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| **TEXAS CTE LESSON PLAN**  [www.txcte.org](http://www.txcte.org) | |
| **Lesson Identification and TEKS Addressed** | |
| **Career Cluster** | Marketing |
| **Course Name** | Practicum in Marketing |
| **Lesson/Unit Title** | Marketing: Ethical and Social Responsibility |
| **TEKS Student Expectations** | **130.387. (c) Knowledge and Skills**  (27) The student understands a business's responsibility to know and abide by workplace laws, trade regulations, and ethical behavior that affect business operations  (C) The student is expected to describe legal issues affecting businesses |
| **Basic Direct Teach Lesson**  (Includes Special Education Modifications/Accommodations and  one English Language Proficiency Standards (ELPS) Strategy) | |
| **Instructional Objectives** | * Students will be able to describe legal issues affecting business. * Students will know the nature of business and show its contribution to society. |
| **Rationale** | After completing this lesson, students will be able to describe legal issues affecting business, know the nature of business, and shows its contribution to society. |
| **Duration of Lesson** | When taught as written, this lesson should take two to three days to complete. |
| **Word Wall/Key Vocabulary**  *(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * Green Marketing * Ethics * Code of Ethics * Consumerism * Consumer Rights |
| **Materials/Specialized Equipment Needed** | 1. Websites for assignments, and class discussion 2. Marketing Essentials, Schneider Farnese, Kimbrell, Woloszyk, Glencoe McGraw-Hill 3. American Marketing Association website 4. Printer paper 5. Assignments and website information ready to distribute to students. **Business Ethics** Direction Sheet 6. Internet for students to research business risks. 7. Computer with Internet access 8. Projector to show Internet sites 9. Computers for students to conduct research |
| **Anticipatory Set**  (May include pre-assessment for prior knowledge) | Businesses must follow some basic moral and ethical standards to be well thought of by customers and society. The early days of marketing introduced some practices that are now thought of as unethical in most cases and illegal in some cases. These included tactics such as price baiting and subliminal advertising. Steps were taken to make these practices illegal to protect consumers. The American Marketing Association (AMA) has created a Statement of Ethics for marketers to follow. Along with that is a need for businesses to recognize their role in society and find ways to be socially conscience and give back to their communities.  **SHOW:** Show students the marketing Code of Ethics from the AMA website.  **SAY:** Explain to students that the AMA has written a Code of Ethics that should governmarketing managers as they develop marketing campaigns.  **ASK:** Ask the students why they think it is necessary for AMA to develop this code.  **SAY:** Explain that while most marketing managers are ethical individuals who strive tobe ethical in the workplace, there are some situations that are not clear cut and the code helps them to determine their course of action.  **ASK:** Ask students if they can think of any products that might be marketed but mightcause an ethical dilemma for marketing managers.  **SAY:** Explain that products, such as alcohol or cigarettes, might cause dilemmas. Theyare legal and can be ethically marketed to adults, but marketers need to make sure that their advertising is not aimed at under age people.  **ASK:** Ask students if they think businesses have a responsibility to perform communityservice or make charitable donations to their communities.  **SAY:** Explain to students that many businesses choose to do just that with manybusinesses actively seeking ways to make contributions to the community. |
| **Direct Instruction \*** | * Websites for assignments, and class discussion * Marketing Essentials, Schneider Farnese, Kimbrell, Woloszyk, Glencoe McGraw-Hill * American Marketing Association website   I. Should businesses have any responsibility other than following the law?  A. A prominent ice cream seller donates 7.5% of its pre-tax earnings to disadvantaged and the needy.  B. They also donate to groups that strive for social change and environmental protection.  C. Ronald McDonald houses are funded by a major fast food chain.  Use current events as aid. Many businesses feel that they have a responsibility to give back to their communities. Most consumers believe that businesses should act socially responsible and will support those businesses that do. There are major retail chains that display the amount of money that they have donated to the community at the front of the stores. Others are socially responsible by  setting up scholarships and have employees donate their time to charitable activities or mentor students who are interested in the field of business.  II. Conservation and Recycling  A. Energy crisis of the 1970s  B. Oil consumption on rise estimated to be 13 million barrels a day by the year 2020.  C. Price of oil and availability is an issue.  D. Alternative fuel sources being investigated.  E. Many car manufactures have hybrid alternatives.  Finding alternatives to oil and gasoline has become a major issue for many businesses both large and small. We have seen the rise of hybrid and electric cars, with GM introducing the Volt and Nissan the Leaf. While these cars run primarily on electricity, they have not yet gained the popularity of conventional or  hybrid cars such as the Toyota Prius.  III. Green marketing involved companies trying to produce and market environmentally friendly products.  With the increased awareness of ecological issues, many companies are capitalizing on the consumer interest by marketing their products as being environmentally friendly, or “green”. This trend has become popular with everything from laundry detergent to automobiles. Companies that can show that their products protect the environment can gain an advantage when positioning their products against their competitors. Many consumers are willing to pay more for products that are marketed as green products.  IV. Ethics are guidelines for good behavior.  A. Laws are made to address ethical concerns involved products or marketing.  B. Price fixing  C. Bait and switch  D. Selling unsafe products    Some ethical laws are designed to protect consumers such as laws prohibiting business from banning together and forcing consumers to pay higher prices, this is known as price fixing. Or they cannot advertise one product at very low price and then not have any available in the store and try to switch customers to more expensive items. The government will also oversee products to make sure they are safe. If a product is found to cause injury or death or the possibility exists, the  government can force the company to issue a product recall.  