

TE_xES | Texas Examinations of Educator Standards

Preparation Manual



175 Marketing Education 8–12

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PREFACE

The State Board for Educator Certification (SBEC) has developed new standards for Texas educators that delineate what the beginning educator should know and be able to do. These standards, which are based on the state-required curriculum for students—the Texas Essential Knowledge and Skills (TEKS)—form the basis for new Texas Examinations of Educator Standards (TExES™). This initiative will affect all areas of Texas education—from the more than 100 approved Texas educator preparation programs to the more than 7,000 Texas school campuses. This standards-based system reflects the SBEC's commitment to help align Texas education from kindergarten through college. The SBEC's role in this K–16 initiative will ensure that newly certified Texas teachers have the essential knowledge and skills to teach the TEKS to the state's public school students.

This manual is designed to help examinees prepare for the new TExES test in this field. Its purpose is to familiarize examinees with the competencies to be tested, test item formats, and pertinent study resources. Educator preparation program staff may also find this information useful as they help examinees prepare for careers as Texas educators.

If you have any questions after reading this preparation manual or you would like additional information about the new TExES tests or the educator standards, please visit the SBEC Web site at **www.sbec.state.tx.us**.

KEY FEATURES OF THE MANUAL

List of competencies that will be tested

Strategies for answering test items

Sample test items and answer key

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SECTION I

THE NEW TExES TESTS FOR TEXAS TEACHERS

As required by the Texas Education Code §21.048, successful performance on educator certification examinations is required for the issuance of a Texas educator certificate. Each TExES test is a criterion-referenced examination designed to measure the knowledge and skills delineated in the corresponding TExES test framework. Each test framework is based on standards that were developed by Texas educators and other education stakeholders.

Each newly developed TExES test is designed to measure the requisite knowledge and skills that an entry-level educator in this field in Texas public schools must possess. The tests include both individual, or stand-alone, test items (questions) and items that are arranged in clustered sets based on real-world situations faced by educators.

Development of the New TExES Tests

Committees of Texas educators and interested citizens guide the development of the new TExES tests by participating in each stage of the test development process. These working committees comprise Texas educators from public and charter schools, faculty from educator preparation programs, education service center staff, representatives from professional educator organizations, content experts, and members of the business community. The committees are balanced in terms of position, affiliation, years of experience, ethnicity, gender, and geographical location. The committee membership is rotated during the development process so that numerous Texas stakeholders may be actively involved. The steps in the process to develop the TExES tests are described below.

1. **Develop Standards.** Committees are established to recommend what the beginning educator should know and be able to do. Using the Texas Essential Knowledge and Skills (TEKS) as a focal point, draft standards are prepared to define the knowledge and skills required of the beginning educator.
2. **Review Standards.** Committees review and revise the draft standards. The revised draft standards are then placed on the SBEC Web site for public review and comment. These comments are used to prepare a final draft of the standards that will be presented to the SBEC Board for discussion, the State Board of Education (SBOE) for review and comment, and the SBEC Board for approval. Standards not based specifically on the TEKS, such as those for librarians and counselors, are proposed as rule by the SBEC Board; sent to the SBOE for its 90-day review; and, if not rejected by the SBOE, adopted by the SBEC Board.
3. **Develop Test Frameworks.** Committees review draft test frameworks that are based on the standards. These frameworks outline the specific competencies to be measured on the new TExES tests. The TExES competencies represent the critical components of the standards that can be measured with either a pencil-and-paper-based or computer-based examination, as appropriate. Draft frameworks are not finalized until after the standards are approved and the job analysis/content validation survey (see #4) is complete.

4. **Conduct Job Analysis/Content Validation Surveys.** A representative sample of Texas educators who practice in or prepare individuals for each of the fields for which an educator certificate has been proposed are surveyed to determine the relative job importance of each competency outlined in the test framework for that content area. Frameworks are revised as needed following an analysis of the survey responses.
5. **Develop and Review New Test Items.** The test contractor develops draft items that are designed to measure the competencies described in the test framework. Committees review the newly developed test items that have been written to reflect the competencies in the new test frameworks. Committee members scrutinize the draft items for appropriateness of content and difficulty; clarity; match to the competencies; and potential ethnic, gender, and regional bias.
6. **Conduct Pilot Test of New Test Items.** All of the newly developed test items that have been deemed acceptable by the item review committees are then administered to an appropriate sample of candidates for certification.
7. **Review Pilot Test Data.** Pilot test results are reviewed to ensure that the test items are valid, reliable, and free from bias.
8. **Administer New TExES Tests.** New TExES tests are constructed to reflect the competencies, and the tests are administered to candidates for certification.
9. **Set Passing Standard.** A Standard Setting Committee convenes to review performance data from the initial administration of each new TExES test and to recommend a final passing standard for that test. The SBEC considers this recommendation as it establishes a passing score on the test.

Taking the TExES Test and Receiving Scores

Please refer to the current TExES registration bulletin for information on test dates, sites, fees, registration procedures, and policies.

