Choconomics,
Levels 7 and 8

Economics and Business

Sample activities

**Disclaimer:** It is the responsibility of the school to ensure that duty of care is exercised in relation to the health, hygiene and safety of all students undertaking activities where students handle or taste food. In implementing projects with a focus on food, care must be taken with regard to food safety and specific food allergies that may result in anaphylactic reactions.

Authorised and published by the Victorian Curriculum and Assessment Authority
Level 7, 2 Lonsdale Street
Melbourne VIC 3000

© Victorian Curriculum and Assessment Authority 2019

No part of this publication may be reproduced except as specified under the *Copyright Act 1968* or by permission from the VCAA. Excepting third-party elements, schools may use this resource in accordance with the [VCAA educational allowance](https://www.vcaa.vic.edu.au/Footer/Pages/Copyright.aspx#schools). For more information go to: <https://www.vcaa.vic.edu.au/Footer/Pages/Copyright.aspx>.

The VCAA provides the only official, up-to-date versions of VCAA publications. Details of updates can be found on the VCAA website: [www.vcaa.vic.edu.au](http://www.vcaa.vic.edu.au).

This publication may contain copyright material belonging to a third party. Every effort has been made to contact all copyright owners. If you believe that material in this publication is an infringement of your copyright, please email the Copyright Officer: vcaa.copyright@edumail.vic.gov.au

Copyright in materials appearing at any sites linked to this document rests with the copyright owner/s of those materials, subject to the Copyright Act. The VCAA recommends you refer to copyright statements at linked sites before using such materials.

At the time of publication the hyperlinked URLs (website addresses) in this document were checked for accuracy and appropriateness of content; however, due to the transient nature of material placed on the web, their continuing accuracy cannot be verified.

The VCAA logo is a registered trademark of the Victorian Curriculum and Assessment Authority.

Contents

[Introduction 4](#_Toc9420400)

[Session 1 – Consuming chocolate 7](#_Toc9420401)

[Session 2 – Tasting chocolate 12](#_Toc9420402)

[Session 3 – Pricing chocolate 18](#_Toc9420403)

[Session 4 – Cocoa farmers trading game 23](#_Toc9420404)

[Session 5 – The life of a cocoa farmer 31](#_Toc9420405)

[Session 6 – The international trade game 35](#_Toc9420406)

[Session 7 – The chocolate company 39](#_Toc9420407)

[Session 8 – Student presentation 42](#_Toc9420408)

**Note:** Please see the accompanying Choconomics resource document for supporting resources that can be printed and distributed to students.

Introduction to the sample activities

These sample activities address the Economics and Business curriculum area of the Victorian Curriculum F–10 at Levels 7 and 8.

Students investigate the implications of a globalised economy, with a specific focus on the international trade in cocoa beans and the production of chocolate. They develop business skills and consider the economic and social issues associated with international trade. Personal consumer behaviour is considered and compared with that of others, and economic decision making is considered and applied.

Students research how cocoa beans are grown and sold internationally, as well as the production of chocolate bars. The concept of price mechanism is practically applied in relation to the market for chocolate, and the interdependence of consumers and producers is examined.

Students also consider the roles and lives of workers within the chocolate industry, as well as ethical and social responsibility issues associated with international trade. Students consider the rights and responsibilities of both producers and consumers in light of these issues, and the contribution of workers to the economy and society is also examined.

These sample activities can be delivered in eight sessions:

* [Session 1 – Consuming chocolate](https://deecddigipubs2014.worldsecuresystems.com/vcaa/vcaa-economics-business-5-8/vcaa-economics-business-8-section-1)
* [Session 2 – Tasting chocolate](https://deecddigipubs2014.worldsecuresystems.com/vcaa/vcaa-economics-business-5-8/vcaa-economics-business-8-section-2)
* Session 3 – Pricing chocolate
* Session 4 – Cocoa farmers trading game
* Session 5 – The life of a cocoa farmer
* Session 6 – International trade game
* Session 7 – The chocolate company
* Session 8 – Student presentation

Links to the Victorian Curriculum F–10

Elements of the achievement standards addressed during each of the eight sessions are noted at the beginning of the session in the ‘Overview’ section. The strands and content descriptions of the Economics and Business curriculum addressed in each session are shown below.

|  |  |
| --- | --- |
| **Curriculum area:** Economics and Business | **Curriculum levels:** Levels 7 and 8 |
| **Strand** | **Content Description** | **Session 1** | **Session 2** | **Session 3** | **Session 4** | **Session 5** | **Session 6** | **Session 7** | **Session 8** |
| Resource Allocation and Making Choices | Examine the ways consumers and producers respond to and influence each other in the market, particularly through price mechanism ([VCEBR011](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBR011)) | **✓** | **✓** | **✓** | **✓** |  |  |  | **✓** |
| Identify why and how markets may be influenced by government |  |  |  |  |  |  |  |  |
| Consumer and Financial Literacy | Investigate the rights and responsibilities of consumers and businesses in terms of financial and economic decision making ([VCEBC013](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBC013)) |  |  |  | **✓** |  |  |  | **✓** |
| Explain the reasons why and the ways in which individuals and businesses set, prioritise and plan to achieve financial and organisational goals ([VCEBC014](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBC014)) | **✓** |  | **✓** |  |  |  |  |  |
| The Business Environment | Explore and observe the characteristics of entrepreneurs and successful businesses ([VCEBB015](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBB015)) | **✓** | **✓** |  |  |  |  | **✓** |  |
| Work and Work Futures | Consider the ways in which work can contribute to individual and societal wellbeing ([VCEBW016](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBW016)) |  |  |  |  | **✓** | **✓** |  |  |
| Describe the nature and investigate the influences on the work environment ([VCEBW017](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBW017)) |  |  |  |  | **✓** |  | **✓** |  |
| Enterprising Behaviours and Capabilities | Explain the role of enterprising behaviours and capabilities in the work environment and explore how individuals and businesses can use them ([VCEBN018](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBN018)) |  |  |  | **✓** |  | **✓** |  | **✓** |
| Economic and Business Reasoning and Interpretation | Identify relationships and trends, and generate a range of alternatives for an economic or business issue or event, evaluating the potential costs and benefits of each alternative and the consequences of proposed actions ([VCEBE019](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBE019)) |  |  |  | **✓** | **✓** |  |  |  |

The activities in Sessions 1–8 allow for differentiation of student learning. Students are generally able to work at their own level and progress accordingly.

Teacher resources

The following resources have been provided in the accompanying Choconomics resource document.

Session 1

* [Choconomics survey](https://deecddigipubs2014.worldsecuresystems.com/vcaa/vcaa-economics-business-5-8/docs/Choconomics_Survey.pdf)
* Table for collation of Choconomics survey data
* Choconomics survey score sheet

Session 2

* Chocolate tasting test

Session 3

* [Price schedule for 200g bar of chocolate](https://deecddigipubs2014.worldsecuresystems.com/vcaa/vcaa-economics-business-5-8/docs/Price_for_200g_bar_chocolate.pdf)
* [Student question sheet](https://deecddigipubs2014.worldsecuresystems.com/vcaa/vcaa-economics-business-5-8/docs/Choc_Student_Question_Sheet.pdf)

Session 4

* Cocoa beans template
* Chocolate bar template
* Ghanaian currency templates 1 and 2
* various role-play descriptions (× 7)
* Chocolate trade, seasons 1–4
* General instructions for all participants

Session 5

* Six Thinking Hats approach

Session 6

* Chocolate trade table

Session 1 – Consuming chocolate

Overview

Duration

90–120 minutes

Curriculum links

Relevant Levels 7 and 8 achievement standard extract

By the end of Level 8, students describe the interdependence of consumers and producers in the market and explain how markets operate to set prices … Students explain why and how individuals and businesses set, prioritise and plan for financial and organisational goals. They describe the characteristics of successful businesses, the way these businesses use enterprising behaviours and capabilities …

Links to content descriptions

* Examine the ways consumers and producers respond to and influence each other in the market, particularly through the price mechanism ([VCEBR011](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBR011))
* Explain the reasons why and the ways in which individuals and businesses set, prioritise and plan to achieve financial and organisational goals ([VCEBC014](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBC014))
* Explore and observe the characteristics of entrepreneurs and successful businesses ([VCEBB015](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBB015))

Learning intentions

Students can:

* define the key terms
* understand the purpose and application of a class survey about consumer behaviour
* consider personal consumer behaviours and habits and compare these with others’
* record, collate and analyse data collected via a survey
* draw conclusions about personal and group consumer behaviours.

