

1 VOCABULARY & SPEAKING

- a Look at the ad for Red Bull. Do you think it's a clever ad? Why do you think it might have gotten Red Bull into trouble?



Advertising scandals that cost some brands millions

In advertising, there's a big difference between exaggerating the truth and making false claims.

Many companies have been caught using misleading claims like "scientifically proven" with "guaranteed results" in their advertisements. For such companies, it can cost millions, and lead to a damaged reputation.

Several examples of false advertising scandals have affected big brands – some are still ongoing, and not all companies have had to pay up, but each suffered a certain amount of negative publicity.

Red Bull

Energy drink company Red Bull was sued in 2014 for its slogan "Red Bull gives you wings." The slogan, which the company has used in advertising campaigns for nearly two decades, went alongside marketing claims that the caffeinated drink could improve a consumer's concentration and reaction speed.

Benjamin Careathers was one of several consumers who brought the case against the Austrian drink company. He said he had been a regular consumer of Red Bull for 10 years, but that he had not developed wings – or shown any signs of improved intellectual or physical abilities.

The company settled the case by agreeing to pay out a maximum of \$13 million – including \$10 to every US consumer who had bought the drink since 2002.

- b Read the article and check your answers to a. Why do you think Benjamin Careathers did what he did?
- c Look at the highlighted words and phrases related to advertising. With a partner, try to figure out what they mean. Then match them to their meanings 1–9.
- 1 advertisements (also ads) notices, pictures, or videos telling people about a product
 - 2 _____ (noun) statements that something is true, although it has not been proved and other people may not agree with or believe it
 - 3 _____ (noun) types of product made by a particular company
 - 4 _____ (verb) was taken to court to ask for money because of something they said or did that harmed you
 - 5 _____ (adj.) giving the wrong idea or impression, making you believe something that is not true
 - 6 _____ (noun) people who buy goods or use services
 - 7 _____ (noun) series of advertising messages with the same theme
 - 8 _____ (noun) the attention that is given to somebody / something by newspapers, television, etc.
 - 9 _____ (noun) a word or phrase used in advertising that is easy to remember, to attract people's attention or to suggest an idea quickly
- d Work in threes, A, B, and C. Look at three products whose ads cost their brands money. What problems do you think there were with the ads?



- e **G Communication** Misleading ads **A p.110 B p.112 C p.114**
Read about the advertisements and tell each other what the problem was.
- f Talk in groups of three. Give examples.

- 1 Have you bought something recently that wasn't as good as the advertisement made you think it would be? How was the ad misleading?
- 2 What are viral ads? Have you ever forwarded one to other people? Do you have a favorite one?
- 3 Is there a brand that you think has a really good logo or slogan? Does it make you want to buy the product?
- 4 Can you think of a recent ad that made you not want to ever buy the product? Why did the ad have this effect on you?
- 5 Do you find pop-up ads annoying when you are doing something online? Do you think they are necessary? Why is it that they often seem directed at you personally?
- 6 Do you think it's immoral for advertisers to try to persuade people without much money to buy products they can't afford?

2 LISTENING

- a **9.1** Listen to a marketing expert talking about six marketing techniques used by advertisers. Complete the messages they use with two or three words.
- 1 "Get a _____ when you subscribe to our magazine for six months."
 - 2 "There are _____ left! Buy now while supplies last!"
 - 3 "_____ it."
 - 4 "_____ can look like this."
 - 5 "A recent _____ found that our toothpaste cleans your teeth better than any other brand."
 - 6 "_____, I'm a doctor (or a celebrity)."
- b Listen again. Answer the questions for each message in a.
- 1 Why does it attract us?
 - 2 Why is it misleading?
- c Which of the six techniques might influence you to buy the product? Are there any that would actively discourage you? Why do you think we keep falling for these techniques, even though we know what's going on?

3 GRAMMAR clauses of contrast and purpose

- a Look at some extracts from the listening in 2, and complete them with phrases A–G.

- 1 **In spite of** _____, its price was really included in the magazine subscription.
- 2 **Even though** _____, and maybe don't even like them, we immediately want to be among the lucky few who have them.
- 3 **So as to** _____, they use expressions like, "It's a must-have"...
- 4 ...and they combine this with a photograph of a large group of people, **so that** _____.
- 5 The photo has been airbrushed **in order to** _____, with perfect skin, and even more attractive than they are in real life.
- 6 It was probably produced **for** _____, and paid for by them, too.
- 7 **Although** _____, do you really think she colors her hair with it at home?

