

## Detecting Fraud

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Define the following terms:

Deception:

Fraud:

Marketing:

Quackery:

Research and cite examples of various types of consumer fraud in the marketplace.

<b>Online Scams</b>	Cite an example of an online scam:
Are the claims/promises stated?	
Are you required to send money or a credit card number?	
Have you, your family/friends experienced this type of fraud? If so, what happened?	

<b>Mail Fraud</b>	Cite an example of mail fraud:
Who is it from?	
What must consumers do? How much will it cost?	
Have you, your	

family/friends experienced this type of fraud? If so, what happened?	
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<b>Telemarketing Fraud</b>	Cite an example of a telemarketing fraud:
What's the catch?	
How much will it cost in all? Remember – few things are really free!	
Have you, your family/friends experienced this type of fraud? If so, what happened?	

<b>Unordered Merchandise</b>	Cite an example of an unordered merchandise fraud:
Did someone in the family order it?	
Did you have to pay or return the merchandise? (The item does not have to be forwarded or returned if it was not ordered)	
Have you, your family/friends experienced this type of fraud? If so, what happened?	

<b>Bait and Switch</b>	Cite an example of a bait and switch fraud:
Is merchandise really for sale?	
Does a salesperson try to show something higher priced or criticize the sale item?	
Have you, your family/friends experienced this type of fraud? If so, what happened?	

<b>Chain Letter and Pyramid Schemes</b>	Cite an example of a chain letter and pyramid scheme fraud:
Are you supposed to send money to several people on a list?	
Is a legitimate product or service offered? Are you promised a big payoff?	
Have you, your family/friends experienced this type of fraud? If so, what happened?	

1. How has technology increased the variety of ways products and services can be marketed?
2. How do technological advances in marketing strategies benefit consumers?
3. What are examples of fraudulent strategies to which consumers might be exposed as the result of new marketing technology?