NAF Professional Ethics

Lesson 8

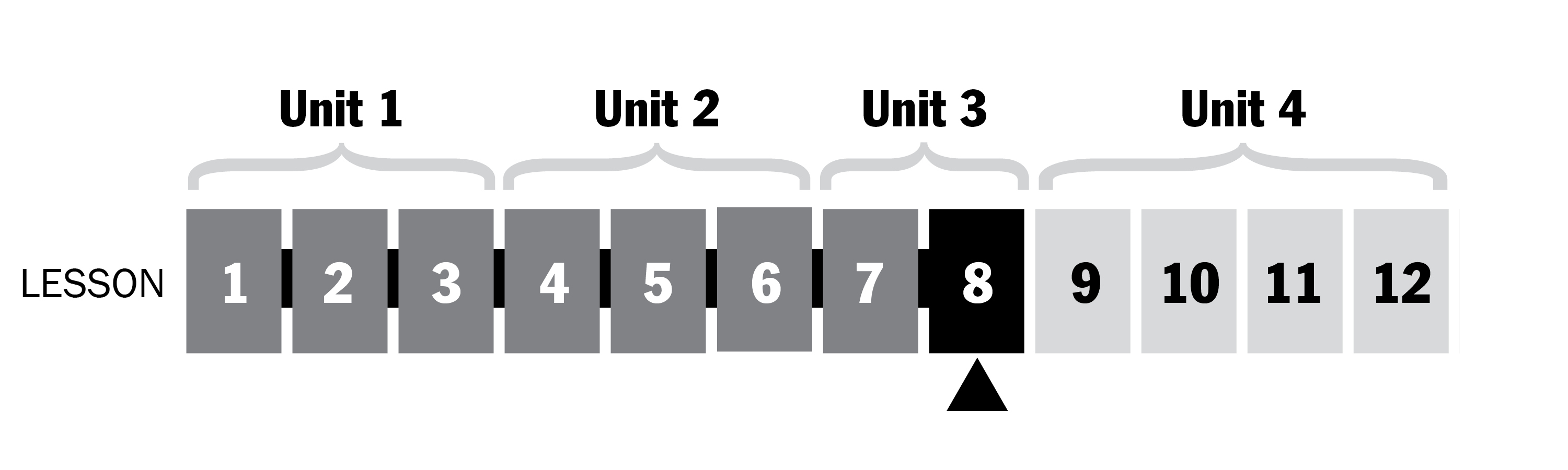
Ethics in Marketing

In this lesson, students learn about the ethical issues involved in marketing. They learn about their own role as a target market and use the Four Ps (product, price, promotion, and placement) as a framework for analysis when they examine questions of marketing ethics.

Advance Preparation

* In Class Period 1, you will need access to a classroom computer, projector, and speakers to show a YouTube video. If your school does not allow access to YouTube, you may wish to download the video to your computer in advance using KeepVid (see [keepvid.com](http://www.keepvid.com)) or a similar program. If technology is unavailable, you can instead print out a related article for students to read.
* Each student will need a computer for research and writing in Class Periods 2–5.
* Prior to Class Period 2, write research topics on index cards to distribute to students. See Step 4 for more information.

This lesson is expected to take 5 class periods.



Lesson Framework

Learning Objectives

Each student will:

* Define *marketing* and list its main elements\*
* Describe and explain the ethical issues involved in marketing\*
* Analyze an example of unethical marketing and explain why it is unethical

\*This is one of the 16 key learning objectives assessed by the NAFTrack Certification end-of-course exam for this course.

Academic Standards

The relevant Common Core State Standards are too extensive to list here but are an important basis for this lesson. For details, please refer to the separate document “Correlations to the Common Core Standards” (available in the Course Planning Tools section of the course materials).