- A the company itself
B the actress is holding the product in the photo
C we can't fail to get the message
D make us believe it
E we don't really need the products
F what the ad said
G make the model look even slimmer

- b **9.2** Listen and check. Then look at the **highlighted** word(s) in 1–7 and the phrases A–G that follow them. Which ones express a purpose?

c **G p.148 Grammar Bank 9A**

- d **Sentence race** Try to complete as many sentences as you can in two minutes.

- 1 I think the advertising of junk food should be banned, so that...
- 2 In spite of a huge marketing campaign,...
- 3 Although they have banned cigarette advertising,...
- 4 She applied for a job with a company in Seoul, so as to...
- 5 He decided to continue working, despite...
- 6 Even though the ad said I would notice the effects after a week,...
- 7 I took my laptop to the store to...
- 8 We went to our head office in New York for...



a Look at the products in the photos. Can you think of anything they have in common?



-
- FIFTY THINGS
THAT MADE THE
MODERN ECONOMY**
- "Every Tim Harford book is cause for
celebration."* MALCOLM GLADWELL
- Tim Harford**
- AUTHOR OF THE UNDERCOVER ECONOMIST**

- # RAZORS & BLADES

In 1894, a book was written by a man who had a vision. The book argues that “our present system of competition” breeds “extravagance, poverty, and crime.” It advocates a new system of “equality, virtue, and happiness,” in which just one corporation – the United Company – will make all of life’s necessities as cost-effectively as possible. These, by the way, are “food, clothing, and habitation.” Industries which, “do not contribute” to life’s necessities will be destroyed. The book’s author had a vision that has ended up shaping the economy. But, as you may have guessed, it wasn’t this particular vision. No, it was another idea, which he had a year later. His name was King Camp Gillette, and he invented the disposable razor blade.

King Camp Gillette invented the blades that made it possible. Before this, razors were bigger, and when the blade got dull, you'd sharpen it, not throw it away and buy another. He didn't immediately hit upon the two-part pricing model, though: initially, he made both parts expensive. The model of cheap razors and expensive blades evolved only later. Nowadays, two-part pricing is everywhere. Consider the PlayStation 4. Whenever Sony sells one, it loses money: the retail price is less than it costs to manufacture and distribute. But that's okay, because Sony coins it in whenever a PlayStation 4 owner buys a game. Or how about Nespresso? Nestle makes its money not from the machine, but the coffee pods.

suck somebody in (*phr. verb*) to involve somebody in an activity or a situation, especially one they do not want to be involved in

hit upon (*phr. verb*) think of a good idea suddenly or by chance

coin it (in) (*idiom*) make a lot of money

d Now read the rest of the chapter. Answer the questions with a partner.

- How are companies that have been successful with two-part pricing products trying to stop other companies selling the disposable parts cheaper?
- Why might customers stay with a more expensive original brand?
- What does the author suggest that King Camp Gillette might have thought of the razor-and-blades sales model?



Part 2

Obviously, for this model to work you need some way to ¹_____ customers from putting cheap, generic blades in your razor. One solution is legal: patent-protect your blades. But patents don't last forever. Patents on coffee pods have started expiring, so brands like Nespresso now face competitors selling ²_____, compatible alternatives. Some are looking for another kind of solution: technological. Just as other people's games don't work on the PlayStation, some coffee companies have put chip readers in their machines to stop you from trying to brew a generic cup of coffee.

Two-part pricing models work by imposing what economists call "switching costs." They're especially prevalent with digital goods. If you have a huge library of games for your PlayStation, or books for your Kindle, it's a big thing to switch to another platform. Switching costs don't have to be ³_____. They can come in the form of time, or hassle. Say I'm already familiar with Photoshop; I might prefer to pay for an expensive upgrade ⁴_____ buy a cheaper alternative, which I'd then have to learn how to use. Switching costs can be psychological, too – a result of brand loyalty. If the Gillette company's marketing department persuades me that generic blades give ⁵_____ shave, then I'll happily keep paying extra for Gillette-branded blades.

Economists have puzzled over why consumers ⁶_____ the two-part pricing model. The most plausible explanation is that they get confused by the two-part pricing. Either they don't realize that they'll be exploited later, or they do realize, but find it hard to pick the best deal out of a ⁷_____ menu of options. The irony is that the cynical razors-and-blades model – charging customers a premium for basics like ink and coffee – is about as far as you can get from King Camp Gillette's vision of a single United Company producing life's necessities as cheaply as possible.

