



Escola Superior de Comércio Internacional



## MARKETING MANAGEMENT IV

SECOND TRIMESTER. ACADEMIC COURSE 2010-2011

### TIMES:

Classroom: TBD

Tuesdays, 15.30 - 16.45

Thursdays, 15.30 - 16.45

Fridays, 18.30 - 19.45

**Introduction to the Course:** Marketing Management IV (International Marketing) is an extension of the marketing concepts you are already familiar with but focuses on the challenge, as well as opportunities, of marketing new and existing products to the global marketplace. Most of marketing knowledge that you currently possess or have started to develop may be applied internationally, but they need to be modified in order to fit the specific needs of international business. Accordingly, allowance has to be made for the different cultural, economic, technological, political, and legal environments in each country, and the impact these factors will have on the marketing process, ranging from data collection to advertising campaigns.

This course has been structured to follow the marketing activities of a business from the original decision to internationalize through to the planning and implementation stages of marketing internationally. In the course, the various marketing concepts, such as distribution networks, pricing and promotional methods are taken into consideration from a cross-cultural perspective. Key variations from home-country marketing are highlighted, and strategies that an international marketer can apply are examined with the assistance of various cases and examples.

**Aim of the Course:** The primary objective of the course is to further your marketing skills and to enable you to successfully face the challenges and exploit the opportunities of marketing in the increasingly complex global marketplace. On successful completion of this module students should be able to:

- Understand the nature of international marketing strategy and its linkages to corporate strategy vis-à-vis local and national marketing strategy.
- Develop analytical frameworks in the screening of national markets defining the key factors in the firm's internationalization process by evaluating the international business environment, stressing particularly the economic and cultural dimensions.
- Discuss the complexities and paradoxes that are prevalent in so many successful and failing international marketing operations.
- Explore the tensions in adopting a global standardized action as opposed to a locally responsive action in international marketing and relate these to the overall corporate strategy of companies.
- Consider ethical and social responsibility issues, in the development and implementation of an international marketing strategy

**Course Content:** The course covers fundamental concepts, principles, and theories of marketing in an international environment. Special focus is on how to launch products on world market, conducting marketing research, effecting strategic analysis and planning. This involves a bundle of managerial decisions:

- strategic level – what, where, and when to launch products
- operative level – how to enter foreign markets
- tactic level – how to manage strategic marketing options and how to adjust marketing programs to new markets in the frame of 4P marketing paradigm.

The point of view throughout this course is mainly that of international marketing managers or global marketers.

**Teaching Methods:** The course is composed of a mixture of lectures, exercises, articles, simulation, and case discussions. The purpose of the lectures is to present and discuss theories, concepts, analytical techniques and empirical findings. We will discuss a number of comprehensive business cases. The goal of the case discussion is to apply the concepts to the context provided by the case and to make decisions based on both qualitative and quantitative analysis. In some classes, we will also supplement the lectures with exercises. This methodology requires intensive student's involvement in discussions, and therefore it is important that students read the assigned material prior to each class.

Although the class is offered in English, some of the required cases are available in English and Spanish. Students will be provided with the cases, readings, exercises and power point presentations either before or after the class via the Intranet site ("Aula").

**Course Readings:** Students are required to read all of the assigned cases and articles. There is no required text book for this course. In the Bibliography section listed are some of the books that you might want to refer to during the course or after for further reading on the topics covered during the class. Nevertheless, you will not need to buy or borrow any of these books to successfully complete the course.

**Prerequisites and Expectations:**

Prerequisites:

The prerequisites for this course are solid knowledge of basic marketing and managerial economics concepts.

My Expectations:

*Class Preparation:* I expect you to have prepared assigned cases, articles, and exercises. There will be several unannounced quizzes during the term to verify the level of your preparation for the class.

*Punctuality and Deadlines:* I expect you to be on time for classes. I understand that due to unforeseen circumstances, you may be occasionally late. If possible, please let me know in advance if you are going to be late. Being habitually late is a good way of losing goodwill (i.e., not performing well on class participation). Also, **deadlines will always be strictly enforced and no exceptions of any kind will be made without prior approval.**

*Attendance:* I expect you to attend classes regularly. I understand that due to unforeseen circumstances, you may be occasionally absent. If possible, please let me know in advance if you are going to be absent. Being habitually absent and/or being absent without a valid reason is a good way of losing goodwill (i.e., not performing well on class participation). Being absent does not excuse you from the deadlines. It is your responsibility to ensure that I receive required material by the given deadline, in the specified format, even if you are not present.