Key terms

* **Advertising**: the practice of informing consumers about products and persuading consumers to purchase them
* **Branding:** the combination of a unique design, sign, symbol and/or words associated with a business and/or its products. A brand creates an image that identifies a business and its products. A brand also differentiates a business from its competitors
* **Consumer:** a user, purchaser and/or buyer of products (goods and services)
* **Consumer behaviour**: the way in which users, purchasers and/or buyers of products (goods and services) act when buying and selling products, including how they go about making economic decisions
* **Market**: the organised exchange of goods, services or resources between buyers and sellers
* **Packaging:** the materials in which objects are presented before being sold
* **Price mechanism**: the means by which demand and supply determine prices and how scarce resources are allocated between competing uses
* **Producer:** a person, business or organisation that combines economic resources and creates a finished product or a component for a finished product
* **Trade**: the exchange of products (goods and services), usually for money

Teacher resources

The following resources have been provided in the accompanying Choconomics resource document:

* [Choconomics survey](https://deecddigipubs2014.worldsecuresystems.com/vcaa/vcaa-economics-business-5-8/docs/Choconomics_Survey.pdf)
* Table for collation of Choconomics survey data
* Choconomics survey score sheet.

Teacher notes

* This activity models the *Family Feud* television show format (see explanation below). [Clips of *Family Feud*](https://tenplay.com.au/channel-ten/family-feud) could be viewed by the class before commencing this activity in order to provide students with a model of how to conduct themselves.
* No other prior skills and knowledge are required for participation.

Introduction to Session 1

* We are all active participants in the economy as consumers of goods and services. Producers take economic resources, in the form of labour, capital and materials, and put these through a series of steps in order to create finished products in the form of goods and services. Whether as a producer or a consumer of goods and services, we are all required to make economic decisions about how to best use the economic resources available to us. A producer must make decisions about what to produce, how to produce it and who will be allocated the finished resources. Consumers usually work to obtain money (wages), which is spent on the purchase of goods and services created by producers.
* In a market economy based on the price mechanism (where the level and type of consumer demand determines what is produced using the scarce economic resources available), a producer will usually make economic decisions about what to produce based on the types of goods and services consumers want to purchase. In other words, a producer will try to meet consumer demand in the hope of selling the products that they produce at a profit (profit motive). In order to measure/ascertain the level of consumer demand for a product, consumer behaviour is examined.
* During Session 1 students are asked to reflect on and examine personal behaviour as consumers, plus consider the buying habits of consumers in general and how these link to producer decisions about what to produce and how. The ways consumers and producers interact, influence and respond to each other in the market are considered. Students consider the production and consumption of chocolate, looking particularly at personal habits in terms of how frequently they purchase chocolate and reasons for their purchase choices. They also examine the economic resources required to produce chocolate for consumption.
* A class survey about the buying habits of the student cohort is conducted and results are presented through role-play, using the format of the television game show *Family Feud*.
* In the free market economy, the interrelationships between consumers, producers and workers are important in determining the use and allocation of scare economic resources. Session 1 is designed to allow students to consider these relationships as well as their personal role as consumers. It is intended that students are introduced to the concept of marketing (specifically advertising and branding) and develop an awareness of how it can influence individual consumer behaviour.

Activity

* Have two students sit out of the class in a pretend ‘silent booth’ area. These two students are going to be ‘contestants’ in a *Family Feud*–style activity and attempt to accurately predict class responses to survey questions. If they earn 200 points or more, they will be entitled to a prize (possibly a chocolate bar).
* While the two students are out of the room, survey the remaining class members and ask for responses to the questions in the Choconomics survey (see the accompanying Choconomics resource document and also below).
* Designate two students as data recorders, responsible for recording and compiling responses. (See the suggested table for collation of data in the accompanying Choconomics resource document.)
* If possible, survey other classes beforehand and incorporate this data into the final total and percentages.
* A simple ‘raise your hands and count’ approach could be used, with students using basic mathematics and tables to work out the percentages for each type of response. An app or other software suitable for the recording and compilation of results, such as [Poll Everywhere](https://www.polleverywhere.com/), could be used.

Choconomics survey

|  |  |
| --- | --- |
| **Survey question** | **Individual student response** |
| What is your favourite chocolate bar? |   |
| How often do you buy chocolate each week? |   |
| How much do you spend (on average) on chocolate each week?  |   |
| Give one reason you would buy more than one chocolate bar at a time. |   |
| Name one ingredient that goes into making a chocolate bar. |   |
| Name one country cocoa beans come from. |   |

* Once responses have been recorded and percentages calculated and tabulated, bring the first student/contestant back into the room.
* The game then operates using the same principles as the *Family Feud* television game, as follows:
* The student is questioned and allowed one minute to provide responses to each of the survey questions. The aim of the student/contestant is to give the most popular answer provided by the class.
* The data recorders keep a record of the student’s responses (see the Choconomics survey score sheet in the accompanying Choconomics resource document.)
* If not sure, the student may ‘pass’ and move to the next question. These unanswered questions can be attempted again at the end of the series of questions if the one minute has not yet elapsed.
* At the end the student’s responses are compared to the responses of the class as a whole. They are awarded points corresponding to the percentage of the class that gave an identical response to each specific question posed. The results are recorded and displayed with the comparison to the responses of the class.
* The student’s total score is calculated.
* Now bring the second student back into the room and give them one minute to respond to the survey questions.
* If they repeat a response given by the first student, an appropriate sound can be given by a class member to signal that a different response is required.
* At the end of the minute, the second student’s responses are compared to those of the rest of the class and their score is also totalled .
* If the two students score more than 200 points, a prize can be awarded. (Consider awarding a small prize to the whole class.)

Review and reflect

* In small groups, students consider, discuss and record responses to each of the following:
* For which questions were the two students most accurate in predicting the class response? Why? Would you have expected this? Why/why not?
* Were you surprised by any of the results of the whole-class data? Which ones, and why?
* Describe what the first three questions tell you about the buying behaviour of the class and people of your age generally. Make a list of dot points.
* Does branding, packaging or advertising matter to you when making a choice about chocolate bars? (Note, these terms could have been introduced at the beginning of the session or students could be required to research what each is and what it involves during the discussion. Alternatively, the teacher could explicitly instruct the class regarding the meanings of these terms and how they relate to the activity just completed.)
* What advertisements for chocolate or brands of chocolate do you recall? What makes these stand out in particular as being memorable?
* Besides branding, packaging and advertising, what factors influence your final choice when making a decision about which chocolate bar to purchase?
* Apart from a lack of money, why would you choose to not purchase a chocolate bar when visiting a supermarket or store?
* If you were a producer of chocolate, how might you use information about consumer behaviour to sell more chocolate bars?
* Conduct a class discussion, with the small groups reporting back on the group’s response to each of these questions.
* Draw class conclusions about each question.
* Now pose the following questions and conduct a class discussion. Compile notes and key points made. This will serve as a precursor to Session 2.
* What do you know about how chocolate is made? Where is it made?

