



International Marketing

MKTG 4300

Spring 2018

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Course Description

In this “International Marketing” course we’ll explore moving from a National Marketing to a Global Marketing Strategy with the competitive advantages and challenges in making the transition. We will not only examine the more traditional countries of Western Europe but also other interesting markets such as the BRIC (Brazil, Russia, India, and China), Africa and we’ll take a close look at some high potential and high interest growing markets, in the B.O.P. (Base Of the Pyramid). We’ll consider several cultural considerations when evaluating the impact on business strategies. We’ll share Best Practices and Lessons Learned in business and discuss their validity and application. Since the Internet and Mobile technology are largely influencing overall marketing evolution, we’ll constantly see the integration of traditional approaches and innovation in the Marketing framework.

Course Objectives

This class will give you the skills and knowledge you need to understand and function in all roles that are related or interact with International Marketing and that are impacted by Globalization on Marketing and more in general on Society and Economy. Students will also develop skills to recognize, analyze, and evaluate marketing problems encountered in global business operations. These competencies will be built via both discussions related to key International Marketing topics in class as well as through articles, case analyses, presentations, and home assignments. These competencies are, namely, Global Awareness, understanding Cultural Differences, and enhancement of Creativity Skills, sharpening of Critical Thinking skills, promotion of pertinent Business Skills, the overall focus on Interpersonal Interaction and finally Strategic Thinking. The course will have a specific focus on students in order that they become business savvy and resilient to uncertainty, and prepared to move into the professional environment and develop a career.

-> To estimate potential demand and to evaluate the most suitable approach to a market we’ll see:

The PESTCL framework (Political, Economic, Social, Technological, Competitive and Legal).

The political environment, business issues.

Economic systems, market development, the balance of payments, and trade.

Relevance and importance of social styles, determining individual styles, recognize/adapt to others.

Society and culture, high and low context, self-reference criterion.

The importance of global marketing, management orientations, and forces affecting global integration.

WTO (ex GATT) preferential trade agreements, and country and regional agreements implications.

A closer look at W.E.F. Competitiveness Index 12 Pillars analysis, Transparency indexes and Hofstede’s cultural indexes and their application to some potential markets analysis.

-> For a better view of the strategy tools and skills we’ll see:

Global Marketing Mix with focuses on the following topics: Product and Branding Concepts | Pricing objectives and strategies, influences on pricing, pricing policy alternatives | Establishing channels and intermediaries, supply chain and logistics | Sales promotion, forms of marketing communications. A revision of the “one-country” marketing tools to extend them in the strategic choices for the international approach. The rise of the global consumer.

-> **For a good overview of the options for global expansion we'll see:**

Export selling and marketing, tariffs, financing and payment methods, and sourcing licensing, investment, strategic partnerships, and market expansion strategies.

Statement of Teaching Philosophy

My objective in teaching this course is to introduce you to the fundamentals of International Marketing and make it interesting and applicable bringing a hands-on approach and my extensive 20+ years corporate Marketing and Entrepreneur experience, I plan to incorporate many of the things that I learned in our discussions. My first and foremost expectation is that you will study and understand the reading assignments and come to class prepared to discuss the material covered in each chapter. Time limitations make it impossible for me to cover every point in the chapters. The parts of the text that are not mandatory for the tests will be clearly stated in class and on ICON. All the rest of the text material, even if I do not cover the material in class, and topics covered in Class Simulations and Activities will be potentially part of tests. Please do not refrain from asking questions if you would like clarifications on specific points. Groups and Group Assignments will be an occasion to learn both class topics and work interaction environment. Presentation skills are also a nice in class training.

Course Materials & Resources

Required Text is International Marketing 16th Edition: by Philip Cateora | Mary Gilly | John Graham, Published by McGraw Hill, ISBN 978-0-07-352997-4. Additional articles and Cases assigned by the instructor.

Course Prerequisite(s): Introduction to Marketing Strategy or other Marketing related courses are a prerequisite.