*Class Discipline:* Due to the large number of students in the classroom, it is of utmost importance that you have respect towards your classmates and your instructor and allow them to work in a professional environment. Private conversations among students during the class will not be tolerated. According to the ESCI rules, the instructor may ask student(s) to leave the classroom. **If you are asked to leave the classroom, your attendance sheet will be marked as 'expelled' and you will be asked to meet with the program coordinator.**

*Your Expectations:*

*Responsiveness and Feedback:* You should expect that questions and concerns that you raise with me would be answered, addressed and responded to. Besides formal feedback mechanisms, feel free to jot me an e-mail with any question or feedback. I will try my best to respond as speedily as I possibly can.

*Punctuality:* You should expect me to start and finish classes on time. If we need extra time to cover materials, or need to organize an extra session, I will only do so if the majority of the class agrees.

*Preparation and Rigor:* You should expect the most up-to-date and rigorous materials to be covered in class.

*Guidelines and Expectations:* For all assignments, exams and other course materials, I will state my expectations as clearly as possible.

*Office Hours:* ESCI does not have an official office hour policy. If you need to talk to me, you can do that before or after the class. If you need more time, contact me via e-mail and I will try to make alternative arrangements.

If either of us finds that the other party has been violating expectations, it is our duty to inform the other party as promptly, and in as fair a manner as possible.

## BIBLIOGRAPHY

- Czinkota Michael R and Ronkainen Ilkka A, International marketing, 8<sup>th</sup> Edition, 2006
- Terpstra, Vern, Sarathy, Ravi, International marketing, 8<sup>th</sup> Edition, Dryden Press, 2000
- Usunier, Jean-Claude, Marketing across cultures, 3<sup>rd</sup> Edition, Financial Times/Prentice Hall, 2000
- Schuster, Camille P, Copeland, Michael J, Global business : planning for sales and negotiations, Dryden Press, 1996
- Doole, Isobel, Lowe, Robin, International marketing strategy : analysis, development and implementation, 4<sup>th</sup> Edition, Thomson Learning, 2004
- Best J. Roger, Market-Based Management – Strategies for Growing Customer Value and Profitability, 4<sup>th</sup> Edition, Pearson Education, 2005

TENTATIVE CLASS SCHEDULE			
Week	Date	Topics and required readings	Important Activity
1	Topic Jan. 11 Tuesday  Jan. 13 Thursday  Jan. 14 Friday	<b>Introduction. Marketing in the international context. Global products and innovation.</b>  <b>Course Introduction</b> <b>Article I:</b> Ettenson, Klein, <i>Branded by the past</i> in Harvard Business Review. (Nov/Dec 2000), page 28.  <b>Lecture I:</b> Marketing performance and marketing profitability  <b>Case I:</b> <i>Design Thinking and Innovation at Apple</i> (HBS 9-609-066)	
2	Topic Jan. 18 Tuesday  Jan. 20 Thursday  Jan. 21 Friday	<b>Global products and innovation. Customer relationship management.</b>  <b>Case II:</b> <i>IDEO Product Development</i> (HBS 9-600-143) <b>DVD:</b> IDEO – Deep Dive  <b>Lecture II:</b> Customer relationship management (Part 1)  <b>Lecture II:</b> Customer relationship management (Part 2)	
3	Topic Jan. 25 Tuesday  Jan. 27 Thursday	<b>Entering new markets. Market intelligence, country evaluation, and selection.</b>  <b>Case III:</b> <i>Virgin Mobile USA: Pricing for the very first time</i> (HBS 9-504-028) (Part 1)  <b>Case III:</b> <i>Virgin Mobile USA: Pricing for the very first time</i> (HBS 9-504-028) (Part 2)	

	<b>Jan. 28 Friday</b>	<b>Lecture III:</b> Market potential, market demand, and market share <b>Article II:</b> Beinhocker, Farrell, Zainulbhai: <u>Tracking the growth of India's middle class</u> (McKinsey Quarterly 2007: 51-61)	
4	Topic  Feb. 01 Tuesday  Feb. 03 Thursday  <b>Feb. 04 Friday</b>	<b>Competitor analysis. Marketing communication.</b>  <b>Case IV:</b> <u>Citibank: Launching the credit card in Asia Pacific (A)</u> (HBS 9-595-026) (Part 1)  <b>Case IV:</b> <u>Citibank: Launching the credit card in Asia Pacific (A)</u> (HBS 9-595-026) (Part 2)  <b>Lecture IV:</b> Marketing communications and customer response	<b>THURSDAY - GROUPS FORMED</b>
5	Topic  Feb. 08 Tuesday  Feb. 10 Thursday  Feb. 11 Friday	<b>Marketing communication.</b>  <b>Tutorial I:</b> Review for the mid-term exam  <b>Tutorial II:</b> Review for the mid-term exam  <b>Case V:</b> <u>Launching the BMW Z3 Roadster</u> (HBS 9-597-002)	
6	Topic  Feb. 15 Tuesday	<b>Entry strategies. Distribution channels.</b>  <b>Lecture V:</b> Competitor analysis and sources of advantages. <b>Article III:</b> MacMillan, Putten, McGrath, <u>Global gamesmanship</u> in Harvard Business Review. (May), 2003, pages 62-72. <b>Article IV:</b> Kotler, <u>Megamarketing</u> in Harvard Business Review. (March/April), 1986, pages 117-124. <b>MIDTERM EXAM</b>	<b>THURSDAY -</b>