Opportunities for assessment

* Ask students to develop a survey about the consumer habits of adults when purchasing and consuming chocolate.
* Each student surveys two to four adults.
* Results are then collated and analysed as for the *Family Feud*–style activity.
* The class compares the adult responses to those of the students.
* Students then write responses to the following questions and submit these for assessment.
* What were the similarities and differences in responses between the adults and students?
* What explanations can you offer for both these similarities and these differences?
* How would businesses benefit from conducting similar surveys of potential customers?
* Imagine you are a chocolate manufacturer who is considering developing a chocolate bar aimed at 12 to 15 year olds. Describe the product and the types of advertising, branding and packaging you would use. Give reasons for your answer.
* Imagine you are a chocolate manufacturer who wants to sell a chocolate bar to adults. Describe the product and the types of advertising, branding and packaging you would develop. Give reasons for your answer.

Session 2 – Tasting chocolate

Overview

Duration

60–90 minutes

Curriculum links

Relevant Levels 7 and 8 achievement standard extract

By the end of Level 8, students describe the interdependence of consumers and producers in the market and explain how markets operate to set prices … They describe the characteristics of successful businesses, the way these businesses use enterprising behaviours and capabilities, and explain how entrepreneurial individuals can contribute to this success.

Links to content descriptions

* Examine the ways consumers and producers respond to and influence each other in the market, particularly through the price mechanism ([VCEBR011](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBR011))
* Explore and observe the characteristics of entrepreneurs and successful businesses ([VCEBB015](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBB015))

Learning intentions

Students:

* describe how a blind taste test is conducted and its purpose in relation to marketing
* explain consumer sovereignty
* discuss the extent to which consumer sovereignty actually operates in a market economy
* describe the factors that influence consumer choice, including marketing activities
* analyse the effects of marketing on personal consumer choices.

Key terms

* **Branding:** the combination of a unique design, sign, symbol and/or words associated with a business and/or its products. A brand creates an image that identifies a business and its products. A brand also differentiates a business from its competitors
* **Consumer behaviour**: the way in which users, purchasers and/or buyers of products (goods and services) act when engaged in the trade of products, including how economic decisions are made
* **Consumer demand**: what consumers want to buy and in what quantity
* **Consumer preference**: people liking or wanting to purchase one thing more than another
* **Consumer sovereignty**: the idea that consumers influence what is produced. Producers create products based on what consumers want to buy in the hope of selling these products and making a profit; therefore, what is produced is in response to consumer demand and consumer behaviour directly influences producer behaviour
* **Market**: the organised exchange of goods, services or resources between buyers and sellers
* **Market economy:** where the level and type of consumer demand determines what is produced using the scarce economic resources available
* **Marketing**: the activities involved in selling products, including informing consumers about products available and persuading consumers to purchase them. Marketing includes advertising and branding
* **Price mechanism**: the means by which demand and supply determine prices and how scarce resources are allocated between competing uses
* **Producer behaviour**: the way in which the producers of goods and services act when engaged in the trade of products, including how they go about making economic decisions

Teacher resources

The following resource has been provided in the accompanying Choconomics resource document:

* Chocolate tasting test

Teacher notes

No prior knowledge or skills are required for participation in Session 2.

Preparation

* Collect and have available three different types of chocolate – preferably a home-brand variety, a leading brand variety and a fair trade variety – in sufficient quantities for every student to have a sample taste of each.
* Ensure consideration is given to any food allergies.
* Parental permission may be required.

Introduction to Session 2

* During Session 2 students examine, analyse and reflect on the nature of the interdependence between producers and consumers in the market. The notion of consumer sovereignty is considered, as well as the ways businesses attempt to influence consumer behaviour through marketing, including branding. Students are then asked to consider the extent to which consumer sovereignty actually exists in light of business attempts to influence consumer behaviours.
* Each day consumers are faced with multiple choices about how to use the limited amount of economic resources (usually money) available to them to satisfy their personal needs and wants (consumer demand.) Businesses offer products (goods and services) for sale in the hope of selling these to consumers and making a profit. According to the theory of consumer sovereignty, producers will make the types of products that consumers demand or want to purchase. In other words they will try to read consumer behaviour and meet consumer demand by creating what consumers want to purchase (consumer preferences).
* In reality, however, producers often attempt to influence consumer preferences and consumer behaviours through advertising and other marketing activities such as branding.
* Successful businesses or entrepreneurs are able to recognise consumer behaviour, consumer preferences and therefore consumer demand for products. They are then able to offer products for sale in direct response to consumer demand. Often entrepreneurial behaviour involving the creation of original products or ideas will influence consumers to purchase products. In this case producers are reducing consumer sovereignty, as consumers are being influenced or persuaded and their choices impacted.

Activity

Before commencing the activity, inform students they will be participating in an activity based on a famous social experiment. The Coke vs. Pepsi taste test trial was first conducted in 1975 by PepsiCo to determine whether consumers are able to discern between the two rival soft drinks once all visual symbols, such as packaging and brand, are removed. ‘Blind taste testing’ aims to test whether or not a person can tell the difference between different brands of the same type of product without branding.

In this activity students will be tested on their ability to discern between a home-brand, leading brand and fair trade brand of chocolate. Students will then be asked to consider the influence that marketing, including branding, has on consumer behaviour.

A separate price test activity will require students to think about the influence of price on consumer behaviour.

Class task 1

* Before commencing the activity, outline how the blind taste test will operate. Show students three different brands of chocolate, and then inform them that they will be given this chocolate to taste once its branding, including packaging and any trademarks, has been removed. Students must then rate each chocolate and try to guess the brand.
* Ask students to record a personal economic hypothesis, indicating what they consider this experiment will prove in relation to the links between the brand, price and quality (including taste) of a product.
* Conduct a class discussion during which a class hypothesis, or a set of hypotheses, is developed.
* Both the personal hypotheses and the class hypothesis will be tested.

**Sample hypotheses**

I believe/do not believe that the majority of the class will be able to tell the difference between home-brand, leading brand and fair trade brand chocolate based on a blind taste test.

The most expensive brands will be rated by the majority of students as being of higher quality.

* Conduct the following:
* Give each student a sample of each type of chocolate to taste. Ensure that the brand of each sample is not discernible or recognisable.
* Also give each student a copy of the Chocolate tasting test table (see the accompanying Choconomics resource document and also below).
* After tasting, students fill in the table, giving each sample a score out of 10 for quality (including taste).
* Students guess and record the brand of each sample, as well as an estimated price of a 200 gram block of each chocolate.
* Leave the final three columns blank at this stage.
* After all three varieties of chocolate have been tasted, reveal:
* the real brand names, including whether the brand is home-brand, leading brand or fair trade
* the price of each.
* Students then complete the final three columns in their tables.

Chocolate tasting test

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Product** | **Quality (taste rating)*****Score out of 10*** | **Guess the brand** | **Guess price for 200 gram bar** | **Real brand** | **Actual price for 200 gram bar** | **Difference between guess price and actual price (+/–)** |
| **A** |   |   |   |  |   |   |
| **B** |   |   |   |  |   |   |
| **C** |   |   |   |  |   |   |

Class task 2

Ideally this activity would be completed in a Think/Pair/Share sequence, with Questions 1–11 completed individually by students prior to sharing responses with a partner. Questions 1–11 are intended to facilitate individual reflection, prior to comparison with the responses of the whole class.

Quality

1. Rank each sample according to quality. Which product did you rate the highest in terms of quality?

2. List the factors that you considered when determining the quality of each sample (for example, taste, texture and appearance).

Marketing

3. Which brands did you correctly identify? Describe why you were able to correctly identify each.

4. How influential is the branding of a product when you are making a decision about which chocolate to purchase? Why?

5. Does advertising ever influence your decision about which type of chocolate to purchase? Why or why not?

6. Having completed this experiment, how important do you think the packaging of a product will be to you when considering which type of chocolate to purchase?

Price

7. For which sample did you guess the price most accurately?

8. Why do you think you were more accurate about this one?

9. For which product were you least accurate in predicting price?

10. Why do you think you were less accurate when predicting the price of this sample?

11. List the factors that might influence a decision about which brand of chocolate to purchase.

Analyse blind taste test results

* Collate/record and display blind taste test results for the whole class.
* Students consider whether their original hypothesis has been proved or disproved by the class results. What percentage of students had their hypothesis proven?
* Questions 12–16 are designed to facilitate broad class discussion. Students are asked to consider broader consumer behaviour, consumer demand and factors that might influence these things. These questions can serve as a starting point but class discussion is likely to develop beyond them. Record the ideas and key points raised in the discussion.