You will be mailed a score report approximately four weeks after each test you take. The report will indicate whether you have passed the test and will include:

- a total test *scaled* score. Scaled scores are reported to allow for the comparison of scores on the same content-area test taken on different test administration dates. The total scaled score is not the percentage of items answered correctly and is not determined by averaging the number of questions answered correctly in each domain.
 - For all TExES tests, the score scale is 100–300 with a scaled score of 240 as the minimum passing score. This score represents the minimum level of competency required to be an entry-level educator in this field in Texas public schools.
- your performance in the major content domains of the test and in the specific content competencies of the test.
 - This information may be useful in identifying strengths and weaknesses in your content preparation and can be used for further study or for preparing to retake the test.
- information to help you understand the score scale and interpret your results.

You will not receive a score report if you are absent or choose to cancel your score.

Additionally, unofficial score report information will be posted on the Internet on the score report date of each test administration. Information about receiving unofficial scores on the Internet, the score scale, and other score report topics may be found on the SBEC Web site at **www.sbec.state.tx.us**.

Educator Standards

Complete, approved educator standards are posted on the SBEC Web site at **www.sbec.state.tx.us**.

SECTION II

USING THE TEST FRAMEWORK

The Texas Examination of Educator Standards (TExES) test measures the content knowledge required of an entry-level educator in this field in Texas public schools. This manual is designed to guide your preparation by helping you become familiar with the material to be covered on the test.

When preparing for this test, you should focus on the competencies and descriptive statements, which delineate the content that is eligible for testing. A portion of the content is represented in the sample items that are included in this manual. These test questions represent only a *sample* of items. Thus, your test preparation should focus on the complete content eligible for testing, as specified in the competencies and descriptive statements.

Organization of the TExES Test Framework

The test framework is based on the educator standards for this field.

The content covered by this test is organized into broad areas of content called domains. Each domain covers one or more of the educator standards for this field. Within each domain, the content is further defined by a set of competencies. Each competency is composed of two major parts:

1. the *competency statement*, which broadly defines what an entry-level educator in this field in Texas public schools should know and be able to do, and
2. the *descriptive statements*, which describe in greater detail the knowledge and skills eligible for testing.

The educator standards being assessed within each domain are listed for reference at the beginning of the test framework, which begins on page 8. These are then followed by a complete set of the framework's competencies and descriptive statements.

An example of a competency and its accompanying descriptive statements is provided on the next page.

Sample Competency and Descriptive Statements

Marketing Education 8–12

Competency:

The teacher understands business organization and management.

Descriptive Statements:

The beginning teacher:

- Identifies categories of business activity and evaluates organizational structures and their appropriateness for different types of businesses.
- Understands functions of general business management (e.g., goal setting, planning, motivating), levels of management, and the strengths and weaknesses of different management styles.
- Understands, models, and applies ethical behavior relevant to business and marketing.
- Identifies federal, state, and local agencies, laws, and regulations that affect business and marketing.
- Understands the impact of business and marketing on society.
- Understands human resource management and the value of diversity in the workplace.

Studying for the TExES Test

The following steps may be helpful in preparing for the TExES test.

1. Identify the information the test will cover by reading through the test competencies (see the following pages in this section). *Within each domain* of this TExES test, each competency will receive approximately equal coverage.
2. Read each competency with its descriptive statements in order to get a more specific idea of the knowledge you will be required to demonstrate on the test. You may wish to use this review of the competencies to set priorities for your study time.
3. Review the "Preparation Resources" section of this manual for possible resources to consult. Also, compile key materials from your preparation coursework that are aligned with the competencies.
4. Study this manual for approaches to taking the TExES test.
5. When using resources, concentrate on the key ideas and important concepts that are discussed in the competencies and descriptive statements.

NOTE: This preparation manual is the only TExES test study material endorsed by the SBEC for this field. Other preparation materials may not accurately reflect the content of the test or the policies and procedures of the TExES program.

TEST FRAMEWORK FOR FIELD 175: MARKETING EDUCATION 8–12

Domain I Foundations of Marketing
(approximately 25% of the test)

Standards Assessed:

Marketing Education 8–12 Standard I:

The marketing education teacher understands and applies knowledge of the foundations of marketing, including principles and techniques related to business, economics, management, and entrepreneurship.

Domain II Marketing Principles
(approximately 33% of the test)

Standards Assessed:

Marketing Education 8–12 Standard II:

The marketing education teacher understands and applies knowledge of marketing principles, concepts, and techniques.

Marketing Education 8–12 Standard III:

The marketing education teacher understands and applies principles, concepts, and techniques related to international business and marketing.

Domain III Business Communication, Problem Solving, and Technology
(approximately 17% of the test)

Standards Assessed:

Marketing Education 8–12 Standard I:

The marketing education teacher understands and applies knowledge of the foundations of marketing, including principles and techniques related to business, economics, management, and entrepreneurship.

Marketing Education 8–12 Standard II:

The marketing education teacher understands and applies knowledge of marketing principles, concepts, and techniques.

Marketing Education 8–12 Standard IV:

The marketing education teacher understands and applies knowledge of technological, quantitative, communication, and career-development skills for the marketing sector.

**Domain IV Marketing Education Program
(approximately 25% of the test)**

Standards Assessed:

Marketing Education 8–12 Standard IV:

The marketing education teacher understands and applies knowledge of technological, quantitative, communication, and career-development skills for the marketing sector.

Marketing Education 8–12 Standard V:

The marketing education teacher knows how to advise and assist students in career planning and promote student development through work-based learning and participation in student organizations such as DECA.

Marketing Education 8–12 Standard VI:

The marketing education teacher knows how to organize and manage an effective marketing education program and how to work with school, community, and industry representatives to support the program.