	Feb. 17 Thursday  Feb. 18 Friday	<b>Case VI:</b> <u>Natureview Farm</u> (HBS 2073)	<b>MIDTERM EXAM</b>  <b>FRIDAY - SIMULATION STARTS</b>
7	Topic  Feb. 22 Tuesday  Feb. 24 Thursday  Feb. 25 Friday	<b>Distribution. Pricing.</b>  <b>Lecture VI:</b> Customer analysis  <b>Case VII:</b> <u>Cipla</u> (HBS 9-503-085) <b>Lecture VII:</b> Socially Responsible Pricing  <b>Lecture VIII:</b> Psychology of pricing. Pricing strategies for web merchandising and export pricing	
8	Topic  Mar. 01 Tuesday  Mar. 03 Thursday  Mar. 04 Friday	<b>Branding. BRIC countries.</b>  <b>Lecture IX:</b> Building Strong Brands <b>Article V:</b> Holt, Quelch, Taylor, <u>How global brands compete</u> in Harvard business review.(Sep), 2004, pages 68-75 <b>Article VI:</b> Prahalad, Lieberthal, <u>The lure of global branding</u> in Harvard Business Review. (Nov/Dec), 1999, pages 137-146.  <b>Case VIII:</b> <u>Heineken N.V.: Global branding and advertising</u> (HBS 9-596-015)  <b>Article VII:</b> McEwan, Fang, Zhang, Burkholder, <u>Inside of the Mind of Chinese Consumer</u> in Harvard Business Review.(Mar), 2006, pages 68-78 <b>Article VIII:</b> Child, <u>Lessons from a global retailer: An interview with the president of Carrefour China</u> in McKinsey Quarterly. (Special Edition) 2006. <b>Article IX:</b> Wu, <u>China's refrigerator magnate</u> in McKinsey Quarterly. (3) 2003.	<b>FRIDAY - SIMULATION ENDS</b>

9	Topic Mar. 08 Tuesday  Mar. 10 Thursday  Mar. 11 Friday	<b>Marketing and the emerging economies. Marketing and the base of the pyramid.</b>  <b>Lecture X:</b> Emerging economies and BOP – Part 1  <b>Lecture X:</b> Emerging economies and BOP – Part 2  <b>Tutorial III:</b> Review for the final exam	
10	Topic Mar. 15 Tuesday  Mar. 17 Thursday  Mar. 18 Friday	<b>Student Group Presentation</b>  Student Group Presentations I  Student Group Presentations II  Student Group Presentations III	<b>TUESDAY - GROUP          PROJECT          DELIVERABLES          DUE</b>
11	TBD	<b>FINAL EXAM (Monday, March 21, 2011 to Saturday, March 26, 2011)</b>	

The session marked in red (Friday, January 28, 2011 and Friday, February 04, 2011) will be recuperated on alternative dates and times that will be communicated in timely manner.

## MARKETING MANAGEMENT

### *SECOND TRIMESTRE. ACADEMIC COURSE 2010-2011*

#### GRADING POLICY

##### **Final exam – 30%**

Students must take the final exam in order to obtain the final grade for the course. If a student does not take the final exam, the final grade assigned to the student will be “No presentado”.

Minimal grade needed to be obtained at the final exam, in order to consider the remaining course grading elements, is 4.0 (40%). If a student obtains a final exam grade below 4.0, the final grade of the course will be determined exclusively based on the grade of the final exam.

The final exam will be offered only once and **there will be no alternative date or work provided as the compensation for the missed final exam**, even if the absent student has a valid reason for the absence. Student unable to take the final exam in March will have opportunity to take the exam in September (for more details, please see below).

Note to international students: Please **DO NOT** book any trips, including return trip to your homelands, during the exam week.

##### **Midterm Exam – 20%**

Students do not have to take the midterm exam in order to obtain a final grade for the course. If a student does not take the midterm exam, the midterm exam grade assigned to the student will be “0” (zero). The midterm exam will be offered only once and **there will be no alternative date or work provided as the compensation for the missed midterm exam**, even if the absent student has a valid reason for the absence.

