

University of Florida
Warrington College of Business Administration

**MAR 6157 – INTERNATIONAL MARKETING
Spring 2019: Module 4**

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Course Introduction:

The quality of a manager's decisions depends to a large extent on his/her knowledge of and sensitivity to the global marketplace. This course focuses on marketing management issues in the international/global arena. It covers a broad spectrum of issues confronting marketing managers and decision-makers as they design marketing strategy. The issues of interest are examined across various environmental contexts, which will give insight into the diverse landscape that firms operate in. The course explores how global marketing decisions are affected by economic, social, legal, and cultural factors, many of which vary substantially from country to country. Since the course has a managerial focus, the coverage is from the perspective of the individual manager or the firm engaged in global business expansion. The depth of learning will develop your knowledge and expertise in key aspects of international marketing management. As always, you will get the most out of this class through active involvement. My role is to facilitate your learning; real learning will require effort by each one of you applying and extending the ideas introduced through the class material.

Course Objectives:

This course aims to develop your analytical, decision making, and communication skills related to marketing management in a global economy. You will learn major international marketing concepts and develop cross-cultural sensitivities and skills that will enable you to identify, analyze, and address international marketing problems. These include analyzing a foreign market's potential; comparing consumer differences and similarities across markets; decision-making with regard to market entry strategy; defining issues related to marketing mix standardization or adaptation; and evaluating the effects of economic, social, and legal environments on marketing strategy.

Required Course Materials:

- Course Packets (2) which contain copies of the slides for each topic covered in the course and a second one with cases and HBR articles/readings. These will be available at Target Copy Center.
- Additional materials and lectures. These will be available through Canvas.

Course Organization and Assignments:

We will use a combination of lectures, class discussion, in-class case presentations, written case analysis, and exams to achieve the course objectives. Class sessions will be devoted to probing, extending, and applying key international marketing concepts by drawing on a variety of external sources as opposed to a single textbook. In discussing various concepts and issues, the emphasis is on their application and interpretation in real world business situations. Critical thinking and active involvement of students in class is helpful in achieving the course objectives.

As part of the course requires teamwork, plan to form teams of 5-6 students during our first meeting. At the end of the semester there will be an option to complete peer evaluations so that team assignment grades can be adjusted if the need arises. Please alert me of any major difficulties you encounter with your team members as early as possible. This will enable us to work out a solution without adversely affecting anyone's grade.

- **Readings:** The course packets and lectures are a critical part of the required material. Due to the contemporary nature of the topics covered, instead of a textbook I will supplement the class lectures with additional ones on Canvas. These additional lectures summarize material that is both current and draws from a variety of sources and they will be assigned on a weekly basis depending on our class discussions. There will also be five cases (described below) that you are expected to read prior to the weekly team presentations. Additional recommended readings are posted online; although these are not required, they will broaden your understanding of particular topics covered.
- **Exams:** There will be two exams (Midterm and Final) based on the lectures (in class and posted on Canvas), course packet, and case presentations. The midterm exam will examine your knowledge in the first five Modules, and the final exam will cover the remaining 5 Modules along with some of the earlier material (selectively cumulative). The exams are in a closed-ended multiple-choice format and they will be open-notes/book exams. They will be completed in-class and you are expected to bring your laptop on those days.
- **Case Presentation:** Each team will also analyze a contemporary real world case covering the international strategy and practices of a global company (Amazon, Apple, Netflix, Tesla, and Uber). Each of the five cases is assigned to two teams. Each team will make a 20-22 minutes presentation of about 20 slides (maximum). In order to minimize duplication, I will assign specific questions to each team. You are required to stay within the time limit to enable your classmates to pose questions. External secondary sources can be used (and are expected) to supplement your analyses particularly as one team will provide a background of the company and the other team will update the class about recent developments. Although, it is the choice of your team as to how many team members will make the presentation, everyone must be at the front of the class to support the effort. The dress code is business casual.
- **Written Case Report:** Each team will complete a project by choosing from one of two cases provided in the course packet (Samsung or Airbnb). In completing your written report all the questions corresponding to the case must be addressed (unlike the case presentation where only the assigned questions need to be addressed). You are expected to supplement your analyses by referring to external secondary sources. Your written report must also include a brief update of the current situation facing the company and your assessment of it. The report will be a maximum of 5 single-space pages excluding appendices where tables and exhibits may be included. References to external sources need to be provided on a separate page and are not included as part of the page limit.