Marketing Education 8–12 Standard VII:

The marketing education teacher knows how to plan and implement effective and appropriate instruction and student assessment.

DOMAIN I—FOUNDATIONS OF MARKETING

Competency 001

The teacher understands business organization and management.

The beginning teacher:

- Identifies categories of business activity and evaluates organizational structures and their appropriateness for different types of businesses.
- Understands functions of general business management (e.g., goal setting, planning, motivating), levels of management, and the strengths and weaknesses of different management styles.
- Understands, models, and applies ethical behavior relevant to business and marketing.
- Identifies federal, state, and local agencies, laws, and regulations that affect business and marketing.
- Understands the impact of business and marketing on society.
- Understands human resource management and the value of diversity in the workplace.

Competency 002

The teacher understands and applies basic economic principles.

The beginning teacher:

- Applies knowledge of economic concepts (e.g., supply and demand, pricing, business cycle, productivity).
- Understands fundamental features of the U.S. free enterprise system (e.g., entrepreneurial opportunity, role of competition, profit, consumer choice, private ownership).
- Understands relationships between business and the economy and factors that shape a nation's economic system (i.e., what is produced, how it is produced, how it is distributed).
- Analyzes current economic conditions and their influence on markets.
- Understands how government economic policies (e.g., tax policies, subsidies, tariffs) affect the marketing aspects of business.

Competency 003

The teacher understands and applies principles related to entrepreneurship.

The beginning teacher:

- Applies strategies for identifying entrepreneurial opportunities and understands the benefits and costs (e.g., financial, time, emotional) of starting a business.
- Identifies characteristics and purposes of different types of business ownership.
- Understands the components, development, and evaluation of business plans.
- Understands the relationship of marketing plans to business plans.
- Understands the importance of financial planning to entrepreneurial success and methods and procedures for financial planning.
- Understands the nature and significance of business risks and basic principles of risk management.
- Understands the critical role of management (e.g., goal setting, planning, motivating) in the success or failure of entrepreneurial ventures.

DOMAIN II—MARKETING PRINCIPLES**Competency 004**

The teacher understands fundamental concepts, goals, and strategies of marketing.

The beginning teacher:

- Understands basic concepts in marketing (e.g., market segmentation, market identification, target markets, mass marketing) and their significance.
- Understands the importance, functions, and goals of marketing and understands management skills and procedures relevant to marketing functions.
- Applies marketing strategy, the strategic-planning process, and the development of a marketing plan.
- Understands the role and purpose of marketing research (e.g., relationship to marketing plan, identifying markets).
- Understands the marketing research process and applies the steps of conducting marketing research to analyze demand, forecast sales, and make other marketing decisions.
- Understands the characteristics and purposes of a marketing information system (MIS).
- Understands and analyzes emerging trends in marketing.

Competency 005**The teacher understands product and service planning, pricing, and distribution.**

The beginning teacher:

- Identifies and applies components of the marketing mix (e.g., product, price, place, promotion, people) and understands how each component contributes to quality assurance and successful marketing.
- Understands the elements and processes of product and service planning, stages of new-product planning, stages of the product life cycle, and the laws and regulations that affect new product development.
- Analyzes pricing policies, objectives, structures, and strategies.
- Analyzes factors that affect pricing.
- Understands the concept of product mix and its role in product and service planning.
- Understands and evaluates distribution plans and activities (e.g., transportation, storage, product handling, inventory control), their significance, and their cost.
- Analyzes how distribution channel members (e.g., manufacturers, wholesalers) facilitate the movement of products.
- Recognizes the role of geography and other variables in product and service distribution.

Competency 006**The teacher understands product promotion and the selling process.**

The beginning teacher:

- Understands the role of promotion in creating and implementing marketing strategy and how to develop, implement, and evaluate promotional plans and campaigns.
- Identifies the components of a promotional mix (e.g., advertising, selling, public relations) and analyzes factors affecting promotional activities (e.g., laws, cultural diversity, target groups, consumer characteristics).
- Evaluates types of advertising, the role of advertising in a competitive environment, and characteristics, advantages, and disadvantages of different types of advertising media.
- Understands influences on customers and consumers, consumer credit, and factors that influence buying and selling.
- Applies selling techniques, develops a sales presentation, and demonstrates the steps in the selling process.
- Understands major laws that affect sales and promotion, and understands sellers' and buyers' obligations under the Uniform Commercial Code (UCC).

Competency 007

The teacher understands and applies principles, concepts, and techniques related to international business and marketing.

The beginning teacher:

- Understands basic economic concepts as they relate to international business and marketing (e.g., specialization, comparative advantage, opportunity cost, effects of different types of economic systems, international trade, impact of exports and imports).
- Understands business and marketing strategies, principles, and techniques in situations involving international markets.
- Understands issues and risks involved in entering international markets and procedures for planning international marketing of business ventures.
- Understands the differences in communication methods in global markets and applies strategies for adapting business systems to different cultural environments.
- Understands the international monetary exchange system and the effects of currency exchange fluctuations on international trade.
- Understands reasons for the growth in international trade and investments and analyzes trends in international marketing and their significance.

DOMAIN III—BUSINESS COMMUNICATION, PROBLEM SOLVING, AND TECHNOLOGY**Competency 008**

The teacher understands basic elements of effective business communication and problem solving.