##### **Simulation – 20%**

Successful completion of the simulation is mandatory in order to obtain a passing grade for the course. Each member of the group will be initially given the same mark. At the end of the course each student will be evaluated by her or his group members and the group mark will be adjusted based on this evaluation. If your adjusted mark is lower than 5.0 (50%), irrespectively of your final exam mark and the rest of the course marks, you will have to re-do the simulation in September. The compensatory work assigned in September will be different and it will be done as an individual assignment.

In other words, free riding will not be tolerated and you may fail the course if you do not do your share of the work.

**Students will be allowed to form groups by themselves and those who do not form a group will be assigned randomly to a group.**

## **Group Assignment – 15%**

Successful completion of the group assignment is mandatory in order to obtain a passing grade for the course. Each member of the group will be initially given the same mark. At the end of the course each student will be evaluated by her or his group members and the group mark will be adjusted based on this evaluation. If your adjusted mark is lower than 5.0 (50%), irrespectively of your final exam mark and the rest of the course marks, you will have to re-do the assignment work in September. The assignment work in September is done as an individual assignment.

In other words, free riding will not be tolerated and you may fail the course if you do not do your share of the work.

**Students will be allowed to form groups by themselves and those who do not form a group will be assigned randomly to a group.**

## **Participation – 15%**

Student participation and attendance is essential for this class. Some of the behaviors that contribute to effective class participation are captured in the questions that follow:

1. Is the participant a good listener?
2. Are the points that are made relevant to the discussion? Are they linked to the comments of others?
3. Do the comments add to our understanding of the situation?
4. Do the comments show evidence of analysis of the case?
5. Does the participant distinguish among different kinds of data (that is, facts, opinions, beliefs, concepts, etc.)?
6. Is there a willingness to share?
7. Is there a willingness to test new ideas, or are all comments "safe"? (For example, repetition of case facts without analysis and conclusions or a comment already made by a colleague.)
8. Is the participant willing to interact with other class members?
9. Do comments clarify and highlight the important aspects of earlier comments and lead to a clearer statement of the concepts being covered?

The questions above deal with both the process of class participation and (of equal or greater concern) the content of what you say. As noted above, class participation will be a significant portion of your grade in this course. Please trust that both quality and frequency are important, but that quantity never can make up for low quality.

Attendance is necessary condition for the participation mark but it is not sufficient. In other words, **being present at all classes but not contributing will result in participation mark zero.**

Your attendance will affect your participation mark. There are three types of absence:

- Justified absence – you are absent from the class and have notified me via e-mail that you will be absent providing the reason; does not count as a missed class

- Unjustified absence - you are absent from the class and have NOT notified me via e-mail that you will be absent; counts as one class missed
- Expelled – you are expelled from the class due to the disturbance you were creating; counts as two classes missed

Your missed classes and your attendance rate will be calculated. The maximum participation mark that you can obtain will be reduced for the same percentage. **If you attendance falls below 80% of the classes (i.e. you miss 6 or more of 30 classes without providing valid reason) your participation mark will be zero regardless of your participation during the classes you actually attended.**

Note to international students: absence due to tourist type trips will be accepted as a valid reason for absence for no more than two classes.

### **SEPTEMBER SUPPLEMENTARY EXAM EVALUATION**

In the case when a student has to take a supplementary exam in September the following evaluation schema will be applied:

#### **Supplementary exam – 50%**

Students who did not obtain a final course grade during the regular course/examination period must take the supplementary final exam in September in order to obtain a final grade for the course. In the case when a student does not take the supplementary final exam, the final grade assigned to the student will be “No presentado”.

Minimal grade needed to be obtained on the supplementary final exam, in order to consider the remaining course grading elements, is 4.0 (40%). In the case when a student obtains a supplementary final exam grade below 4.0, the final grade of the course will be determined exclusively based on the grade of the supplementary final exam.

#### **Simulation – 20%**

Completion of the simulation is necessary in order to complete the course. Students who completed this part of the course work during the regular evaluation period will not be required to repeat it. The mark obtained during that period will be used in determination of the final course grade. Students who did not submit their work or did not obtain a passing grade will be required to complete alternative work during the supplementary exam period. To obtain a passing grade in the course you have to score 5.0 (50%) on this assignment.

#### **Assignment – 15%**

Completion of the assignment work is necessary in order to complete the course. Students who completed this part of the course work during the regular evaluation period will not be required to repeat it. The mark obtained during that period will be used in determination of the final course grade. Students who did not submit their work or did not

obtain a passing grade will be required to complete this in work during the supplementary exam period. To obtain a passing grade in the course you have to score 5.0 (50%) on the assignment.

**Participation – 15%**

The mark obtained during the regular evaluation period will be used in determination of the final course grade.