in money purchase. The buying decision process model starts with the recognition of needs and wants. Purchase will not take place without first knowing what you need and want. On the other hand, **selling** is a marketing function that involves determining client, needs and wants.

A **need** is an important product that you must acquire while a **want** is a product that you desire but is not important. A need is a necessity while a want is a luxury.



What I Can Do

Read the passage about needs and wants. Answer the questions.

All people have needs. Needs are things we must have in order to survive. We need food, water, clothes, and shelter. Wants are things we would like to have but do not need. Some people want a car, or a boat, some want jewels, some want a TV, some want a phone.

Questions:

1. What are needs?

2. What are wants?

3. Name three wants.



Assessment

Read and analyze the following situations below. Identify each if the situation is a **Need** or **Want**. Write your answer on the space provided.

1. Maria is having a problem about her school project expenses because her mother's income is just enough for their food. She decided to sell banana chips to her classmates so that she will have money to buy the materials needed for the project.

Answer: _____

2. You are bored sitting alone in the house and turns on TV to watch news.

Answer: _____

3. One sunny morning, Joshua is playing on the park with his friends. He saw that his friend has a new toy. He feels jealous while watching it, he then ran towards his mother and asked her to have the same new toy.

Answer: _____

4. Angelo is having lunch with his father at the restaurant, after eating, he again asks to eat ice cream even if he is already full.

Answer: _____

5. Arnold is a hard-working pupil in their school. Every morning he brings fruits and vegetables to the teachers to sell so that he can have money to buy medicines for his sick mother.

Answer: _____

6. You are starving. You go to a restaurant and order a cup of rice and one-piece fried chicken.

Answer: _____

7. After eating the rice and chicken, you ordered another two cups of rice, two pieces of fried chicken and a dessert.

Answer: _____

8. Mrs. Pedrosa was happy to announce to her pupils that there will be a gift-giving activity in their school. She said that all pupils will receive school supplies, raincoats, slippers and school bags. The pupils were happy to hear the good news.

Answer: _____

9. While watching TV, you keep on changing channels for a good TV show.

Answer: _____

10. You walked for one hour under the heat of the sun. In a little while, your throat became dry. You went to the shop and bought one bottle of water.

Answer: _____



Additional Activities

Read and answer the following questions below.

1. Name five (5) basic needs of man.

2. Name three (3) examples of wants.

3. Write one situation and identify whether it is a need or want.



Answer Key

10. Need	10. Need	10. Need	10. c
9. Want	9. Need	9. Need	9. b
8. Need	8. Want	8. Want	8. a
7. Want	7. Want	7. Want	7. c
6. Need	6. Need	6. Need	6. a
5. Need	5. Want	5. Want	5. d
4. Want	4. Need	4. Need	4. d
3. Want	3. Need	3. Need	3. a
2. Need	2. Need	2. Need	2. c
1. Need	1. Want	1. Want	1. a
Assessment	What's More	What I Can Do	What I Know
	1. Needs - are things we must have in order to survive.	1. Needs - are things we must have in order to survive.	
	2. Wants - are things we would like to have but do not need.	2. Wants - are things we would like to have but do not need.	
	3. Answer may vary	3. Answer may vary	

References

Tarum, Ivy M., MSIT, DIT, Grade 6 ICT and Entrepreneurship, Technology and Livelihood Education Textbook, pages 14 - 19.

https://www.entrepreneur.com/article/74316?fbclid=IwAR1UJDD8Cx_3oLG SbNRNYcUJKU6QkKkYUxSVmUknxc0HajnxdfhuhQD53

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