Grading

a) Test 1 (1 hour, remaining class time will be allocated for MKTG activities and lecture)	150 points
b) Test 2 (1 hour, remaining class time will be allocated for MKTG activities and lecture)	150 points
c) Final Exam 3 (2 hours)	200 points
d) International Marketing Project [Country analysis] (Group Assignment)	150 points
e) B.O.P. (Base Of the Pyramid) (Group Assignment)	150 points
f) Individual Presentations	50 + 50 points: 100 points
g) Class discussion and/or tests on assigned Readings (Individual Grade)	100 points
	1000 Total points

Course grades will be approximately distributed according to the recommended guidelines of the Marketing Department at the University of Iowa, which is 30% A's, 40% B's, 25% C's and 5% D's. Final grades will be by percentage, following customary scales: **98.00+ = A+; 92.00 – 97.99 = A; 90.00 – 91.99 = A-; 88.00 – 89.99 = B+; 82.00 – 87.99 = B; 80.00 – 81.99 = B-; 78.00 - 79.99 points = C+; 72.00 – 77.99 = C; 71.99 - 70.00 = C-; 68.00 – 69.99 = D+; 62.00 - 67.99 = D; 60.00 – 61.99 = D-. F = below 60 points.**

I may assign some extra points to valuable students who are working hard but may be in a "less performing" group. To have access to extra points you need to clarify this status of your group to me before the end of week 9.

We'll do our best to solve the issue and possibly enable group potentials before going into extra points evaluation.

Class Subjects

We will cover lecture topics **not strictly in the textbook chapters' sequence**. In particular Part Four "Developing Global Marketing Strategies" will accompany us since from the beginning of the course. For this reason, some subjects will be studied on readings, slides and other material provided in class.

I highly value the acquisition of a "great picture" and of properly linking and interconnecting most of the topics we'll discuss in class. Self-awareness of S.R.C. (Self Reference Criteria) is a key to learn faster and to visit European countries bringing home a collection of excellent experiences and unbiased knowledge. I reserve the right to adapt

the sequence of topics according to student stimuli, interests and class needs. Students will be notified of any changes in class. In addition to the textbook chapters, we'll use Articles, Cases, Excerpt of Publications of global organizations, specific web tools, specific analysis software and Excel worksheets, Videos and other material provided in class.

1 1 Lecture Chap001 scope of Int_MKTG

The benefits of international markets
 MKTG controllable/uncontrollable Decision Factors
 The importance of the self-reference criterion (SRC) in International Marketing
 The increasing importance of global awareness

1a *Case 1_1 Starbucks*

2 2 Lecture Chap002 international trade

The importance of balance-of-payment figures to a Country's economy
 Purchasing Power Parity and big Mac index
 Currencies fluctuations impact on International MKTG
 Countries Economic Freedom
 The effects of protectionism on world trade
 The several types of trade barriers
 The importance of the World Trade Organization (WTO)
 The International Monetary Fund and the World Bank Group

2a *10 things WTO can do*

2b *Overview of Global Competitiveness Index Rankings*

3 3 Lecture Chap018 Pricing

Components of pricing as competitive tools in international marketing
 How to control pricing in parallel import or gray markets
 Price escalation and how to minimize its effect
 Countertrading and its place in international marketing practices
 The mechanics of price quotations
 The mechanics of getting paid

3a *Global Competitiveness index*

4 4 Lecture Chap009 Economic development

Time zones and trade relationships | marketing operations
 The political and economic changes affecting global marketing
 The connection between the economic level of a country and the marketing task
 The variety of stages of economic development
 Growth factors and their role in economic development
 Marketing's contribution to the growth and development of a country's economy

4a *New Business Models in Emerging markets*

4b *Marketing 3.0 chapter 8, Prof. Kotler*

5 5 Base Of the Pyramid Kotler and BIZ Model

5a *Base Of the Pyramid Data Sheets*

6 6 Lecture Chap003 History and Geography

The effects of history on a country's culture and how culture interprets events through its own eyes.
 The effect of geographic diversity on economic profiles of a country
 The economic effects of controlling population growth and aging populations.

7 7 Lecture Chap015 Channels

The variety of distribution channels and how they affect cost and efficiency in marketing
 How distribution patterns affect the various aspects of international marketing

The functions, advantages, and disadvantages of various kinds of middlemen
The growing importance of e-commerce as a distribution alternative
The interdependence of physical distribution activities
Omnichannel solution

7a *Case 3_4 Growth Zara and Inditex*

8 8 Lecture Chap006 Political Environment Schematic

The sovereignty of nations
Nationalism, targeted fear/animosity, and trade disputes can affect the environment for marketing in foreign countries
The political risks of global business and the factors that affect stability
The importance of the political system to international marketing and its effect on foreign investments
How to assess and reduce the effect of political vulnerability
How and why governments encourage foreign investment

8a *Case 1-3 Pepsi and Coke in India*

9 9 Lecture Chap004 Cultural Dynamics

The importance of culture to an international marketer
The origins of culture
The elements of culture
The impact of cultural borrowing
The strategy of planned change and its consequences.