12. Will you change the type of chocolate you purchase as a result of this experiment? Why or why not?

13. How important is a brand in influencing consumer choice and consumer demand? Consider a specific product.

14. How important is the type of packaging in determining consumer choice and consumer demand for a specific product? Consider a specific product.

15. How important is advertising in influencing consumer choice and consumer demand for a specific product? Consider a specific product.

16. How important is price in influencing on consumer choice and consumer demand for a specific product? Consider a specific product.

Class task 3

* Students rank the following factors according to the influence of each on consumer behaviour and the level of consumer demand for a product:
* packaging
* branding
* advertising
* quality (taste, texture and appearance)
* price
* safety of the product
* whether the product is believed to be healthy or environmentally friendly
* whether the business selling the product donates to a good cause or is known for being socially responsible.
* After class discussion, record a class ranking of factors that affect consumer behaviour, in order from most to least influential.

Review and reflect

* The key terms for the session could be introduced and explained before the review and reflection, including the notion of consumer sovereignty and the price mechanism.
* Pose **one** of the following questions:
* Do you believe producers respond to consumer behaviour and consumer demand and produce what consumers want to buy? (consumer sovereignty)
* Do producers persuade consumers to purchase what they want to sell through marketing such as branding and advertising?
* Students discuss the question in small groups and each group reports their views back to the class.

Opportunities for assessment

Select from the following as an assessment and/or an extension:

* Students complete an assignment where they are required to analyse how selected advertisements attempt to influence consumer buying habits.
* Students design a product, including appropriate branding and packaging, and outline and justify a marketing campaign that could be used to sell the product.

Session 3 – Pricing chocolate

Overview

Duration

60–90 minutes

Curriculum links

Relevant Levels 7 and 8 achievement standard extract

By the end of Level 8, students describe the interdependence of consumers and producers in the market and explain how markets operate to set prices …

Links to content descriptions

* Examine the ways consumers and producers respond to and influence each other in the market, particularly through the price mechanism ([VCEBR011](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBR011))
* Explain the reasons why and the ways in which individuals and businesses set, prioritise and plan to achieve financial and organisational goals. ([VCEBC014](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBC014))

Learning intentions

Students:

* construct a demand curve from given data
* construct a supply curve from given data
* locate the point of equilibrium in terms of price from given data (equilibrium price)
* describe and explain reasons for changes in demand and supply and therefore equilibrium price.

Key terms

* **Consumer**: a user, purchaser and/or buyer of products (goods and services)
* **Consumer demand**: what consumers want to buy and in what quantity
* **Economist**: a person who identifies economic problems, collects data, devises theories and makes recommendations for improvement
* **Equilibrium price**: the price at which the quantity of a product offered for sale is equal to the quantity of the product in demand
* **Market**: the organised exchange of goods, services or resources between buyers and sellers
* **Price**: the amount of money for which something is sold or offered for sale

Teacher resources

The following resources have been provided in the accompanying Choconomics resource document:

* [Price schedule for a 200g bar of chocolate](https://deecddigipubs2014.worldsecuresystems.com/vcaa/vcaa-economics-business-5-8/docs/Price_for_200g_bar_chocolate.pdf)
* [Student question sheet](https://deecddigipubs2014.worldsecuresystems.com/vcaa/vcaa-economics-business-5-8/docs/Choc_Student_Question_Sheet.pdf).

Teacher notes

Required prior knowledge and skills include the ability to graphically represent data on a line graph with an X-axis and Y-axis and to draw a trend line based on variable data. It is assumed that students have demonstrated competence corresponding to the Mathematics Level 7 content description ‘Investigate, interpret and analyse graphs from real life data, including consideration of domain and range’ [(VCMNA257)](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCMNA257). Otherwise, some guidance and simple examples may be needed.

Introduction to Session 3

During Session 3 students further explore the interdependence of the producers and consumers of a product and explain how markets operate to set prices using the price mechanism. They construct a graph, with demand and supply curves and equilibrium price located. Students should recognise how the price mechanism operates to guide economic decision making in a market economy.

Activity

 Pose the following questions to the class and record responses.

* Have you ever been to or participated in an auction of any type?
* What occurs in an auction?
* Why did the product being auctioned end up being sold for the price that was arrived at through the auction?
* Why do prices increase?
* Why do prices fall?
* Why do some products sell more quickly than others?

Class task 1

* Display the Price schedule for 200 gram bar of chocolate (see the accompanying Choconomics resource document and also below).
* Select one chocolate bar and complete a brief class survey about how many students would realistically buy that particular product at each price point shown in the table. This survey could be done using a suitable app or by using a show of hands.
* Ask students to assume that it is their own money they are using, of which they have only a limited amount.
* Students leave their hand up until the price point at which they no longer wish to make a purchase is called out. The price points could continue beyond $7 if any student realistically is still willing to purchase the chocolate bar at this prices.
* Continue until there is no student still willing to make a purchase at that price point.

Price schedule for 200 gram bar of chocolate

|  |  |
| --- | --- |
| **Price for 200g bar of chocolate****($)** | **Students willing to purchase a chocolate bar at this price** |
| 0.50 |  |
| 1.00 |  |
| 1.50 |  |
| 2.00 |  |
| 2.50 |  |
| 3.00 |  |
| 3.50 |  |
| 4.00 |  |
| 4.50 |  |
| 5.00 |  |
| 5.50 |  |
| 6.00 |  |
| 6.50 |  |
| 7.00 |  |

Class task 2

* Students now graph the price mechanism. They could graph the data manually using graph paper or they could use an app.
* Students should:
* label the X-axis ‘Quantity’ (this means how much of the product consumers are willing to buy)
* label the Y-axis ‘Price’ (this means the price being charged)
* plot the survey data on the line graph and then join up all the data points to create one line representing what the students were prepared to pay for the chocolate bars (this is a demand curve)
* See the example line graph below. In this chart, at a price of $5 twelve of these items will be sold.



* In small groups, students discuss and record responses to the following prompts.
* Describe what the line on the graph represents and what it shows.
* As the price of a product increases, generally the number/amount of the products consumers want to buy of that product ­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
* The amount/number of a product tends to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as the price decreases.
* Looking at the actual demand curve, did the class respond in a predictable and uniform way or was there a key price point at which consumer demand suddenly decreased? Explain why you think this happened.
* Explain what you think the relationship is between price and consumer demand.
* Brainstorm in your small group: What are the factors, besides price, that will affect the quantity/amount of the product that is sold?
* Ask students to complete a student question sheet (see the Student question sheet in the accompanying Choconomics resource document), considering some of the things they discussed in their small groups.

Class task 3

Provide students with the following data and ask them to plot another curve on their line graph. This curve is the amount of the product the producers/suppliers are willing to supply at each price; for example, at a price of $3.50 producers are willing to supply nine of these items.

|  |  |
| --- | --- |
| **Price** | **Supply****(number of products producers are willing to provide at this price)** |
| 0.50 | 0 |
| 1.50 | 2 |
| 2.50 | 5 |
| 3.50 | 9 |
| 4.50 | 4 |
| 5.50 | 3 |

Review and reflect

In small groups, students discuss and determine the following:

* At what price does the number of products demanded equal the amount producers are willing to supply?
* What would happen if the price was set below this point?
* What is likely to happen if the price is set above this point?
* The price at which the quantity of product demanded by consumers equals the quantity of products producers are willing to supply is the point of equilibrium. Why do think it has been given this name?

Opportunities for assessment

Collect and assess the following student work:

* graphs – assessing the student’s ability to prepare an accurate graph and interpret the data presented accurately
* submitted and completed student question sheet.

