

International Marketing

COURSE INFORMATION

MKT 456 | 3 credits | 400/600 Level | 45 contact hours

Professor: Jon Charterina | **E-mail:** jon.charterina@ehu.eus

Prerequisites: Introductory Economics, Principles of Marketing.

The following is a plus: Macroeconomics, Microeconomics, Business Strategy, Cultural Anthropology, Economic History, Sociology

Time: Mo. We. 15:00 – 16:25 | **Start/Stop Dates:** Jan. 22, May 9 | **Add/Drop/Pass/Fail:** Jan. 29 | **Withdraw:** March 3

REQUIRED TEXTBOOKS & COURSE MATERIALS

Materials are NOT available at the program site. Purchase before departure:

International Marketing, 16th edition. by P. R. Cateora, M.C. Gilly and J. L. Graham
McGraw Hill. 2013. ISBN: 978- 0073529974

DESCRIPTION

Regardless of their involvement at international markets, firms are affected by the competitive environment from the global marketplace. Whether it results from local competition with subsidiaries of multinationals, or the ever-growing influence from e-commerce, organizations must confront a number of elements from the international landscape. This subject allows to employ all the previously acquired business acumen to analyze and both the environmental forces and the strengths and weaknesses within the firm, and develop solutions to marketing problems across international borders. A heavy emphasis is placed on the uncontrollable elements in the international business environment thereby providing students the necessary tools to produce a market study for an internationalization project. Subsequent marketing mix decisions are then discussed, offering the chance to choose the best practical option from the theoretical possibilities. Students will work in teams to produce an international business plan, requiring the introduction of a new product or service into a foreign market.

OBJECTIVES

To assess the value offer from businesses across international markets.

To introduce organizational ideas and applicable tools for the purpose of producing in-depth market studies aimed at identifying opportunities yet unidentified by the competitors.

To improve Case-Study skills, such as writing persuasively and in an informative style. Cross cultural analysis and in depth reflection required. (Done in groups.)

To contribute to a team on an academic project: International Marketing Plan. This will require the group members to work together, establishing realistic business objectives to be reached by a vigorous analysis of the country's market potential.

To (re-)discover the strategic decisions associated with the Marketing Mix, concentrating on integration, coherency and creativity in order to meet and exceed a firm’s sales objectives.

STUDENT LEARNING OUTCOMES

At the end of the course, students should be able to...

- ✓ Organize their entrepreneur thoughts into a persuasive business proposal while distinguishing between quantitative and qualitative objectives
- ✓ Recognize and talk about the ways that firms create competitive advantage
- ✓ Use tools to not only produce competitive analysis but also know the relevant tools that are useful to analyze the other market elements that companies simply do not control
- ✓ Produce a competent SWOT analysis, clearly matching the enterprise strength to an international market opportunity—and recognize that the target market segment must be sustainable for the long term
- ✓ Make more confident strategic decisions about the variables that create and communicate value—product, price, placement and promotion possibilities
- ✓ Appreciate the effort required for a project to break-even on a cash flow basis based on carefully selected sales projections in the face of associated product launch expenses

OUTLINE

Date	Topic	Read	Homework
1-22	Syllabus: Introduction and Class Expectations An Overview of International Marketing Class Project: The Marketing Plan— <i>Who do you want to work with?</i>	Ch. 1	Think about forming your Team
1-24	Environmental forces-International Trade International Marketing—The Macro-Environment	Ch. 2	Form Team
1-29	Historical, Geographic and Demographic Dynamics in Global Markets (I) Culture/Society as defined by History and Geography Resource Management and Social Demographics	Ch. 3	Form Team
1-31	Historical, Geographic and Demographic Dynamics in Global Markets (II) The Role of Culture Knowledge in Global Markets Are Marketers responsible for “Unplanned” Cultural Change?	Ch. 4	Case Study
2-5	Historical, Geographic and Demographic Dynamics in Global Markets (III) The Role of Culture Knowledge in Global Markets Culture, Management Styles, Gender Bias. Ethical concerns	Ch. 5	Case Study
2-7	Uncontrollable Elements—The Political Environment Government Stability. Political Risks of Global Business	Ch. 6	Case Study
2-12	The International Legal Environment Bases for legal systems. Commercial Law within countries. Protection of Intellectual Property Rights. Export Restrictions	Ch. 7	Case Study due on 2-19
2-14	Uncontrollable Elements—Politics and Foreign States Politics and Business—the Risk that Laws change, affecting plans Nationalism, Nationalization—the Risk of losing “Permission”		Teams formed
2-19	<i>Discuss on any remaining ideas & materials</i>	Study for Eval. 1	
2-21	Evaluation 1	Chs.1,2,3, 4,5,6,7	