Glossary

- patent** (noun) an official right to be the only person to make, use, or sell a product or invention
- chip reader** (noun) a device to get information from a microchip
- switching costs** (noun phrase, idiom) how much it will cost you to change from one brand to another
- hassle** (noun, informal) a situation that is annoying because it involves doing something difficult or complicated that needs a lot of effort
- puzzle over** (phr. verb) to think hard about something in order to understand or explain it

e Read it again and choose the correct word or phrase for each blank.

- a avoid b encourage c prevent
- a cheaper b pricier c more expensive
- a economical b inevitable c financial
- a as well as b rather than c in order to
- a an inferior b a superior c a similar
- a tolerate b reject c like
- a simple b straightforward c confusing

f Do you own any products that use a two-part pricing system? Do you buy generic ink, coffee, etc., or do you buy the branded ones? Why?



5 VOCABULARY business

a Look at two extracts from "Razors and Blades." Which two verbs mean "to make things in large quantities"? Which one is specifically "using machinery"?


Consider the PlayStation 4. Whenever Sony sells one, it loses money: the retail price is less than it costs to manufacture and distribute.

... King Camp Gillette's vision of a single United Company producing life's necessities as cheaply as possible.



b  p.162 Vocabulary Bank Business

6 PRONUNCIATION & SPEAKING changing stress on nouns and verbs

a  9.8 Listen and underline the stress on the **bold** words. Which syllable is stressed when the word is a) a verb, b) a noun?

- We **ex|port** to customers all over the world.
- One of our main **ex|ports** is cheese.
- Sales have **in|creased** by 10% this month.
- There has been a large **in|crease** in profits this year.
- The new building is **pro|gre|ssing** well.
- We're making good **pro|gress** with the report.
- Most toys these days are **pro|duced** in China.
- The demand for organic **pro|duce** has grown enormously.

b Look at some more words that can also be verbs and nouns, and have the same pronunciation rule. Practice saying them first all as verbs and then as nouns.


decrease import permit record refund reject

c Say if the following are true of your country / region, or of you. Give examples.

- We export more food than we import.
Not many stores sell organic produce.
Unemployment has decreased over the last five years.
Smoking is not permitted in public places.

clauses of contrast and purpose

clauses of contrast


- 1 **Although / Though** the ad said it would last for years, my dishwasher stopped working after two months.  9.3
My dishwasher stopped working after two months, **although / though** the ad said it would last for years.
My dishwasher stopped working again **even though** I'd had it repaired the week before.
My dishwasher has never stopped working. I hardly ever use it, **though**.
- 2 **In spite of / Despite...**
her age, my mother is still very active.
being 85, my mother is still very active.
the fact that she's 85, my mother is still very active.

- We use *although, though, even though*, and *in spite of* or *despite* to express a contrast.
- 1 *although, though* and *even though* are usually used at the beginning or in the middle of a sentence.
- *though* is more informal than *although*.
 - *even though* is stronger than *although / though* and is used to express a big or surprising contrast.
 - *though* can also be used as an adverb, usually at the end of a sentence, after a comma. In this case, it means *however*.
- 2 After *in spite of* or *despite*, we can use a noun, a verb in the *-ing* form, or *the fact that* + subject + verb.
- Remember not to use *of* after *despite*. **NOT** ~~Despite of the rain,...~~

a Complete the sentences with **one** word.

- We're very happy in our new house, though there's a lot to do.
- 1 We loved the movie _____ the fact that it was nearly three hours long!
 - 2 Carl doesn't like spending money _____ though he's very rich.
 - 3 They went down to the harbor _____ see if they had fresh fish.
 - 4 I'll make a list so _____ not to forget anything.
 - 5 My mother called the doctor in _____ to make an appointment.
 - 6 The cake tasted good in _____ of not looking like the photo in the recipe book.
 - 7 I turned the heat on high so _____ the house will warm up quickly.
 - 8 I must say that _____ the service was poor, the meal was delicious.
 - 9 I stopped at a roadside diner _____ a quick meal before continuing on my trip.
 - 10 He really isn't very fashionable. He sometimes tries to wear a fun tie to work, _____.

clauses of purpose

- 1 I went to the bank _____ to talk to the bank manager.  9.4
in order to
so as to
- 2 I went to the bank **for** a meeting with the bank manager.
- 3 I went to the bank **so that** I could talk to the manager in person.
- 4 I wrote down what he said _____ forget it.
so as not to
in order not to