* Describe and follow laws and regulations affecting business operations and transactions (Common Career Technical Core 2012, BM-MGT 1)
* Understand the role of ethics in the business world (McREL Business Education Standards 1999, Standard 34)
* Understand the roles of marketing and the impact of marketing on the individual, business, and society (McREL Business Education Standards 1999, Standard 43)
* Understand characteristics of a market and strategies used to deal with a diversified marketplace (McREL Business Education Standards 1999, Standard 46)
* Understand components and strategies of effective marketing plans (e.g., product development, pricing, distribution processes and methods, forms of promotion) (McREL Business Education Standards 1999, Standard 47)
* Analyze the role of markets and prices in the US economy (NBEA National Standards for Business Education 2013, Economics IV, Markets and Prices)
* Use a rational decision-making process as it applies to the roles of citizens, workers, and consumers (NBEA National Standards for Business Education 2013, Personal Finance I, Personal Decision Making)
* Examine the role of ethics and social responsibility in decision making (NBEA National Standards for Business Education 2013, Management V, Ethics and Social Responsibility)

Assessment

|  |  |
| --- | --- |
| Assessment Product | Means of Assessment |
| Quiz on ethics and the Four Ps of marketing (Teacher Resource 8.3) | Answer Key: Ethics and the Four Ps of Marketing Quiz (Teacher Resource 8.4) |
| Case study on marketing ethics (Student Resource 8.3) | Rubric: Marketing Ethics Case Study (Teacher Resource 8.5) |

Prerequisites

* Understanding of the purpose and process of marketing
* Some experience analyzing ethical dilemmas
* The ability to identify ethical options when making decisions at work, at school, and in one’s personal life

Instructional Materials

Teacher Resources

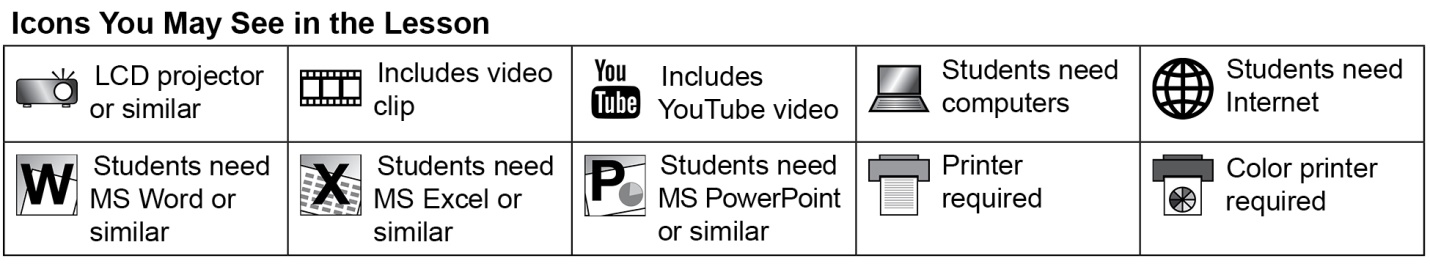
* Teacher Resource 8.1, Interview Questions: Opinions on Ethical Marketing
* Teacher Resource 8.2, Presentation and Notes: The Four Ps of Marketing (includes separate PowerPoint file)
* Teacher Resource 8.3, Quiz: Ethics and the Four Ps of Marketing
* Teacher Resource 8.4, Answer Key: Ethics and the Four Ps of Marketing Quiz
* Teacher Resource 8.5, Rubric: Marketing Ethics Case Study
* Teacher Resource 8.6, Key Vocabulary: Ethics in Marketing
* Teacher Resource 8.7, Bibliography: Ethics in Marketing

Student Resources

* Student Resource 8.1, Reading: The Four Ps of Marketing
* Student Resource 8.2, Research: Marketing Ethics Case Study
* Student Resource 8.3, Case Study: Marketing Ethics
* Student Resource 8.4, Tips: Becoming Invulnerable to Unethical Marketers

Equipment and Supplies

* Basket or container for interview questions
* Blackboard, whiteboard, or flip chart
* Computer with Internet, speakers, and LCD projector for videos and PowerPoint presentation
* Index cards
* Resources for research on marketing ethics, such as periodicals, textbooks, and computers with Internet access (one for every student)
* Several permanent markers (e.g., Sharpie pens) or rolls of masking tape