V. To make the right ethical choices, marketers must answer three basic questions.  A. Is the practice right, fair, and honest?  B. What would happen if the product were marketed differently?  C. What practice will result in the greatest good for the greatest  number of people?  D. The American Marketing Association has developed a Code of Ethics for marketers.    E. Detailed provisions about truthfulness and fairness of marketing:  1. Advertising  2. Selling  3. Pricing  4. Marketing research  5. Product development  The AMA provides a Code of Ethics that marketers can refer to if they have any questions about what  practices are acceptable. The Code of Ethics gives detailed information  about how marketers should conduct themselves in all aspects of marketing, from advertising the products to development of the products.  VI. Consumerism is the societal effort to protect consumer rights by putting legal, moral, and economic pressure on businesses.  A. Consumer Bill of Rights provides four basic rights.  1. To be informed and protected against fraud, deceit, and  misleading statements, and to be educated in the wise use  of financial resources.  2. To be protected from unsafe products.  3. To have a choice in goods and services.  4. To have a voice in product and marketing decisions  made by government and business.  The rise of consumerism led to the Consumer Bill of Rights being passed and signed by President John F. Kennedy. There were several books that focused on consumers’ rights and the lack of quality control and deceptive trade practices. Ralph Nader’s Unsafe at Any Speed exposed the lack of safety in the automobile industry and Vance Packard’s Hidden Persuaders talked about how marketing practices were influencing consumers in an unethical manner. These books and  others caused a groundswell of support for stricter laws governing  marketing and product safety.  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*  NONE |
| **Guided Practice \*** | Ask students to describe what their idea of a socially responsible company would look like. What type of community, regional or global activities would they be involved in? Ask them to make a list of the activities and then to identify any businesses either locally or national brands that match their list. Have a class discussion about which businesses are most socially responsible and if they feel that is important.  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*  NONE |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | **Business Ethics Project** (Team project, two students per team)  Each will use the statement of ethics from the American Marketing Association for their project. They will create a poster that lists each of the ethical values. Each value will have a brief definition, in the student’s own words, of what that value represents. Using the Internet to conduct research, they will find a current event that demonstrates how a company has either exemplified that value or has broken that trust with consumers. They will list the company and the current event on the poster. They will also draw a picture of how businesses might implement that value.  Students will present the posters to the class. This project will be evaluated using the assigned rubric.  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*  NONE |
| **Lesson Closure** | **Question:** What responsibilities do businesses have to society?  **Question:** Do all companies live up to the same ethical standards?  **Question:** What has been put in place to protect consumers?  **Question:** What might a customer do if they feel a business has treated them unfairly?  **Question:** What caused the AMA to create a Code of Ethics?  **Question:** What is consumerism?  **Question:** How has consumerism affected businesses?  **Question:** What role do businesses have in protecting the environment?  **Question:** What do you think would happen if environmental laws were not enacted?  **Question:** What basis do you have for believing that way? |
| **Summative/End of Lesson Assessment \*** | **Informal Assessment:**  Instructor should observe the work ethic of individuals involved in class discussions and the Independent Practice activity.  **Formal Assessment:**  Students will be evaluated on their **Business Risk Recommendations** by using the assigned rubric.  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*  NONE |
| **References/Resources/**  **Teacher Preparation** | * Teacher will review the terms in the outline, and handouts to become familiar with lesson. * Teacher should locate and evaluate various resources and websites before the lesson. * Teacher will have assignments and website information ready to distribute to students. * Marketing Essentials, Schneider Farese, Kimbrell, Woloszyk, Glencoe McGraw-Hill |
| **Additional Required Components** | |
| **English Language Proficiency Standards (ELPS) Strategies** |  |
| **College and Career Readiness Connection[[1]](#footnote-1)** |  |
| **Recommended Strategies** | |
| **Reading Strategies** |  |
| **Quotes** |  |
| **Multimedia/Visual Strategy**  **Presentation Slides + One Additional Technology Connection** |  |
| **Graphic Organizers/Handout** |  |
| **Writing Strategies**  **Journal Entries + 1 Additional Writing Strategy** |  |
| **Communication**  **90 Second Speech Topics** |  |
| **Other Essential Lesson Components** | |
| **Enrichment Activity**  (e.g., homework assignment) | **Business Preparedness Essay**  Using the Internet, students are to research five companies’ social responsibility policies. This information can usually be found under the “About Us” or “Inventor Relations” section of the website. The essay will detail each company’s policies, provide examples of how they put their policies into action, and state if they use these policies in their marketing campaigns. They will then compare and contrast the five companies’ social policies and determine which one is the most socially conscious. Students will need to determine if those policies have helped them gain an advantage over their competitors or if it has had no effect. |
| **Family/Community Connection** |  |
| **CTSO connection(s)** | DECA |
| **Service Learning Projects** |  |
| **Lesson Notes** |  |

1. Visit the Texas College and Career Readiness Standards at <http://www.thecb.state.tx.us/collegereadiness/CRS.pdf>, Texas Higher Education Coordinating Board (THECB), 2009. [↑](#footnote-ref-1)