- Use *to*, *in order to*, *so as to*, *for*, and *so that* to express purpose.
- 1 After *to*, *in order to*, and *so as to*, use a base form.
- *in order to* and *so as to* are more formal than *to*.
- 2 Use *for* + a noun, e.g., *for a meeting*.
- You can also use *for* + gerund to describe the exact purpose of a thing, e.g., *This liquid is for cleaning metal*.
- 3 After *so that*, use a subject + modal verb (*can*, *could*, *would*, etc.).
- When there is a change of subject in a clause of purpose, we use *so that*, e.g., *We bought a new car so that the children would have more space*. **NOT** ~~to/in order to/so as to the children...~~ This is the only way of expressing purpose when there is a change of subject.
- 4 To express a negative purpose, use *so as not to* or *in order not to*, e.g., *I wrote down what he said in order not to forget it*. **NOT** ~~...to not forget it.~~

b Rewrite the sentences.

- Despite not getting very good reviews, the book sold really well.
Even though the book didn't get very good reviews, it sold really well.
- 1 We took a taxi so as not to arrive late.
We took a taxi so that...
 - 2 Despite earning a fortune, she drives a very old car.
Although...
 - 3 Everyone enjoyed the movie even though the ending was sad.
Everyone enjoyed the movie in spite of...
 - 4 The plane managed to land despite the terrible weather conditions.
The plane managed to land, even though...
 - 5 I told her I enjoyed the meal she had made me so that I wouldn't offend her.
I told her I enjoyed the meal she had made me so as...
 - 6 The police closed the roads so as to allow the president's car through safely.
The police closed the roads in order...

1 VERBS AND EXPRESSIONS

- a Complete the sentences with a verb from the box in the correct form (simple present, simple past, or past participle).

become close down drop grow expand export import
launch manufacture market merge produce set up take over

- Apple products are easy to market because people are immediately attracted to the stylish designs.
- In 1989, Pepsi-Cola _____ a new product called Pepsi A.M., which was aimed at the "breakfast cola drinker." It was an immediate **flop**.
- The Spanish airline Iberia _____ with British Airways in 2011 and became one of the world's biggest airline groups.
- Although GAP stands for Genuine American Product, most of its clothes are _____ in Asia.
- Prosciutto is a kind of Italian ham. Two of the best-known kinds are San Daniele and Parma, which are _____ in the Friuli and Emilia regions of Italy, and are _____ all over the world.
- When General Mills _____ Blue Buffalo (a gourmet pet food maker), the smaller company became part of the larger organization.
- The supermarket chain Tesco _____ the market leader in 1995, and is still the UK's biggest-selling **chain**.
- The first Zara store was opened in La Coruña in Spain in 1975, where its **head office** still is today. The company started to _____ into new markets in 1988, and it now has **branches** in 96 countries.
- Many banks are now offering loans to people who want to _____ a new **small business**.
- The cost of living in Iceland is so high because so many food products have to be _____.
- During a **boom** period, the economy _____ quickly and living standards improve.
- During a **recession**, many companies _____ and living standards _____.

- b 9.5 Listen and check. What do the bold words mean?

- c Do or make? Put the phrases in the correct column.

business (with) a deal (= business agreement) a decision
an investment a job a loss (opposite profit)
market research money well / badly

do	make
business (with)	

- d 9.6 Listen and check.

ACTIVATION Cover the columns in c. Say the phrases in the box with do or make.

2 IDIOMS WITH BUSINESS

business

business is an uncountable noun when it means trade, work, etc., e.g., *do business*
NOT *do a business*. It is only countable when it means a company, store, or factory, e.g., *I'm going to set up a business*.

- a Match the idioms with business to their meanings A–H.

- I think we've been through everything on today's agenda. Now, is there **any other business**?
- Now that so many people book their vacations and travel online, many travel agencies have **gone out of business**.
- Let's **get down to business** right away – we'll take a break in an hour or so.
- She looks very determined – like a woman who **means business**.
- A** What are you doing?
B I'm sorry, but **it's none of your business**.
- A** Is he your new boyfriend?
B **Mind your own business!**
- He arranged to meet his ex-business partner because they had some **unfinished business**.
- Why are you taking your tennis racket on a work trip? It's never a good idea to **mix business with pleasure**.

- A important things that still need to be discussed or dealt with
B (informal) it's not something that concerns you
C start dealing with the matter that needs to be dealt with, or doing the work that needs to be done
D closed down because there is no more money or work
E (informal) have serious intentions
F things that are discussed at the end of an official meeting
G try to do something enjoyable when you also need to work
H (informal) think about your own affairs and don't get involved in other people's lives

- b 9.7 Listen and check.

ACTIVATION Cover the idioms and look at the definitions. Say the idioms. p.89