Lesson Steps

| Step | Min. | Activity |
| --- | --- | --- |
|  |  | class period 1 |
| 1 | 25 | One Question Research: Opinions on Ethical Marketing  To establish prior knowledge on the topic, students find out what their classmates think about a variety of ethical issues related to marketing across different industries.  Prior to class, cut apart the interview questions in Teacher Resource 8.1, Interview Questions: Opinions on Ethical Marketing. Make enough copies so that every pair of students has one interview question to work with. Fold the questions in half or thirds so that their contents cannot be seen, and place them in a basket or other container.  When class begins, explain that students will work in pairs for this activity. They will each receive a question that they will go online to research. They will take notes on their research to back up their response. All pairs will share their responses with the whole class once the interviewing is complete.  Place students in pairs. Ask one member of each pair to come up to the basket and select one of the folded interview prompts. Once everyone has a prompt, tell students will have 10 minutes to discuss their question and conduct online research to find current examples which back up their thinking.  Once 10 minutes are up, tell students to stop interviewing and to review their findings. Give them a couple of minutes to decide what to tell the class about what they learned. |
| 2 | 25 | YouTube Video: Alcohol Justice  This video introduces students to the key marketing concepts of target market and consumer vulnerability, which they will need to understand to explore ethics and marketing.  Before class, queue this YouTube video: <https://www.youtube.com/watch?v=qknidcPIito>  Write the following questions on the board prior to class:  To what degree do you think you’re influenced by marketing?  Why might marketing certain products to young people be considered an ethics issue?  At the beginning of the period, ask students to discuss these questions with a neighbor, and then call on several pairs to report out to the class.  Next, show students the YouTube video you prepared, “Alcohol Justice: Challenging Alcohol Marketing to Youth.”  Next, divide students into groups of four to discuss the following questions (written on the board) and give groups 5 minutes or so to respond to each. They should jot down notes from their discussion in their notebook.  What strategies does the alcohol industry use to target young people?  How much of an influence do you think alcohol marketing has on people your age or younger?  Do you think kids recognize when they are being targeted? Why or why not?  After groups have finished responding, have the class reconvene for a follow-up discussion on what the groups talked about.  **What other products are currently being targeted to youth (e.g. e-cigarettes)**  Before continuing to the next activity, introduce the terms “target market” and “consumer vulnerability” and tell students to write them down in their notebooks.  *Target market*, as they may have learned in other courses, is the part of the market that a certain product or service is designed for. Gender, age, ethnicity, level of education, and other factors describe a particular target market. Marketing campaigns are considered ethical if they target the typical needs and wants of the target market. For example, new TV shows featuring Generation Xers—people between the ages of 36 and 54—are usually marketed to people in that age range.  *Consumer vulnerability*: This refers to consumers’ risk of being taken advantage of or harmed. Children are vulnerable because they are inexperienced and lack informed opinions. People who are in financial trouble, the elderly, the disabled, and the uneducated are other examples of vulnerable consumers. We are all vulnerable to having our insecurities, fears, and whims exploited. It is unethical to target consumers with a marketing campaign that preys on their vulnerabilities. An example is marketing alcohol to teens. Such marketing can be predatory because of its location—for example, an ad for alcopops right next to the cash register—or because of its content. |
|  |  | class period 2 |
| 3 | 25 | Presentation: The Four Ps of Marketing  This activity gives students an in-depth look at the Four Ps of marketing, as a framework for understanding marketing ethics. It also develops students’ listening and note-taking skills. If students are already familiar with the Four Ps, this presentation provides a good opportunity to review the concepts as they apply to professional ethics.  To prepare, make notes to guide class discussion using Teacher Resource 8.2, Presentation Notes: The Four Ps of Marketing. Have Teacher Resource 8.2, Presentation: The Four Ps of Marketing (separate PowerPoint file), ready to show as a full-screen slideshow using an LCD projector.  Explain to the class that, now that they have considered some specific issues of target marketing, they will be expanding their discussion to include other ethical issues related to marketing. Have them divide a notebook page into quadrants to represent the Four Ps. Explain that they will need to take notes on what each “P”represents*.*  Present the slideshow. Use the notes you prepared and the questions on the slides to encourage class discussion.  This presentation is duplicated as Student Resource 13.1, Reading: The Four Ps of Marketing. If an LCD projector is unavailable, students can read the presentation, answer the discussion questions in their notebook, and discuss their answers as a class. This student resource is also useful for review.  After the presentation, divide the class into pairs or groups of three and have them compare their notes for completeness and accuracy. Invite each pair or triad to share their thoughts and questions.  Tell students that they will be taking a quiz on ethics and the Four Ps at the start of the next class period, so they should review their notes for homework. |