The beginning teacher:

- Understands factors affecting a business's image and the roles of public relations, publicity, and advertising in a successful business.
- Understands the social and communication skills needed to work effectively in the marketing aspects of business.
- Understands the methods for achieving business and marketing objectives.
- Applies features of various types of business communications (e.g., business letter, presentation).
- Understands and applies steps in the problem-solving and decision-making processes in the marketing aspects of business.
- Understands quantitative methods of analysis (e.g., forecasting, profit analysis) as they apply to marketing functions and marketing research.
- Understands basic mathematical concepts (e.g., percentages, mathematical operations) as they apply to marketing.

Competency 009

The teacher understands the use of technology in the marketing aspects of business.

The beginning teacher:

- Understands basic technology concepts and terms related to business and marketing.
- Understands the influence of technology on business and marketing.
- Understands different types of technology applications (e.g., spreadsheet, database, desktop publishing, communications technology) as they relate to the marketing aspects of business.
- Understands and applies technology for a variety of marketing purposes (e.g., receiving and sending business communications; advertising; selling; placing orders; creating charts, graphs, and business documents; creating advertisement layouts; managing inventory).
- Understands the fundamentals of computer networking and communication systems in business environments.
- Understands the characteristics, role, advantages, and disadvantages of e-commerce in marketing and business.
- Understands ethical, safety, and security issues related to the use of computer technology in business and marketing.
- Applies computer technology in an ethical, safe, and secure manner.

DOMAIN IV—MARKETING EDUCATION PROGRAM

Competency 010

The teacher knows how to organize and manage an effective marketing education program and how to work with others to support the program.

The beginning teacher:

- Applies strategies (e.g., joining professional organizations, subscribing to professional journals, attending conferences, researching on the Internet) for keeping abreast of and applying current research, trends, and practices in the marketing sector of business.
- Understands methods and strategies for planning, implementing, maintaining, and evaluating a marketing education program, including student organizations (e.g., DECA).
- Understands the importance of basing classroom instruction on the approved Texas Essential Knowledge and Skills (TEKS).
- Understands roles and responsibilities of advisory committees and how to organize and work effectively with advisory committees.
- Understands procedures for developing articulation agreements with educational institutions.
- Applies procedures for developing and maintaining training agreements and training plans for programs with a work-based learning component.
- Applies strategies for working effectively with community and industry representatives and local and civic organizations to encourage involvement in and support for the marketing education program.
- Applies professional development and lifelong learning skills and techniques to ensure continuous improvement.

Competency 011

The teacher understands how to promote student development and assist students in career planning and work-based learning.

The beginning teacher:

- Identifies various career opportunities in marketing and the education and training requirements associated with these careers, including the role of industry and professional licenses/certifications.
- Understands employers' expectations, appropriate work habits, and personal characteristics necessary for a successful career in marketing.
- Understands procedures for obtaining employment in marketing and related fields and strategies for assisting students in career planning and development.
- Understands goals, purposes, and models of programs with work-based learning components (e.g., mentoring, co-op experiences, job shadowing) and the connections between classroom learning and work-based learning.
- Applies strategies for coordinating programs with work-based learning components (e.g., developing individualized training plans, maintaining records, evaluating student progress, analyzing data to determine program effectiveness).
- Understands legal, ethical, and safety issues associated with marketing careers.
- Understands purposes, characteristics, functions, and structures of student leadership organizations (e.g., DECA) and understands and manages relationships between classroom learning and student organizations.
- Understands roles and responsibilities of advisors to student organizations (e.g., DECA), procedures for developing a program of activities and conducting effective meetings, and strategies for encouraging student participation in these organizations.
- Understands and promotes personal development and career development skills and techniques essential for student success.

Competency 012

The teacher knows how to plan and implement effective and appropriate instruction and student assessment.

The beginning teacher:

- Understands state content and performance standards in marketing education, as defined by the Texas Essential Knowledge and Skills (TEKS).
- Understands and applies instructional strategies that engage students, provide positive and effective learning experiences, and model business practices (e.g., group brainstorming, research, team projects).
- Applies strategies for working effectively with students who have diverse strengths, needs, and backgrounds.
- Applies strategies for integrating marketing education with concepts and skills in other academic areas (e.g., language arts, mathematics, science, social studies).
- Understands and applies a variety of instruments and methods (e.g., performance-based methods) for evaluating instructional effectiveness, student progress, and student needs.
- Applies strategies for using current and emerging technologies as tools for learning, communicating, and assessing marketing education concepts in the classroom.

SECTION III

APPROACHES TO ANSWERING MULTIPLE-CHOICE ITEMS

The purpose of this section is to describe multiple-choice item formats that you will see on the TExES test in this field and to suggest possible ways to approach thinking about and answering the multiple-choice items. However, these approaches are not intended to replace familiar test-taking strategies with which you are already comfortable and that work for you.

The Marketing Education 8–12 test is designed to include 80 scorable multiple-choice items and approximately 10 nonscorable items. Your final scaled score will be based only on scorable items. The nonscorable multiple-choice items are pilot tested by including them in the test in order to collect information about how these items will perform under actual testing conditions. Nonscorable test items are not considered in calculating your score, and they are not identified on the test.

All multiple-choice items on this test are designed to assess your knowledge of the content described in the test framework. The multiple-choice items assess your ability to recall factual information **and** to think critically about the information, analyze it, consider it carefully, compare it with other knowledge you have, or make a judgment about it.