9a *International MKTG and Culture*

10 10 Lecture Chap005 Culture Mgmt. Style Biz System

The necessity for adapting to cultural differences
How and why management styles vary around the world
The extent and implications of gender bias in other countries
The importance of cultural differences in business ethics
The differences between relationship-oriented and information-oriented cultures

10a *The Globalization of Markets, Prof. Th. Levitt*

11 11 Lecture Chap013 Products Services

The importance of offering a product suitable for the intended market
The importance of quality and how quality is defined
Physical, mandatory, and cultural requirements for product adaptation
The need to view all attributes of a product to overcome resistance to acceptance
Country-of-origin effects on product image

11a *Case 4_8 Mery Kay India*

12 12 Lecture Chap012 Marketing Management

How global marketing management differs from international marketing management
The need for planning to achieve company goals
The phases of the Marketing Plan
The important factors for each alternative market entry strategy
The increasing importance of international strategic alliances

13 13 Lecture Chap016 IMC Communications

Local market characteristics that affect the advertising and promotion of products
When global advertising is most effective; when modified advertising is necessary
The communication process and constraints
International communication Tactical Considerations

Demand estimate (along the course)

Gap Analysis (along the course)

Short Description of Assignments, Expectations & Grading Criteria

[a), b), c)] **Tests and Final Exam** will be characterized by open-ended questions, where you'll be asked to summarize and interconnect some concepts of the program, including also what is in the **cases, articles** and your acquired skills to solve Marketing issues that will be submitted. A clear and complete reply with **good examples** from the real world is the requirement for a good result in the exams as well as to become familiar with the subjects and tools we'll use in class and the international marketing language and frameworks.

Grading Criteria:

Clarity/completeness Key words/concepts Interpretation/comprehension depth Cross referencing Examples quality and completeness
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[d)] **International Marketing Project** (Country Analysis) This assignment will be subdivided in smaller parts during the semester so that there is not one single due date but single parts due dates.

This Team Assignment is designed to encourage you to experience and reflect upon differences between European cultures (as sampled in Italy and any other countries you may travel to during this period of time inside and outside the E.U.) and your own culture back home. During your stay in the E.U. keep observing anything and everything you can about your surroundings. Remember, the more details you take note and document, the easier it will be for you to write the paper, and the more you will learn about international business issues. As you note various observations while in Europe, feel free to reflect upon how these things differ from what you are accustomed to your home country. Keep observing, comparing, and thinking. Any and all differences you can observe and document are encouraged for this assignment. If necessary call home and ask to get data for you on products (pics, prices, etc.).

Deliverables (use 11-point font 1.5 space) cumulative minimum 10 pages including graphs and data tables. **Please do not spread data in the text**, use table formatting for showing data in your documents, proofread your prints!

Step 1) Look for a product or a service that exists in the U.S., or in your home country, and that is different or even non-existent in the European Market. Use your passions and any area of products you know very well to assess the differences and do all efforts to analyze them from the MKTG perspective (4 Ps). During your trips around the U.E., be alert, take pictures and take notes on prices, packaging shops, distribution and level of standardization, taste, etc. If the product is inexpensive buy a sample.

Start to visualize what can be improved for that product according to the countries you are visiting.

Step 2) Once you've identified the Product/Service and its characteristics you'll follow the "Funnel Framework" we'll see in class in the following manner:

- Identify a minimum of three countries where you may adopt a new marketing strategy for the product you have chosen in step 1 (possibly in the E.U., in any case U.S. and Canada are excluded).
- Do a synthetic Country Analysis for each one of the three, aiming to get the key datasets that will support your chosen product marketing strategy success in those countries. It is important that you look for compatible and similar key data for each country in order to compare them and make a decision on which country to choose for your strategy. In order to identify those three countries, you may do a quick SWOT analysis and see which are the best candidates to focus on.
- Using Kepner Tregoe D.A., make a choice on which Country you will target to with your new strategy. Please define the best potential Country/Market.
- Do state your final Country/Market choice with good reasoning and data evidence support. If you made some assumptions, please write them down.

Step 3) Do a detailed Country Analysis of the country you choose on step 2). Regarding the product you have chosen, collect all possible data on the country and consumer groups in that country. Consider that you are analyzing a market for a specific product, so find and deliver sensible data and information. Evaluate how to execute your strategy in that country, estimate potential improvements according to your strategy. Follow the Marketing Strategy frameworks acquired during the course.