Session 4 – Cocoa farmers trading game

Overview

Duration

60–90 minutes

Curriculum links

Relevant Levels 7 and 8 achievement standard extract

By the end of Level 8, students describe the interdependence of consumers and producers in the market and explain how markets operate to set prices … Students explain why and how individuals and businesses set, prioritise and plan for financial and organisational goals. They describe the characteristics of successful businesses, the way these businesses use enterprising behaviours and capabilities …

Links to content descriptions

* Examine the ways consumers and producers respond to and influence each other in the market, particularly through the price mechanism ([VCEBR011](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBR011))
* Investigate the rights and responsibilities of consumers and businesses in terms of financial and economic decision making ([VCEBC013](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBC013))
* Explain the role of enterprising behaviours and capabilities in the work environment and explore how individuals and businesses can use them ([VCEBN018](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBN018))
* Identify relationships and trends, and generate a range of alternatives for an economic or business issue or event, evaluating the potential costs and benefits of each alternative and the consequences of proposed actions ([VCEBE019](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBE019))

Learning intentions

Students:

* participate in a group role-play simulation activity based on the international trade in cocoa beans
* explain the role of different stakeholders in international trade
* outline the advantages and disadvantages of international trade for different stakeholder groups
* describe the interactions between consumers and producers that determine the distribution of economic resources and setting of prices, using the price mechanism
* empathise with stakeholder groups engaged in international trade and recognise the differences between the interests of each group
* evaluate the costs and benefits associated with specific economic decisions.

Key terms

* **Consumer:** a user, purchaser and/or buyer of products (goods and services)
* **Enterprising behaviours and capabilities:** enterprising behaviours describe the actions of someone who shows initiative by taking a risk to set up and run a business. Enterprising capabilities are the skills and abilities required in order to act in an enterprising manner
* **International trade:** the buying and selling of products (goods and services) between consumers and producers in different countries
* **Market:** the organised exchange of goods, services or resources between buyers and sellers
* **Producer:** a person, business or organisation that combines economic resources and creates a finished product or a component for a finished product
* **Resources:** inputs used in the production of products (goods and services). Land, natural resources, labour, entrepreneurial skills, capital and technology are all examples of resources. Resources are like the ingredients that go into creating a product

Teacher resources

The following resources have been provided in the accompanying Choconomics resource document:

* Cocoa beans template
* Chocolate bar template
* Ghanaian currency templates 1 and 2
* various role-play descriptions (× 7)
* Chocolate trade, seasons 1–4
* General instructions for all participants.

Students will also need pairs of scissors and colouring pencils.

Teacher notes

* Prior knowledge and skills required:
* Reference to the African country Ghana is made throughout the activity. Consider raising awareness about Ghana within the class beforehand. Information about the geography and economy of Ghana would be useful background for students.
* [Fair trade](https://www.fairtradecertified.org/) is an alternative approach to conventional trade and is based on a partnership between producers and consumers. Companies that use such approaches are often called fair trading companies. Their practices contrast with large multinational chocolate manufacturing companies in many ways.
* Fair trade products and the fair trade business concept is a central theme to this activity. The website [fairtrade.com.au](http://fairtrade.com.au/What-is-Fairtrade) (or similar sites about fair trade) could be used to acquaint students with fair trade before commencing this activity.
* Note, this game is based on international trade and the stakeholders involved in international trade, but for ease of use (including avoiding currency conversion) all the action takes place in one country, Ghana.
* Students are encouraged to undertake personal internet research and investigate the operations of both fair trade and major chocolate manufacturers. The following sites may be useful:
* [Fair Trade Certified](https://www.fairtradecertified.org/)
* [Ben & Jerry’s Ice Cream](https://www.benjerry.com/)
* [Rishi Tea](https://www.rishi-tea.com/) & Botanicals
* [Fair Indigo](https://fairindigo.com/)
* [Fairhills Wine](http://www.fairhills.co.za/)
* [Green Mountain Coffee Roasters](http://www.gmcr.com/)
* [Theo Chocolate](https://www.theochocolate.com/)
* [Healing Blends for Life](http://www.healingblendsforlife.com/)

Introduction to Session 4

* Due to economic globalisation, business operators are increasingly engaged in international trade. During Session 4 students will be participating in an activity designed to simulate aspects of the international trade in cocoa beans. While doing this they will gain both experience with and greater understanding of economics and business principles underpinning international trade in a globalised economy. Students will be able to see how the price mechanism operates to allocate resources and establish prices in a market economy. They will be required to consider many of the rights and responsibilities of both producers and consumers associated with participation in international trade.
* The importance of enterprising behaviours and capabilities for business operators should also become apparent. Economic decision making will be required, as will consideration of the costs and benefits of different responses when making economic choices.

Activity ­– preparation

* Divide the class into the following role-play groups (here, a class of 26 students has been divided into nine groups). Note that there are multiples of some types of role-play types, such as independent cocoa farmers. These multiples will be competitors in the same market.
* Group A: Fair trade cocoa farmers (6 students)
* Group B: Independent cocoa farmers (2 students)
* Group C: Independent cocoa farmers (2 students)
* Group D: Independent cocoa farmers (2 students)
* Group E: Fair trade chocolate company (4 students)
* Group F: Big chocolate company (4 students)
* Group G: Supermarket X (2 students)
* Group H: Supermarket Y (2 students)
* Group I: Consumers (2 students)
* Allocate resources to each group as follows. Role-play sheets, cocoa bean and chocolate bar template sheets, and Ghana currency sheets can be found in the accompanying Choconomics resource document. Note, do not provide any extra resources: the inequality is intentional, designed to replicate real life.

Group A: Fair trade cocoa farmers

* 1 role-play description sheet
* 9 cocoa bean template sheets
* 3 pairs of scissors
* 2 pens/pencils and 2 coloured pencils

Groups B, C, D: Independent cocoa farmers

* 2 role-play description sheets per group
* 3 cocoa bean template sheets per group
* 1 pair of scissors per group
* 1 cocoa bean template per group

Group E: Fair trade chocolate company

* 1 role-play description sheet
* 4 chocolate bar template sheets
* 1 pair of scissors
* 1 glue stick
* 100 Ghanaian cedi in one cedi (₵1) denominations

Group F: Big chocolate company

* 1 role-play description sheet
* 6 chocolate bar template sheets
* 3 pairs of scissors
* 1 glue stick
* 100 Ghanaian cedi in one cedi (₵1) denominations

Groups G and H: Supermarket X and Supermarket Y

* 1 role-play description sheet per group
* 1000 Ghanaian cedi in 100 cedi (₵100) and 50 cedi (₵50) denominations per group

Group I: Consumers

* 1 role-play description sheet
* 2000 Ghanaian cedi in 100 cedi (₵100) and 50 cedi (₵50) denominations
* Provide all students with the General instructions for all participants (see the accompanying Choconomics resource document and also below). Each group also has specific instructions on their role-play sheet.
* Ask each group to display their group name on their table. Each group needs to be clearly identifiable.
* Instruct students that it is to the group’s advantage to ascertain prices offered early.

General instructions for all participants

* There will be four growing seasons for cocoa beans.
* The events of each individual season will impact all groups in some way and each group will be required to make economic decisions as a result of these events.
* All groups will be given two minutes notice before a change of season.
* Groups should commence trading quickly. Do not wait until bean production is complete.
* Remember to reproduce cocoa beans and/or chocolate bars exactly as you have been directed in your role-play description. You **must** cut these out, and write or draw on them if directed to do so.
* No cheating or physical contact is allowed. Groups who are caught doing this will be fined.
* No extra resources will be provided.

Activity ­– playing the game

* Display a copy of Chocolate trade, Seasons 1–4 (see the accompanying Choconomics resource document and also below).
* Update this table at the beginning of the game and at the end of each season. This will allow each group to track their progress and it will also provide points for discussion post-game.
* At the end of each season:
* record the amount of Ghana cedi each group has
* record the number of chocolate bars the consumers have
* record financial loans that will be given to certain groups, if the flow of money and cocoa beans has stalled.