2-26	Assessing Global Market Opportunities: Marketing Research International Trade and the WTO—the rules that guide business Paul Krugman: What do undergraduates need to know about trade?	Ch.8	
2-28	Assessing Global Market Opportunities: European markets	Ch. 10	Idea generation
3-5	Assessing Global Market Opportunities: The Americas	Ch.9	
3-5	Assessing Global Market Opportunities: Africa and the Middle East	Ch. 10	
3-7	Assessing Global Market Opportunities: The Asia-Pacific Region (I)	Ch. 11	Case Study due on 3-12
3-12	Assessing Global Market Opportunities: The Asia-Pacific Region (II)	Ch.11	
3-12	Discuss on any remaining ideas & materials		
3-14	Global Marketing Management: Planning and Organization	Ch.12	
3-21	Products and Services for Consumers—B2C Quality, Brands and Image Standardization vs. Adaptation	Ch. 13	
3-26	Evaluation 2	Chs. 8,9,10,11,12	
4-2	Products and Services for Business Markets—B2B Relationship Marketing: Commodities, Technology, Turnkey Projects Defining Quality: ISO 9000 vs. TQM vs. EFQM	Ch. 14	Working on Project
4-4	International Channel Decisions (I)	Ch. 15	No Class from 4-15 to 4-26
4-9	International Channel Decisions (II)		Case Study due on 4-11
4-11	Pricing Decisions for International Markets	Ch. 18	
4-30	Integrated Marketing Communication and Advertising	Ch.16	
5-2	Personal Selling and Sales Management	Ch.17	
5-7	Negotiation with Customers, Regulators and Partners(I)r	Ch.19	
5-9	Negotiation with Customers, Regulators and Partners(II)		
5-9	Discuss on any remaining ideas & materials MKT Plan due TODAY	Study for Final	Final Project 5-19
5-14	Final evaluation	Chs.13,14,15,16,17,18,19	

GRADES

1st exam is worth 25%; 2nd Exam is worth 15%, and 3rd exam is worth 25% of the final mark for a total of 65%.

Each of the case studies is worth 5% of the final mark for a total of 15%. (Groups!)

The team project—International Business Plan is worth 20%

Project Details

A group of 4-6 students will generate an idea based on any of the following cases: (1) an observation that there is potential demand for a product or service somewhere, but no firm has previously decided to cover; (2) a business idea on a service or product that already exists in the US or your own country/region, but does not exist here, or *viceversa*.

After a careful analysis of the internal and external situation, a “strength” will be identified to match to a market “opportunity”. Analysis must include the use of the numerous tools available that real firms employ when trying to understand their own products or the target market, e.g., BCG Matrix and M. Porter’s Five-Competitive Forces analysis, respectively. (Obviously, there are more than these two!)

Analysis will be summarized in a SWOT diagram, which serves to document the team’s effort to Search for Value in the market place.

At this stage, the first part of the plan will be finished.

Once the internationalization idea and the foreign country has been decided, the target market must be carefully defined and the quantitative and qualitative objectives must be stated meaningfully in terms such as segment size, sales volume expected, etc. Then, the strategic decisions that Create Value—*product, price and placement decisions*—must be taken, in order to meet the company’s objectives.

At this point, the second part of a business plan has been completed.

As there are no creative ad agencies to depend on, students must also choose a communication campaign aiming to introduce the product to the new market—the *promotion decisions* that Communicate the Value have to be specified.

The third part of the project will now be consolidated so as to be coherent with the knowledge gleaned from part one and coherent with the objectives and other Marketing Mix decisions from part two.

Finally, the promotion budget, along with all the other expenses that the marketing mix decisions inevitably generate will have to be reimbursed. The students will have to include some type of financial control where they explain a pay-back period in which to recuperate the investment, e.g., a cash-flow break even analysis based on expected sales. (Accounting Break-even—or even *Financial Break-even*—in the “real world”.)

The extension is approximately **25 pages**. The student teams will receive one unique grade. Students do not “grade” the other students’ efforts. Suggestion: besides dividing the work equitably, looks for special skills each student might bring, e.g., financial background—good for pricing decisions and economic control areas, investigation—good for market analysis, etc.

The Graduate Component

Students will sit the first two exams, for a total of 40%.

Students will choose from among four well-known Spanish firms to prepare two case studies: Zara, Chupa-Chups, Iberia, Iberdrola, BBVA, Santander or El Corte Inglés. However, depending on the student’s particular sector interest, there exists the possibility of other options. Case Studies are each worth 5% for a total of 10%. From two Case Studies prepared, one will be presented to the class in a 10-minute exposition, followed by 5 minutes of questions/answers. The date for the presentations is the same day as the meeting with the undergraduate teams. (See above.)

Students will write the Marketing Plan/Internationalization project alone. After sitting the first two exams dedicated to analysis, students will use the remaining class time dedicated to strategic decisions about the marketing mix to working on their individual projects. (Surely by this phase, they will have had enough previous exposure to the so-called Marketing Mix - 4P’s) It must include a financial control and Cash-Flow Break-Even (payback period) Analysis—as

explained above. The project is worth 50% (or more!) of the final mark and will be between 80-120 pages.

Grade Scale

A	100-93	C	76-73
A-	92-90	C-	72-70
B+	89-87	D+	69-67
B	86-83	D	66-63
B-	82-80	D-	62-60
C+	79-77	F	59-00

Do not lose this syllabus.

We cannot print more for you. To ensure proper progress in this course please review this document frequently so as to carefully plan your semester.

There are no make-up exams or late homework.

DISABILITY POLICY

Every effort will be made to accommodate students with disabilities or special learning needs. If you have a documented disability for which you have already requested accommodations through the USAC Central office, your instructor will have been notified so that arrangements can be made early in the term.

ACADEMIC HONESTY POLICY

Plagiarism, cheating, submitting work of another person or work previously used and other forms of academic dishonesty will lead to lowered course grades, failure of the course or more severe measures, depending on judgments of the gravity of the individual case.

STATEMENT ON AUDIO AND VIDEO RECORDING

Surreptitious or covert video-taping of class or unauthorized audio recording of class is prohibited by law and by USAC policy. This class may be videotaped or audio recorded only with the written permission of the instructor. In order to accommodate students with disabilities, some students may have been given permission to record class lectures and discussions. Therefore, students should understand that their comments during class may be recorded.