| 4 | 25 | Research: Marketing Ethics  Students begin their assignment of researching an ethical marketing issue and finding a case study that offers a real-world example of the issue. This assignment focuses on the following college and career skills:  Prioritizing and completing tasks without direct oversight  Locating, evaluating, and applying information  At the beginning of the activity, have students briefly review the Four Ps from the previous activity.  Next, assign each student an example of an unethical marketing strategy that he or she will describe and research. Do this by distributing index cards on which you have written the topics. Alternatively, let students make their own choices. (You may also choose to have students complete this assignment in pairs.) The suggested topics are categorized by the Four Ps, and you may alter or augment this list as you see fit:  Product:  Product safety  Bait and switch  Price:  Price fixing  Price gouging  Predatory pricing  Promotion:  False advertising  Negative advertising  Placement:  Target marketing  Greenwashing  Product placement  Refer students to Student Resource 8.2, Research: Marketing Ethics Case Study, as well as Student Resource 8.3, Case Study: Marketing Ethics. List the available classroom resources for students to use, such as articles, textbooks, and computers with Internet access (one computer for every student). Ask students to find the following information (also explained in Student Resource 8.2):  A description of this type of marketing strategy or issue  An explanation of why this marketing strategy or issue is or could be considered an issue of ethics  A case study of this marketing strategy or issue  Place students in pairs and review Teacher Resource 8.5, Rubric: Marketing Ethics Case Study, with the class so that they know what is expected of them. Ask pairs to look at the example in Student Resource 8.2 and evaluate it with the rubric. After a few minutes, ask if any pairs did not give the example an exemplary rating for any row. If not, what do they think needs to be improved in the example? Use this activity to ensure that everyone understands the assignment, especially what writing this case study entails. Allow students any remaining class time to get started on their research.  Before the end of the period, explain to students that after they take the quiz in the next class period, they will have additional class time to finish their research and complete a final draft of their case study. |
|  |  | CLASS PERIOD 3 |
| 5 | 20 | Quiz: Ethics and the Four Ps of Marketing  This activity gives students the opportunity to demonstrate their understanding of ethical issues in marketing.  At the start of class, give students a minute or two to review their notes from the presentation.  Then distribute Teacher Resource 8.3, Quiz: Ethics and the Four Ps of Marketing, and instruct students to complete the quiz.  After students have finished the quiz, collect them for assessment using Teacher Resource 8.4, Answer Key: Ethics and the Four Ps of Marketing Quiz. When quizzes have been collected, go over each question as a class, and have students volunteer what they believe to be the correct answers. Be sure to clarify any misconceptions before moving on to the following research assignment. |
| 6 | 30 | Research: Marketing Ethics (Continued)  Students continue to research their marketing ethics topics.  Tell students to continue their research from the previous class period. Check in with each student to gauge progress and answer questions, and help with any problems that arise. Make sure students are completing Student Resource 8.3, Case Study: Marketing Ethics.  Conclude this class period by telling students that they will be reviewing each other’s drafts in the next class period, so if they have a lot more to do, they need to complete their research for homework. Instruct students to come to class prepared to share Student Resource 8.3, Case Study: Marketing Ethics. |
|  |  | CLASS PERIOD 4 |