Chocolate trade, Seasons 1–4

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Group name** | **Starting money (Ghana cedi)** | **At the end of Season 1** | **At the end of Season 2** | **At the end of Season 3** | **At the end of Season 4** |
| A Fair trade cocoa farmers | 0 |   |   |   |   |
| B Independent cocoa farmers | 0 |   |   |   |   |
| C Independent cocoa farmers | 0 |   |   |   |   |
| D Independent cocoa farmers | 0 |   |   |   |   |
| E Fair trade chocolate company | 100 |   |   |   |   |
| F Big chocolate company | 100 |   |   |   |   |
| G Supermarket X | 1000 |   |   |   |   |
| H Supermarket Y | 1000 |   |   |   |   |
| I Consumers (money) | 2000 |   |   |   |   |
| I Consumer (chocolate bars) | 0 |   |   |   |   |

* Read out the Season 1 gameplay instructions below.
* Allow Season 1 to run until most farmers have sold some cocoa beans to the cocoa-buying chocolate companies and the companies have had time to produce a few chocolate bars.
* Allow two minutes warning before commencing a new season. Announce the new season and read out the instructions.
* Ensure the financial position of each group is recorded at the end of each season, and always follow the prompts in the gameplay instructions. For example, when disease strikes crops in Season 3, take away half of the remaining paper resources from each farmer group, as well as half of their unsold beans.

Season 1 gameplay

Announce the following at the start of Season 1:

* This season will last for 10 minutes.
* Follow the instructions on your group’s role-play descriptions.
* Start producing cocoa beans.
* Start buying and selling as soon as you have your first cocoa beans or chocolate bars.
* The supermarkets and consumers should start letting the chocolate companies know what they want to buy from them.

Season 2 gameplay

Announce the following at the start of Season 2:

* This season lasts for 5 minutes.
* There has been a drop in the world cocoa price. Many of the countries that grow cocoa beans have been producing more cocoa beans than ever so there are too many cocoa beans on the market, and the world price of cocoa has dropped dramatically. Buyers (chocolate companies and supermarkets) can afford to be more selective.
* The fair trade chocolate company guarantees prices for their farmer suppliers. As a result the price they pay for cocoa beans remains unchanged.
* The big chocolate company cuts the price it pays to:
* 1 Ghanaian cedi (₵1) per standard cocoa bean
* 2 Ghanaian cedi (₵2) per fair trade bean.

Season 3 gameplay

Announce the following at the start of Season 3:

* This season lasts for 5 minutes.
* The dreaded black pod disease has caused crop failure. Over half of this season’s crops have been destroyed. Your teacher will come around shortly and remove all the diseased beans.
* The price of cocoa beans on the world market goes up, because many people want cocoa beans but insufficient amounts are being produced to satisfy consumer demand.
* Farmers must renegotiate the price they charge chocolate companies for their cocoa beans.

Season 4 gameplay

Announce the following at the start of Season 4:

* This season lasts for 5 minutes.
* Consumers are realising what a good thing fair trade is for everyone. They want to buy more fair trade chocolate. Ordinary chocolate becomes less popular.
* Consumers must tell the supermarkets that this is what they want and that they are willing to pay more for it!

Review and reflect

* Upon conclusion of the game, each group reports back on how much profit was made. Record this and note which group earned the highest profit.
* Class discussion prompts include the following:
* What have you learnt from this experience about the importance of access to resources?
* What have you learnt about how consumers and producers respond to and influence each other in a market? How were prices determined? Which groups had the most influence in setting prices? Which groups appear to profit most from international trade?
* Did the price mechanism operate during this game?
* Ask the class to consider the following questions:
* Who made the most money? Why do you think this was the case?
* Who made the least money? Why do you think this was the case?
* Who worked the hardest? Explain and justify your answer.
* Which skills and knowledge proved most useful for your group during this game?

Opportunities for assessment

After the class discussion, students write and submit responses to the following:

* The price mechanism helps set prices by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .
* Consumers influence producers of goods and services by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .
* International trade is good because \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .
* International trade is bad because \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .
* List the advantages and disadvantages of purchasing fair trade products.

Session 5 – The life of a cocoa farmer

Overview

Duration

60–90 minutes

Curriculum links

Relevant Levels 7 and 8 Achievement Standard extract

By the end of Level 8, students … discuss how work contributes to societal wellbeing and describe the influences on the work environment. They identify trends and relationships and propose alternative responses to an economics and/or business issue or event. They evaluate the costs and benefits of each alternative response and identify the effects and potential consequences of these actions.

Links to content descriptions

* Consider the ways in which work can contribute to individual and societal wellbeing ([VCEBW016](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBW016))
* Describe the nature and investigate the influences on the work environment ([VCEBW017](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBW017))
* Identify relationships and trends, and generate a range of alternatives for an economic or business issue or event, evaluating the potential costs and benefits of each alternative and the consequences of proposed actions ([VCEBE019](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBE019))

Learning intentions

Students:

* define the key terms
* participate in discussion about globalisation of world trade and associated social responsibility issues
* recognise different perspectives in a set of circumstances
* conduct research about a chocolate manufacturer.

Key terms

* **Consumer**: a user, purchaser and/or buyer of products (goods and services)
* **Market**: the organised exchange of goods, services or resources between buyers and sellers
* **Producer**: a person, business or organisation that combines economic resources and creates a finished product or a component for a finished product
* **Resources**: inputs used in the production of products (goods and services). Land, natural resources, labour, entrepreneurial skills, capital and technology are all examples of resources. Resources are like the ingredients that go into creating a product
* **Trade**: the exchange of products (goods and services), usually for money

Teacher resources

The following resource has been provided in the accompanying Choconomics resource document:

* Six Thinking Hats approach

Teacher notes

This activity uses the Six Thinking Hats approach (Edward de Bono, 1985). This approach may need some explanation and simple modelling if students have not previously been exposed to it.

Introduction to Session 5

The aim of Session 5 is that students develop an understanding of the role of cocoa bean producers in developing economies as well as empathy for this important group of stakeholders. Students should develop understanding of the role that these producers play in the international market for cocoa beans, as well as the nature of interactions they have with other key stakeholders. Students consider both the costs and benefits of globalisation for primary producers in developing nations. The key inquiry questions of the task are:

* What is life like for a cocoa bean farmer?
* What income do they receive?
* What are the key issues surrounding the production of cocoa beans?
* What are the rights and responsibilities of both consumers and businesses when engaging in international trade in a global economy?

Activity

* Students briefly investigate the operations of an Australian chocolate manufacturer. Students could gather and present the following as a poster or a digital presentation. (This activity will be preparation for deeper research in Session 7.)
* Name the chocolate manufacturer.
* Provide a brief history of this business.
* Where are the manufacturing operations located?
* Name the brands of chocolate produced by this manufacturer.
* Where are the cocoa beans sourced for this business?
* Is the business a fair trade business?
* The following webpages are good places to start research:
* [Pa Pa Paa](http://www.papapaa.org/%22%20%5Ct%20%22_blank)
* [The Dark Side of Chocolate documentary (video)](https://www.youtube.com/watch?v=7Vfbv6hNeng)
* After the research task is completed, divide students into groups of six.
* Allocate each student in a group a different coloured hat (see the Six Thinking Hats approach resource in the accompanying Choconomics resource document and also below).
* Each student needs to research the questions corresponding to the colour hat they have been allocated, relating these questions to their research of an Australian chocolate manufacturer.
* Students then share what they have learnt with the other members of the group.
* Using the knowledge gained through their research and from participating in Session 4, each group then discusses the questions and records their views, opinions and ideas.