When you are ready to respond to a multiple-choice item, you must choose one of four *answer choices* labeled A, B, C, and D. Then you must mark your choice on a separate answer sheet.

Item Formats

You may see the following two types of multiple-choice items on the test.

- Single items
- Items with stimulus material

You may have one or more items related to a single stimulus. When you have at least two items related to a single stimulus, the group of items is called a cluster. After the last item of a cluster, you will see the graphic illustrated below.



This graphic is used to separate these clustered items related to specific stimulus material from other items that follow.

On the following pages, you will find descriptions of these commonly used item formats, along with suggested approaches for responding to each type of item. In the actual testing situation, you may mark the test items and/or write in the margins of your test booklet, **but your final responses must be indicated on the answer sheet provided.**

SINGLE ITEMS

In the single-item format, a problem is presented as a direct question or an incomplete statement, and four answer choices appear below the item. The following item is an example of this type. It tests knowledge of Marketing Education 8–12 competency 010: *The teacher knows how to organize and manage an effective marketing education program and how to work with others to support the program.*

Which of the following strategies would most likely help a marketing education teacher keep informed on current research and trends in business and marketing?

- A. serving as a member of an advisory committee for a business
 - B. subscribing to a professional trade journal
 - C. administering customer satisfaction surveys for private companies
 - D. hosting an international trade fair at the school
-

Suggested Approach

Read the item carefully and critically. Think about what it is asking and the situation it is describing. Eliminate any obviously wrong answer choices, select the correct answer, and mark it on your answer sheet.

The item asks you to choose the strategy that is most likely to help a marketing education teacher stay informed about current research and trends in business and marketing. Look at the answer choices and consider which of them describes the most helpful method for accomplishing this goal.

Option A suggests serving as a member of an advisory committee for a business. Although serving on a business's advisory board would be helpful, the teacher's perspective would be limited to that one business. The teacher would probably not have sufficient exposure to the current research and trends in most areas of business and marketing. Option A may be eliminated as the best response to this item.

Option B suggests subscribing to a professional trade journal. Trade journals and other business publications can provide teachers with information about industry trends and consumer buying habits. They also provide information about current local and national economic conditions that may affect a specific type of business or an entire industry. Option B may be the best response to this item.

Option C suggests administering customer satisfaction surveys for private companies. Although administering customer surveys would give a teacher exposure to some types of marketing research methods, performing that single marketing function does not provide the teacher with knowledge of most trends and research methods used in marketing. Option C may be eliminated as the best response to this item.

Option D suggests hosting an international trade fair at the teacher's school. Hosting a trade fair would not help a teacher keep informed about current research or trends in business and marketing. A trade fair would be restricted to that teacher's specific school setting only and would provide the teacher with only limited options for exposure to outside businesses and marketing industry trends. Option D may be eliminated as the best response to this item.

Of the alternatives offered, subscribing to a professional trade journal would be the most effective way to help a marketing teacher keep informed about current research and trends in business and marketing. Therefore, the correct response is Option B.

ITEMS WITH STIMULUS MATERIAL

Some items are preceded by stimulus material that relates to the items. Some types of stimulus material included on the test are reading passages, graphics, tables, or a combination of these. In such cases, you will generally be given information followed by an event to analyze, a problem to solve, or a decision to make.

One or more items may be related to a single stimulus. You can use several different approaches to respond to these types of items. Some commonly used approaches are listed below.

- Strategy 1** Skim the stimulus material to understand its purpose, its arrangement, and/or its content, then read the item and refer again to the stimulus material to verify the correct answer.
- Strategy 2** Read the item *before* considering the stimulus material. The content of the item will help you identify the purpose of the stimulus material and locate the information you need to respond to the item.
- Strategy 3** Use a combination of both strategies: apply the "read the stimulus first" strategy with shorter, more familiar stimuli and the "read the item first" strategy with longer, more complex, or less familiar stimuli. You can experiment with the sample items in this manual and then use the strategy with which you are most comfortable when you take the actual test.

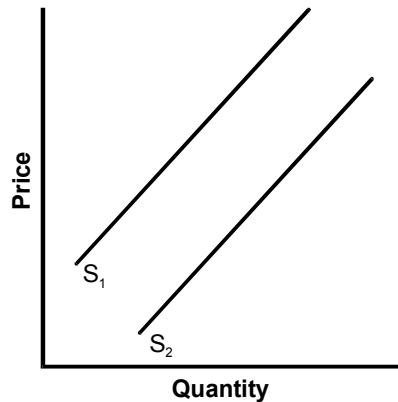
Whether you read the stimulus before or after you read the item, you should read it carefully and critically. You may want to underline its important points to help you respond to the item.

As you consider items set in educational contexts, try to use the teacher's point of view to respond to the items that accompany the stimulus. Be sure to consider the items in terms of only the information provided in the stimulus—not in terms of specific situations or individuals you may have encountered.

Suggested Approach

First read the stimulus (a graph with two supply curves).

Use the graph below to answer the question that follows.



Now you are ready to respond to the item or items associated with this stimulus. The item below tests knowledge of Marketing Education 8–12 competency 002: *The teacher understands and applies basic economic principles.*

The graph shows two supply curves for a product. Which of the following is the most likely explanation of why supply of a product would shift from S_1 to S_2 ?