Grading Criteria:

Overall documents quality, lay-out, clearness of structure, Extra researches and good reference to sources of information.

Step 1: Countries comparison

Clearly stated project introduction and objective. | Good and pondered product /service selection.

Good analysis of the product in the U.S. and in the E.U. | Data pictures or samples collected during trips or tours.

Overall definition of a strategy for that product in the possible countries. | Identification of an improvement or new strategy

Step 2: Country Choice

Satisfactory connections to the MKTG program of the course for Country analysis. | SWOT analysis, supported by data/searches.

A good choice of the final Country with K.T. | Good Country Choice motivations and reasoning.

Step 3: Detailed selected Country Analysis and Strategy application

Detailed Country analysis based on the product you have chosen and the strategy you are willing to place in action

Strategy application in that Country with a specific focus on: Marketing MIX (4Ps) Product & Pricing deeper considerations are a must.

Boston Consulting Group and Ansoff matrixes + relevant strategies. | Estimate of demand calculation based on data and researches.

Your personal compelling conclusions!

[e] **B.O.P. (Base Of the Pyramid)** A few data sheet of different B.O.P. countries will be provided to each team with the request to analyze them, choose one country and develop a project. Do some data analysis as we'll do in class, imagine a product that may be successful in that Country, estimate demand and International Marketing actions/issues to evaluate before entering into that market. Put yourself in the marketer shoes and make data-driven decisions for entering that market.

Deliverables (use 11-point font 1.5 space) about 10 pages including graphs and data tables. **Please do not spread data in the text**, use table formatting for showing data in your documents, proofread your prints!

Requested document structure:

- a) Cover page (not counted in the 10 pages)
- b) Introduction (to be written as last with an Executive Summary format, explaining the product and the entry strategy overall in the chosen country and the reason for the choice)
- c) Analysis of the data sheet, aggregate data and visualize your potential target MKT (must be numerical and detailed)
- d) Considerations on Opportunities and Threats and additional info you got on the chosen Country
- e) The three enabling forces and four requirements – a quick check (refer to readings, slides, and lecture)
- f) Identification of an important potential unmet "Job" i.e. the Need you spotted (refer to readings, slides and lecture)
Note: there is one set of products I strongly suggest you not to choose in the category of "water cleaning/drinkable"
- g) Product/service you propose to introduce to target MKT of the Need and motivate it (stated at point f)
- h) Potential Market Size for the a.m. product/service you plan to introduce (stated at point g)
- i) Blueprint of the Business Model – be generic with few key indications for each quadrant (refer to readings)
- j) A specific proposal for the Marketing Model for an S.B.E. doing the business you plan (refer to readings)
- k) Success principle test: for your Business Model and MKTG Model (refer to readings)
- l) Required resources and keynotes on important issues to address risen along the document
- m) Conclusions and further potential developments
- n) References

Mainly use the direction and information contained in the following sources:

New Business Models in Emerging Markets (article in the course pack)

Creating Emerging Market Entrepreneurs (Ch. 8 Prof Kotler book ch 8 excerpt in the course pack)

Slides in the Course Pack

Kindly **avoid** S.R.C. (Self Reference Criterion) and Ethnocentrism, as at this stage of the course!

Note: please feel free to conduct more data and info searches (similar to some parts of the Country Analysis) as learned in the first part of the course but kindly show **ONLY** key and pertinent data relevant to the product/service you have identified to work on. Please specify the sources where you get the data in a final section of your work.

Grading Criteria:

Overall document quality, layout, clearness of structure
 Level of data analysis
 External researches extension /interest
 Product choice according to the BOP readings criteria
 Localization / standardization reasoning
 Estimate of demand, Other issues + analysis and report (pricing)

[g] Articles and Readings Essays Class discussions: Articles, Cases, and other Readings are a **very important** part of the materials for this course. **All students** are requested to read **all readings** by the due dates as there will be class discussions on the covered topics and possibly short graded tests on them. Class discussion will be individually graded based on key concepts and connections that students will be able to bring to class individually or in team assignments. The readings content/concepts are also part of the exams.

For each assigned work focus on: the key learning points and making connections to real life and to the course program, bring examples and possibly refer to additional investigations and researches done on your own.