Six Thinking Hats approach

|  |  |  |
| --- | --- | --- |
| White hat | White Hat Thinking – Facts* Information and data
* Neutral and objective
* What do I know?
* What do I need to find out?
* How will I get the information I need?
 | * How much do cocoa bean famers get paid?
* What percentage of an average worker’s pay in their country do they receive?
 |
| Red hat | Red Hat Thinking – Feelings* Intuition, hunches, gut instinct
* My feelings right now
* Feelings can change
* No reasons are given
 | * How do you think it would feel to be a cocoa bean farmer?
* What would it feel like to be a teenager growing up in this country?
* What would it feel like to be a cocoa worker in this country?
 |
| Yellow hat | Yellow Hat Thinking – Benefits* Positives, advantages
* Logical reasons are given
* Why an idea is useful
 | * What are the benefits to a country of exporting cocoa beans?
* What are the benefits of selling cocoa beans through a fair trade cooperative rather than in a general market?
* What are the benefits of not being tied to a cooperative and selling your cocoa beans on the free market?
 |
| Black hat | Black Hat Thinking – Cautions* Difficulties, weaknesses, dangers
* Logical reasons are given
* Spotting the risks
 | * What are the risks to an individual farmer in specialising in cocoa production?
* What are the risks to a country in specialising in cocoa production?
 |
| Green hat | Green Hat Thinking – Creativity* Ideas, alternative, possibilities
* Solutions to black hat problems
 | * What are some strategies the farmers could adopt to increase their farm income?
* What are some strategies that might be employed to reduce the number of children who are working rather than attending school and increase child literacy rates in the country?
 |
| Blue hat | Blue Hat Thinking – Process* Thinking about thinking
* What thinking is needed?
* Organising the thinking
* Planning for action
 | * Devise a plan a farmer could adopt in order to improve their standard of living.
 |

Review and reflect

* Conduct a whole-class discussion where each group reports back to the class.
* Compile a summary of the key points raised and the views expressed.

Opportunities for assessment

Students submit their research about an Australian chocolate manufacturer, either as a poster or digital presentation.

Session 6 – International trade game

Overview

Duration

60–90 minutes

Curriculum links

Relevant Levels 7 and 8 achievement standard extract

By the end of Level 8, students describe … the way these businesses use enterprising behaviours and capabilities, and explain how entrepreneurial individuals can contribute to this success. Students discuss how work contributes to societal wellbeing and describe the influences on the work environment. They identify trends and relationships and propose alternative responses to an economics and/or business issue or event. They evaluate the costs and benefits of each alternative response and identify the effects and potential consequences of these actions.

Links to content descriptions

* Explain the role of enterprising behaviours and capabilities in the work environment and explore how individuals and businesses can use them ([VCEBN018](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBN018))
* Consider the ways in which work can contribute to individual and societal wellbeing [(VCEBW016](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBW016))

Learning intentions

Students:

* describe what international trade is and why it occurs
* understand that nations have different amounts of economic resources, which in turn affects the wealth and living standards of people within a nation
* explain the costs and benefits of international trade
* cite and explain reasons for potential government intervention in the economy
* define and explain the key terms.

Key terms

* **Consumers**: a user, purchaser and/or buyer of products (goods and services)
* **Market**: the organised exchange of goods, services or resources between buyers and sellers
* **Producer**: a person, business or organisation that combines economic resources and creates a finished product or a component for a finished product
* **Resources**: inputs used in the production of products (goods and services). Land, natural resources, labour, entrepreneurial skills, capital and technology are all examples of resources. Resources are like the ingredients that go into creating a product
* **Trade**: the exchange of products (goods and services), usually for money

Teacher resources

The following resource has been provided in the accompanying Choconomics resource document:

* Chocolate trade table

Teacher notes

* No prior knowledge or skills are required.
* It is important that any student food allergies are identified and that foods for the activity are selected after taking any allergies into account. Consider sending a letter to parents/guardians beforehand, informing them of the activity and obtaining signed permission.

Introduction to Session 6

* During Session 6 students are given an opportunity to experience global trade from the point of view of different types of nations via a simulation activity, with a specific focus on international trade in chocolate and confectionary.
* Each student represents one country. Variations in the quality and types of natural resources exist between the countries. Some countries have an abundance of natural resources and others a shortage.
* The natural resources that are available for a specific country are allocated randomly. Each student is given a paper bag with a random amount of natural resources in it.
* Students are given opportunity to trade resources (for example, chocolate). This represents international trade. Through doing this they will be able to gauge the costs and benefits offered through international trade to different types of countries.
* Students should gain insight into the relative advantages, relative disadvantages and impacts of international trade for different countries, societies and individuals. Students also consider the interaction between producers and consumers and the price mechanism as it operates in a market economy. They then consider whether government intervention in free trade is desirable.

Activity – preparation

* Source one small paper bag for each student.
* Prepare a variety of small chocolates or lollies suitable for random distribution to students.
* Sort the bags into five roughly equal groups. These become your trading zones – for example, Africa, Asia, the Americas, Europe, Oceania. To prevent any student prejudices, consider naming these trading zones alphabetically (A, B, C, D and E).
* Label the bags with their trading zone (i.e. A, B, C, D or E) and also add a number to differentiate between the individual students (countries) within the trading zone (e.g. A1, A2, A3, A4, B1, B2, B3, B4).
* Fill each bag with one type of confectionary, with a variety of the same type of confectionary spread within the trading zone. For example, trading zone A could be allocated jelly beans, with A1 allocated six red jelly beans, A2 eight yellow jelly beans, A3 four green jelly beans and A4 three orange jelly beans and two yellow jelly beans. The idea is to foster the opportunity to trade, so creating identical allocations of confectionary in the different bags is not desirable (although students may correctly identify this as a limitation of the activity in the later discussion).

Activity – playing the game

* Display the Chocolate trade table (see the accompanying Choconomics resource document and also below). Students could be given their own copy to record results throughout the activity.

Chocolate trade table

|  |  |  |  |
| --- | --- | --- | --- |
| **Country** | **Happiness after Round 1( /10)*****Individual reflection*** | **Happiness after Round 2( /10)*****Trade within trading zone*** | **Happiness after Round 3( /10)*****Global (whole-class) trade*** |
| A1 |   |   |   |
| A2 |   |   |   |
| A3 |   |   |   |
| A4 etc. |   |   |   |

* Randomly allocate one bag to each student. Get students in the same trading zones to sit together.
* Explain to students that they will be experiencing international trade first-hand through a simulation game.
* Inform students that each one of them is a country (country name A1, etc.) and that each has a different supply of natural resources in their brown paper bag. The aim of the game is to simulate trade between countries (students) using the natural resources in their bags.
* Students may consume whatever chocolate and confectionary they still have at the end of Round 3.
* Students open their bags and, without discussing the contents of their bag or looking at anyone else’s bag, they close their bag and then come up with a rating out of 10 as to how happy they are with the contents. For example, if they are not very impressed they may give a rating of 1 or 2 out of 10, and if they are very happy they may give a rating of 9 or 10 out of 10.
* Students record their personal happiness levels in the class table as their score for Round 1.
* All the students copy these results into their personal tables, too. Some students could be asked to explain why they rated their happiness level as they did.
* In Round 2, students can trade some or all of the items in their bag with each other.
* This first trade must be conducted within their trading zone (the letter identified on the outside of their bag). The trading period is 5 minutes and the trade must involve a verbal agreement by which both parties clearly agree to the trade before any physical transaction of chocolate and confectionary occurs.
* Trading can be for all or any items in their bags.
* A breach of any of these rules will lead to possible disqualification from the game and the loss of all items in their bag of resources.
* After 5 minutes, trading ceases.
* Students then rate their happiness considering the new contents of their bag.
* Ask selected students to explain the reasoning behind their rating.
* Announce that Round 3, the final round of trading, will occur. For this round students are not confined to their trading zones but may trade the contents of their bags with any country (student) in the room – i.e. international trade.
* The same rules apply but this time they will receive 15 minutes to trade. If it is apparent that all the trading has been completed and every student is as content as they are going to be earlier than this, the trading period can be closed earlier.
* After 15 minutes halt trading and ask students to return to their seats to contemplate how happy they are with the final contents in their bag.
* Ask students for their rating results and record these.
* Allow the students to consume the remaining items in their bags.