- A. A technological innovation is resulting in increased production.
 - B. The product is becoming obsolete due to new products from overseas.
 - C. A recession is causing a drop in product sales.
 - D. The government has levied a sales tax on the product.
-

In this item, a graph is given as the stimulus. Consider carefully the information presented in the graph. The graph shows two supply curves drawn on price-versus-quantity axes. Each supply curve indicates the general relationship between the quantity of goods a company is willing to produce at a given price. The relationship is linear and shows that the company will produce a greater quantity of goods as the price at which they can sell the goods increases. The item asks for a possible explanation for curve S_1 to shift to the position of curve S_2 . To better understand this shift, draw a vertical line through S_1 , S_2 , and the horizontal axis and examine where this line intersects S_1 and S_2 . It should be clear that the price of producing the same quantity of goods is greater for S_1 than it is for S_2 . Typically, when a supply curve shifts down and to the right of its original position, the shift indicates that production quantities have increased while prices have decreased. The item now asks you to consider how this change might occur. Look at the answer choices and consider which of them best explains what would typically cause this shift in supply.

Option A suggests that a technological innovation causes increased production. Even minor technological innovations can improve production processes. Innovations create savings in production time, labor, resources, and money. Innovations can allow a company to produce more goods and sell them at a lower price. This is consistent with the shift in the graph. Option A accurately describes a reason for a shift in supply and may be the best response to this item.

Option B suggests that the product is becoming obsolete due to competition from new overseas products. If the product were becoming obsolete, there would be a decrease in the production of the product, or a decrease in supply. This change would be represented by a shift in the supply curve upward and to the left. Option B may be eliminated as the best response to this item.

Option C suggests that a recession causes a drop in product sales. If a recession were causing a drop in product sales, the company would most likely decrease its production and so decrease its supply. A decrease in supply would be represented by a shift in the supply curve upward and to the left. Option C may be eliminated as the best response to this item.

Option D suggests that the government has levied a sales tax on the product. Although a new sales tax on the product would probably not affect production levels, a new tax would increase the cost of producing a given product. Increasing the production cost would cause the company to increase the price of the product in order to maintain its profit margin. This would cause the curve to shift to the left. Option D may be eliminated as the best response to this item.

Of the alternatives offered, option A is the most likely explanation for the shift in supply. Therefore, the correct response is option A.

First read the stimulus (a diagram of a particular distribution channel).

Use the diagram below to answer the question that follows.

Manufacturer → Distribution Center → Retailer

Now you are ready to respond to the item or items associated with this stimulus. The item below tests knowledge of Marketing Education 8–12 competency 005: *The teacher understands product and service planning, pricing, and distribution.*

Which of the following products is most likely to use the distribution channel shown above?

- A. home improvements materials
 - B. industrial machinery
 - C. precision scientific equipment
 - D. custom-made furniture
-

In the stimulus, a diagram shows the distribution channel for a particular product. The channel identifies a flow of goods from the manufacturer to a distribution center and then to the retailer. Look at the answer choices and consider which of them describes a product that is most likely to use this type of distribution channel.

Option A suggests home improvement materials. For these products, a manufacturer usually sells to a wholesaler or a distribution center. The distribution center handles the sales, warehousing, and distribution of the products to retail stores. The retailers then make these products accessible to the general public. Home improvement materials are typically sold this way. Option A describes a product that uses the distribution channel shown in the diagram and may be the best response to this item.

Option B suggests industrial machinery. The most common method of distributing industrial goods is for the manufacturer to sell them directly to the industrial user. In this channel, the manufacturer's sales force calls on the industrial user and sells straight to the user. For example, an industrial robotics sales representative would sell robotic machines directly to a manufacturing business. This is known as a direct method of distribution, and it is not the distribution channel shown in the diagram. Option B may be eliminated as the best response to this item.

Option C suggests precision scientific equipment. Typically, the sale and distribution of specialty products such as precision scientific equipment involve agents in the process. An agent sells the products to an industrial wholesaler who stores, resells, and ships them to the user. The advantage of this arrangement is that both the agent and industrial wholesaler are likely to be experts in the uses of the scientific equipment. The distribution channel for precision scientific equipment does not involve retailers. Option C may be eliminated as the best response to this item.

Option D suggests custom made furniture. Products that are custom made for consumers are typically distributed directly from the manufacturer to the consumer. This direct distribution channel is used so that the manufacturer may more easily communicate with the consumer in order to find out the exact specifications and characteristics of a given product. Option D may be eliminated as the best response to this item.

Of the alternatives offered, Option A describes the product that is most likely to use the distribution channel shown in the diagram. Therefore, the correct response is option A.

SECTION IV

SAMPLE ITEMS

This section presents some sample test items for you to review as part of your preparation for the test. To demonstrate how each competency may be assessed, each sample item is accompanied by the competency number that it measures. While studying, you may wish to read the competency before and after you consider each sample item. Please note that the competency numbers will not appear on the actual test form.

An answer key follows the sample items. The answer key lists the item number and correct answer for each sample test item. Please note that the answer key also lists the competency assessed by each item and that the sample items are not necessarily presented in competency order.

The sample items are included to illustrate the formats and types of items you will see on the test; however, your performance on the sample items should not be viewed as a predictor of your performance on the actual test.