Grading Criteria:

Key concepts are clearly stated and depth of analysis
 Provide extra researches outside the article, properly summarized (Bring reference to your researches)
 Connections to the MKTG program of the course
 Examples from real business life outside the article
 Group opinions/conclusions

[f] International Marketing Project Presentations (Individual presentation of portions of the team assignments)

Both International MKTG and B.O.P. (Base Of the Pyramid) Projects are going to be presented in class by the teams and each student of the teams will present a specific portion of their projects (about 5 to 8 minutes per student). Teams are required to have a PPT / Multimedia support. please be ready with a PPT or PDF file in a USB Key no download or on-line documents will be welcome on the presentation day as the connection may be slow and time-consuming! Presentations guidelines are included in the course pack, please read them carefully and ask for help/support in case some topics are not totally clear.

Grading Criteria:

Projection, Passion + personal conclusions
 Good connections with overall program
 Professional / motivation / slides + time management
 Depth of content provided
 Non-verbal communication

General Notes on documents and deliverables:

- A delay in submitting the due documents will result in a loss of one-third (1/3) of a letter grade to the grade of that assignment, for each day of delay (including off days).
- The delivery of the documents is intended in one printed copy and, only if requested, a file -via mail.
- By the end of the course, an anonymous peer evaluation form will be submitted in order to spot possible difficulties emerged in each team.

Professionalism:

Students are expected to come to class on time prepared to actively and thoughtfully discuss the day's topic. The level of participation of the students greatly affects the quality of the class, and, as such, students are expected to assume an active role in classroom learning. Early departures, personal conversations, snoozing, checking cell phones, and attention to materials not related to the class will not be tolerated, as these behaviors detract from the overall class atmosphere. No electronic devices, including laptops, tablets, or mobile phones, are allowed to be visible once class begins unless they are requested for use in a class exercise. Asking smart questions, relevant to the covered topics, bringing good examples, being on time and efficient in class logistics, showing true interest and involvement are all positively impacting the class and both your classmates and the instructor will be grateful to you for that.

Attendance Policy

Attendance at all classes and CIMBA sanctioned activities is MANDATORY. All unexcused absences will have the following consequences:

- a. 1st absence will result in a loss of a 1/3 of a letter grade in that class (1/2 in the summer program)
- b. 2nd (cumulative) absence will result in a loss of an entire letter grade in that class
- c. 3rd (cumulative) absence will result in a dismissal from the program.

Absences due to illness require a note from the CIMBA Office Staff. If a student is sick and cannot attend class, he/she must inform the CIMBA Staff immediately. Failure to do so will result in an unexcused absence.

Grievance Policy

Student concerns regarding this course should first be discussed with me, the faculty member teaching this course. If we can't resolve the complaint, you may contact the CIMBA Interim Director, Stephanie Schnicker (319-335-1041, stephanie-schnicker@uiowa.edu). The Director will review the details of the complaint and involve the Associate Dean of the Undergraduate Programs, as needed.

Academic Misconduct

The Tippie College of Business at the University of Iowa follows an honor code regarding academic misconduct. That code can be found at <http://tippie.uiowa.edu/honorcode.cfm> and includes cheating, plagiarism, unauthorized collaboration, obtaining an unfair advantage, forgery, facilitating academic dishonesty, and misrepresentation. Be sure you are familiar with this code. Students who exhibit academic dishonesty will receive a zero (0) for the assignment or examination involved and may receive an "F" for the class. All incidents of cheating will be reported to the CIMBA staff, as well as to the Senior Associate Dean of the Tippie College of Business. The decision of the professor may be appealed to a Judicial Board. The Honor Code for the Tippie College of Business will determine the appropriate appeal process.

Accommodating Students with Disabilities/Academic Accommodations

A student seeking academic accommodations such as a modification of seating, testing, timing, etc. should first register with Student Disability Services, then contact the CIMBA Italy Office (cimba-italy@uiowa.edu) to make further arrangements. See <http://sds.studentlife.uiowa.edu> for more information.

Sexual Harassment

Sexual harassment subverts the mission of the University and threatens the well-being of students, faculty, and staff. All members of the UI community have a responsibility to uphold this mission and to contribute to a safe environment that enhances learning. Incidents of sexual harassment should be reported immediately. If you feel that you are being or have been harassed or you are not sure what constitutes sexual harassment, we encourage you to visit the University website, www.sexualharassment.uiowa.edu/index.php, and to seek assistance from the CIMBA Interim Director, Stephanie Schnicker, at 319-335-1041 or stephanie-schnicker@uiowa.edu.