Review and reflect

* Initiate a classroom discussion about the results of this experiment. Class discussion should consider whether international trade has enhanced every country’s standard of living. If not, why?
* Also consider the limitations of this simulation. Does international trade operate like this in reality? Are there other real-life factors that affect international trade and make it operate differently to this?
* Consider the following class discussion points:
* Who scored highest? Why?
* Who scored lowest? Why?
* Compare the levels of happiness/ satisfaction between Rounds 1 and 2, and then Rounds 2 and 3? Who was happy, who was not happy and why?
* Did any ratings go down in subsequent rounds? Why?
* Ask students to try to make the connection between this simulation over chocolate and confectionary and the actual trading of resources between countries.
* Then ask students to translate the results of this experiment to the reality of global trade. Begin by asking students to brainstorm responses to the following questions. List responses on the board and then initiate a discussion.
* Why do we buy overseas products? Give reasons.
* What are the advantages of international trade? Was any group more advantaged than any other?
* What are the disadvantages of international trade? Is any group more disadvantaged than any other?
* Is anyone ever a loser in a trade?
* The above are merely a few sample questions and other issues could be drawn out from this activity if desired, such as demand and supply, the desirability of items increasing their price, and free trade versus protectionism.

Opportunities for assessment

Take note of students’ responses and involvement in discussion, to gauge levels of understanding of the issues.

Session 7 – The chocolate company

Overview

Duration

60–90 minutes

Curriculum links

Relevant Levels 7 and 8 achievement standard extract

By the end of Level 8, students describe … the characteristics of successful businesses … and explain how entrepreneurial individuals can contribute to this success. Students discuss how work contributes to societal wellbeing and describe the influences on the work environment.

Links to content descriptions

* Explore and observe the characteristics of entrepreneurs and successful businesses ([VCEBB015](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBB015))
* Describe the nature and investigate the influences on the work environment ([VCEBW017](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBW017))

Learning intentions

Students:

* conduct research about a chocolate manufacturing business
* identify and collect relevant information
* present collected information in a logical format, addressing the specifications of the research task
* describe the operations processes involved in the manufacture of chocolate
* define and apply key terms.

Key terms

* **Branding:** the combination of a unique design, sign, symbol and/or words associated with a business and/or its products. A brand creates an image that identifies a business and its products. A brand also differentiates a business from its competitors
* **Corporate social responsibility (CSR):** how companies manage their business operations to produce an overall positive impact on society. CSR involves adopting policies and actions that affect levels of environmental sustainability, undertaking activities that have a positive impact on society in general, and behaving ethically
* **Product recall:** a request to consumers to return a product they have purchased due to the emergence of safety issues and/or product defects that have the potential to endanger consumers

Teacher notes

Research skills are required to successfully participate in Session 7.

Introduction to Session 7

* Globalisation and a global economy have resulted in the rise of large multinational corporations with business interests that cross national borders. While there are several multinational corporations involved in the manufacture and sale of chocolate products, there are also numerous small businesses operating at a local level. Investigation of the history and current operations of successful businesses operating within the chocolate industry will allow students to develop an understanding of the characteristics and features of successful entrepreneurs and businesses. It also allows consideration of the social responsibility and ethics involved in operating a business within the chocolate industry, as well as a specific evaluation of whether a specific business is meeting its social and/or ethical responsibilities.
* Students also investigate the types of work carried out within the chocolate industry, as well as how a specific confectionary/chocolate manufacturer influences work environments in Australia and/or internationally. Session 7 looks at how a business within the chocolate industry operates and the types of challenges typically faced by this type of business. Students will research and report on a chocolate manufacturer or retailer of their choice.

Activity

* Inform students they will be researching a chocolate manufacturer of their choice.
* Provide a list of chocolate manufacturers for students to select from. Ensure that there is a mix of larger and smaller businesses.
* Students can use the following instructions as a basis for their research.
* Select a confectionary/chocolate manufacturer and research and record some or all of the following:
1. Name of the company
2. Date the company first started making chocolate
3. The country and city in which the company originated
4. The location(s) the chocolate is now manufactured
5. Name of flagship (most popular) chocolate brand/product produced or sold by the selected company
6. A list of the chocolate products produced or sold by the company, plus countries where these are sold
7. A brief history of the company and how it has developed since its foundation
8. Where the company sources its cocoa beans
9. What other main ingredients/resources are used in the production of its chocolate
10. Where the company sources the other ingredients from
11. A flowchart, pictorial diagram or series of images depicting how the chocolate is manufactured
12. How many people the company employs
13. List five different occupations/jobs within the company
14. Select one occupation from your list and write a description of what the job entails
15. Outline the profits made by the company over the past five years
16. Outline what the company has done to benefit the broader community (often referred to as corporate social responsibility) in recent years
17. Identify a news release about this company from the past five years. Describe what it is about
18. In your opinion, is this a socially responsible business? Give reasons for your response
19. Include any other information you consider relevant to the working of the company and/or the issues it faces
* The following websites are a useful starting point:
* [Cadbury](http://www.cadbury.com.au)
* [Nestlé](http://www.nestle.com.au)
* [Mars](http://www.mars.com/)
* [Whittaker’s](http://www.whittakers.com.au/)
* [Haigh’s Chocolates](http://www.haighschocolates.com.au/)
* [Koko Black](http://www.kokoblack.com/)

Review and reflect

Students record the information they collated and prepare responses to the questions posed. The research should then be stored where it will be easily accessible during Session 8.

Opportunities for assessment

Students could present their research findings verbally or in a written format.

Session 8 – Student presentation

Overview

Duration

120–150 minutes

Curriculum links

Relevant Levels 7 and 8 achievement standard extract

By the end of Level 8, students describe the interdependence of consumers and producers in the market and … explain the rights and responsibilities of consumers and businesses when making economics and business decisions … They describe the characteristics of successful businesses, the way these businesses use enterprising behaviours and capabilities, and explain how entrepreneurial individuals can contribute to this success.

Links to content descriptions

* Examine the ways consumers and producers respond to and influence each other in the market, particularly through the price mechanism ([VCEBR011](http://victoriancurriculum.vcaa.vic.edu.au/Search?q=VCEBR011))
* Investigate the rights and responsibilities of consumers and businesses in terms of financial and economic decision making ([VCEBC013](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBC013))
* Explain the role of enterprising behaviours and capabilities in the work environment and explore how individuals and businesses can use them ([VCEBN018](http://victoriancurriculum.vcaa.vic.edu.au/Curriculum/ContentDescription/VCEBN018))

Learning intentions

Students:

* reflect on the activities undertaken in Sessions 1–7
* analyse, evaluate and synthesise knowledge and skills learnt in Sessions 1–7.

Teacher notes

Session 8 allows students opportunity to reflect on the activities undertaken during Sessions 1–7. Higher order skills such as analysis, evaluation and synthesis will be used, with students applying the knowledge and skills they have learnt in two tasks that require reflection and discussion about the issues that have been raised.

Activity

Students select **two** of the following tasks to complete.

* **Letter** – Write a letter to your school principal or school canteen manager, asking them to consider supplying/selling fair trade products. Give reasons why you think this should happen. Also point out any disadvantages of stocking fair trade products and possible ways to overcome these.
* **Pamphlet** – Create an ethical shopping list of fair trade products that can be bought in Australia. Make a list of where fair trade products can be bought in your local area.
* **Film or film script** – Create a short film depicting the way chocolate bars are manufactured and the social responsibility considerations associated with producing chocolate.
* **TED-style movie** – Create your own TED-style education program about cocoa beans and fair trade. Limit your movie to seven minutes.
* **Poster** – Create a poster and pamphlet that promotes an aspect of the chocolate industry you think other students in your school should be made aware of.

Opportunities for assessment

Each of the two tasks can be marked out of 10.