Marketing Education 8–12

Competency 001

1. Which of the following should be the first consideration of managers seeking to develop an employee training program?
 - A. preparing training materials
 - B. establishing the goals of the program
 - C. selecting program instructors
 - D. identifying training needs

Competency 002

2. Which of the following is a function of business in a free enterprise system?
 - A. monitoring and regulating interest rates
 - B. establishing distribution networks for goods and services
 - C. providing employment for all workers
 - D. regulating the flow of money in the economy

Competency 003

3. Which of the following qualities is most critical for a potential entrepreneur to possess?
 - A. familiarity with proper payroll and cost accounting procedures
 - B. a willingness to take personal and economic risks
 - C. in-depth knowledge about financial forecasting models
 - D. a facility for forming personal relationships with creditors

Competency 004

4. Market segmentation refers to the efforts of marketers to:
 - A. distribute marketing costs equally among channel members.
 - B. define market groups according to consumer needs and characteristics.
 - C. reduce the number of competitors in a market by lowering product prices.
 - D. divide markets into zones assigned to specific retailers.

Competency 004

5. A firm that wishes to boost sales of existing products would most likely use marketing research to:
- A. identify new markets.
 - B. reduce production costs.
 - C. improve product quality.
 - D. estimate advertising costs.

Competency 005

6. For which of the following reasons would a firm be most likely to use a perpetual inventory system?
- A. Information about stock on hand must be current.
 - B. Business volume does not justify the expense of computerized record keeping.
 - C. Complete information on stock is not available.
 - D. Old or damaged stock is returned frequently.

Competency 006

7. Which of the following is a primary goal of sales-related activities in marketing?
- A. financing the production of new goods and services
 - B. generating consumer enthusiasm for goods and services
 - C. facilitating the physical distribution of goods and services
 - D. establishing quality standards for goods and services

Competency 006

8. Which of the following methods of closing a sale appeals most strongly to the customer's rational buying motives?
- A. justifying the product's price
 - B. using a testimonial
 - C. referring to customer ownership
 - D. reviewing selling points and benefits

Competency 007

9. In which of the following situations is one nation considered to have a comparative advantage over a trading partner?
- A. when it can produce a higher quantity of a certain product
 - B. when it has a larger number of global economic partners
 - C. when it can produce an item for a lower opportunity cost
 - D. when it has more flexibility to change its production levels

Competency 008

10. Use the information below to answer the question that follows.

Profit and Loss Statement

Sales Revenue.....\$5,000
Less Cost of Goods Sold.....\$2,750
Gross Profit on Sales.....\$2,250

Expenses:

Salaries.....\$250
Advertising.....\$150
Utilities.....\$400
Rent.....\$600
Depreciation.....\$200
Insurance.....\$100
Misc.....\$50

Total Expenses.....\$1,750

Net Profit.....\$500

What percentage of total revenue equals total expenses?

- A. 35%
- B. 45%
- C. 55%
- D. 65%

Competency 008

11. Use the two partial tables below to answer the question that follows.

ABC Corporation Income Statement December 31, 20XX
Net Income \$50,000

ABC Corporation Balance Sheet December 31, 20XX
Retained Earnings \$150,000
Average Stockholders' Equity \$200,000

How much has this business earned for each dollar invested by common stockholders?

- A. \$0.25
- B. \$0.33
- C. \$0.75
- D. \$1.33

Competency 009

12. Data encryption technology has had the greatest impact on which of the following uses of the Internet?
- A. the transmission of video and audio advertisements
 - B. the purchase of goods using credit cards
 - C. the creation of large databases of demographic information
 - D. the increase in the speed at which information is transmitted

Competency 010

13. Which of the following actions would best facilitate the development of an articulation agreement between a local community college and the marketing department of a secondary school?
- A. comparing curriculum maps and course objectives for the high school and college marketing courses
 - B. establishing a committee made up of marketing teachers and guidance staff to review academic policies
 - C. analyzing assessment methods typically utilized by the college marketing faculty
 - D. generating reports that track students' post-graduation academic and marketing coursework choices

Competency 011

14. When evaluating the success of a work-based learning program, it is most important to:
- A. randomly select students for participation in the evaluation.
 - B. develop a survey form that can be quickly scored and analyzed.
 - C. include advisory committee members in the process.
 - D. use independent evaluators from the local chamber of commerce.

Competency 011

15. Which of the following best describes the goal of a work-based learning model for high school students?
- A. to provide local businesses with a well-trained core of potential employees
 - B. to show students how to develop a good work ethic and good interpersonal skills
 - C. to give students an opportunity to learn important job skills and explore career choices
 - D. to assess students' aptitudes and determine the career tracks for which they are best suited

Competency 012

16. A marketing teacher is designing a unit on entrepreneurship and would like to use a performance-based assessment to evaluate student learning of the objective. Which of the following assessments would be most appropriate for this purpose?
- A. Students organize into cooperative learning groups and play a business ownership simulation game on the computer.
 - B. Students develop a marketing mix for a new product or service that they have developed.
 - C. Students complete personal skills and aptitude tests and analyze the results for qualities related to entrepreneurship.
 - D. Students write a research paper summarizing a successful entrepreneur's achievements.