| 7 | 35 | Anonymous Peer Review: Marketing Ethics Case Study  Students help each other to improve their research and case studies by offering constructive feedback. They also practice behaving ethically despite anonymity.  Tell students that they will now have an opportunity to help each other produce their best work by providing constructive feedback on one another’s case study drafts. They will not know whose drafts they are reviewing; the drafts will be anonymous. Thus, this activity is also an opportunity for students to practice being ethical despite being anonymous.  Randomly distribute rolls of masking tape or permanent markers and instruct students to cover their names at the top of Student Resource 8.3. Once everyone’s name has been obliterated, collect the tape or markers. Then go around the room and write a number in the top right corner of each draft. Tell students to remember their number and write it down in their notebooks if they might forget. Once everyone has been assigned a number, collect all the drafts and shuffle them.  While you are collecting and shuffling the drafts, instruct students to get out their copies of Teacher Resource 8.5, Rubric: Marketing Ethics Case Study.  Redistribute the drafts. If anyone recognizes the handwriting on the draft or receives their own, swap them out for drafts that are truly anonymous. Instruct students to evaluate the draft this way:  Use the rubric to evaluate this case study. Find the criterion you think it does the best on. At the bottom of the draft, write this criterion down and explain why you chose it. Then find a criterion you think this paper doesn’t do very well on, write it down, and write an explanation of why.  Explain that each student will evaluate four drafts, so they can’t spend too much time on any one draft. They also need to write their comments neatly, to leave room for the next reviewers’ comments. They will either have to write comments on the back of the draft or on another sheet of paper that is kept with the draft.  Begin the review process. Every five minutes or so, have students work on reviewing a new draft. Circulate around the room, ensuring that comments are constructive. After each student has reviewed four drafts, return the drafts to their owners. |
| 8 | 15 | Final Draft: Marketing Ethics Case Study  Students use the peer feedback they received to begin creating the final version of their case study.  Give students a few minutes to read the feedback. Have students whose feedback was conflicting raise their hands; you will need to help them figure out how to improve their work. Answer any other questions. Then tell students to start their final drafts using the computer (or a fresh sheet of paper). They should keep their case studies organized according to Student Resource 8.3, but they can make any changes they want to based on new ideas and peer feedback.  Assure students that they will have time in the next class period to complete their final draft. |
|  |  | class period 5 |
| 9 | 20 | Final Draft: Marketing Ethics Case Study (Continued)  Students complete their case study final draft.  Settle students at computers to complete their case study final drafts. Collect and assess the case studies using Teacher Resource 8.5, Rubric: Marketing Ethics Case Study. |
| 10 | 30 | Discussion: Ethical Marketing to Teens  Students apply what they have learned about target marketing, ethical and unethical marketing practices, and effective marketing to teens to a discussion of how to make themselves less vulnerable to unscrupulous marketing tactics.  Ask a volunteer to remind the class what *consumer vulnerability* means. Ask another volunteer for an example of unethical marketing that takes advantage of consumer vulnerability—students should remember the YouTube video from the first class period about youth being vulnerable to alcohol marketing.  Note that students can use what they learned in this lesson to become much less vulnerable to marketing manipulation. Marketers go after the teen target market with a vengeance—there is lots of money to be made off of impressionable teens. Teens are more impulsive and easier to manipulate than adults because a teenager’s brain is not done developing and impulse control is not mature. But knowledge is power! And now students are going to conclude this lesson by writing a set of guidelines that will make them savvier than the marketers who are working them.  Place students in small groups of 3–4 students. Review Student Resource 8.4, Tips: Becoming Invulnerable to Unethical Marketers. Tell students to work together to devise strategies that will make the unethical marketing tactic ineffective.  Give students about 15 minutes to work together. Then call on different groups to offer their suggestions; encourage everyone to add tips to their own resources if they hear some that sound effective.  If nobody mentions it, note that this resource includes examples of marketing illegal substances to teens. Obviously, such substances shouldn’t be marketed at all! But drug deals are commercial transactions like any other. Just as the nice sales associate isn’t your friend, the drug dealer isn’t either—both just want your money. They will both use any strategy that works, no matter how unscrupulous.  Conclude by asking students to circle the tactic that they think will help to make them invulnerable to unethical marketing practices. |

Extensions

Content Enrichment

* Some public school systems have responded to budget cuts by contracting with corporations to provide and even promote the sale of sugary drinks and junk food on school grounds. Ask students to debate the following question: Is it ethical for schools to make unhealthy foods available to students in order to make a profit that they use to educate those same students?.
* What is the difference between manipulation and deception in advertising? Invite a marketing professional or a member of your NAF academy advisory board to your class for a discussion on the fine line between ethical and unethical marketing. Have students gather examples of television, Internet, and/or print ads to prepare for the discussion.