Competency 012

17. Students in a marketing class are planning to produce and market a compact disc of the school band's music. For which activity associated with this project is a spreadsheet most appropriate?
- A. designing the CD packaging
 - B. evaluating different pricing strategies
 - C. determining demand for the project
 - D. creating a layout for a newspaper advertisement

ANSWER KEY

Item Number	Correct Answer	Competency
1	D	001
2	B	002
3	B	003
4	B	004
5	A	004
6	A	005
7	B	006
8	D	006
9	C	007
10	A	008
11	A	008
12	B	009
13	A	010
14	C	011
15	C	011
16	B	012
17	B	012

SECTION V

PREPARATION RESOURCES

The resources listed below may help you prepare for the TExES test in this field. These preparation resources have been identified by content experts in the field to provide up-to-date information that relates to the field in general. You may wish to use current issues or editions to obtain information on specific topics for study and review.

Journals

Academy of Marketing Studies Journal, Allied Academies, <http://www.alliedacademies.org/marketing/>

International Journal of Marketing Education, <http://www.senatehall.com/journals.php?journal=8>

Journal of Computing in Teacher Education, International Society for Technology in Education, <http://www.iste.org>

Journal of Marketing Education, <http://www.sagepub.com/journal.aspx?pid=117>

Texas Computer Education Association TechEdge and TechNotes, <http://www.tcea.org>

Other Sources

Allen, K. R. (2003). *Launching New Ventures: An Entrepreneurial Approach* (3rd ed.). Boston, MA: Houghton Mifflin Company.

Armstrong, S. (Ed.) (2002). *Edutopia: Success Stories for Learning in the Digital Age*. San Francisco, CA: Jossey-Bass.

Bearden, W. O., Ingram, R. W., and LaForge, R. W. (1995). *Marketing Principles and Perspectives*. Chicago, IL: Irwin.

Berhardt, K. L., and Kinnear, T. C. (1997). *Cases in Marketing Management* (7th ed.). Burr Ridge, IL: McGraw-Hill/Irwin.

Berkowitz, E. N., Kerin, R. A., Hartley, S. W., and Rudelius, W. (2002). *Marketing* (7th ed.). Boston, MA: McGraw-Hill/Irwin.

Business 2000: Customer Service. (2001). Career Solutions Training Group. Marietta, GA: South-Western Educational and Professional Publishing.

Eppen, G. D., Gould, F. J., Schmidt, C. P., Moore, J. H., and Weatherford, L. R. (1998). *Introductory Management Science: Decision Modeling with Spreadsheets* (5th ed.). Upper Saddle River, NJ: Prentice Hall.

Everard, K. L., and Burrow, J. L. (2003). *Business Principles and Management, Anniversary Edition*. Marietta, GA: South-Western Educational and Professional Publishing.

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- Lesikar, R. V., and Flatley, M. E. (2004). *Basic Business Communication: Skills for Empowering the Internet Generation* (10th ed.). New York, NY: McGraw-Hill/Irwin.
- Meyers, M. (2003). *Introduction to PC Hardware and Troubleshooting*. Berkeley, CA: McGraw-Hill/Osbourne Media.
- Nickels, W. G., McHugh, J., and McHugh, S. (2004). *Understanding Business* (7th ed.). New York, NY: McGraw-Hill/Irwin.
- Remp, A. (2002). *Technology, Methodology and Business Education*. Reston, VA: National Business Education Association.
- Silbiger, S. (1993). *The Ten Day MBA*. New York, NY: Quill William Morrow.
- Thompson, A. A., and Stricklan, A. J. (2003). *Strategic Management: Concepts and Cases* (13th ed.). City: McGraw-Hill/Irwin.
- Townsley, M. (2000). *Business 2000: Advertising*. Marietta, GA: South-Western Educational and Professional Publishing.
- Townsley, M. (2001). *Business 2000: Retail*. Marietta, GA: South-Western Educational and Professional Publishing.
- Wells, D., and Ambrose, A. (2004). *Computer Concepts Basics* (2nd ed.). Stamford, CT: Thomson Learning.

Online Resources

Association for Career and Technical Education, <http://www.acteonline.org>

Association for Career and Technical Information, <http://www.nactei.org>

Business and Marketing Career Resources, <http://www.khake.com/page13.html>

Distributive Education Clubs of America (DECA), <http://www.deca.org>

International Association of Business Communicators, <http://www.iabc.com>

International Society for Technology in Education, <http://www.iste.org>

Marketing Education Association, <http://www.nationalmea.org>

Marketing Education Resource Center, <http://www.mark-ed.org>

Marketing Teacher, <http://www.marketingteacher.com>

National Association for Business Economics, <http://www.nabe.com>

National Association of Economic Educators, <http://ecedweb.unomaha.edu/nace.htm>

National Board for Professional Teaching Standards, <http://www.nbpts.org>

National Business Education Association, <http://www.nbea.org>

National Career Development Association, <http://www.ncda.org>

National Economic Association, <http://www.ncat.edu>

National Education Association, <http://www.nea.org>

National Educational Technology Standards for Teachers, <http://www.cnets.iste.org>

National Marketing Education Standards,
http://www.mark-ed.com/curricul/national_marketing_standards.htm

State Board for Educator Certification (Standards & Testing), <http://www.sbec.state.tx.us>

Texas Education Agency, <http://www.tea.state.tx.us>

Texas Essential Knowledge and Skills (TEKS), <http://www.tea.state.tx.us/teks>

U.S. Department of Education, <http://www.ed.gov>