Grading and Evaluation:

Individual (70%)	Midterm Exam	30%
	Final Exam	35%
	Class Participation	5%
Team (30%)	Case Presentation	15%
	Written Case Report	15%
Total		100%

Course Schedule (subject to changes):

Week	Dates	Topics & Modules	Readings	Assignments
1	3/11-3/13	1. Introduction to Global Marketing 2. Global Economic Environment	Course Packet: Modules 1 & 2 View Material: Module 2*	
2	3/18-3/20	Global Economic Environment (contd.) 3. Global Trade Environment	Course Packet: Modules 2 & 3 View Material: Modules 2 & 3* Case: Netflix	Teams 1 & 2 Presentations 3/20
3	3/25-3/27	4. Culture and Consumer Markets 5. Segmentation, Targeting & Positioning	Course Packet: Modules 4 & 5 View Material: Modules 4 & 5* Case: Apple	Teams 3 & 4 3/27
4	4/1-4/3	Segmentation, Targeting & Positioning (contd.) Midterm Exam	Course Packet: Module 5 View Material; Modules 5*	In Class Midterm Exam 4/3 Bring Laptops
5	4/8-4/10	6. Global Expansion Strategies 7. Global Branding and Product Decisions	Course Packet: Modules 6 & 7 View Material: Modules 6 & 7* Case: Uber	Teams 5 & 6 Presentations 4/10
6	4/15-4/17	Global Branding and Product Decisions (contd.) 8. Global Pricing Decisions	Course Packet: Modules 7 & 8 View Material: Modules 7 & 8* Case: Tesla	Teams 7 & 8 Presentations 4/17
7	4/22-4/24	Global Pricing Decisions 9. Global Channel Decisions 10. Global Advertising	Course Packet: Modules 9 & 10 View Material: Modules 9 & 10* Case: Amazon	Teams 9 & 10 Presentations 4/24 Final Project Due 4/25
8	4/29	Final Exam		In Class Exam Bring Laptops Peer Evaluations Due 4/29

* Please check Canvas each week for the relevant Module for links to the additional lectures

Academic Honesty and Accommodations for Students with Disabilities

- This course follows general university policy regarding academic honesty (Please refer to the University of Florida's Student Honor Code: <http://www.dso.ufl.edu/judicial/honorcode.php>)
- Students requiring classroom accommodations must first register with the Dean of Students Offices. The Dean of Students Office will provide documentation to the student who must then provide this documentation to the Instructor when requiring accommodation.

Getting Help

For technical difficulties with E-learning please contact the UF Help Desk at:

- Learning-support@ufl.edu
- (352) 392-HELP - select option 2
- <https://lss.at.ufl.edu/help.shtml>

For access to UF Libraries

- Off Campus Access: <http://www.uflib.ufl.edu/ufproxy.html>
- Link for Online Resources for the course: <http://businesslibrary.uflib.ufl.edu/internationalbusiness>
- Business Librarian: Peter McKay pzmckay@ufl.edu

Other resources are available at <http://www.distance.ufl.edu/getting-help>

- Counseling and Wellness resources
- Disability resources

Cases for In-Class Presentation (each case will be assigned to 2 teams)

Amazon Goes Global

As the world's largest online retailer, Amazon had a 12.3 per cent worldwide market share and had operations in 10 countries. However, its performance was markedly unbalanced across different countries. For example, it had a significant market share in Germany at 21.4 per cent, while it only owned 1.7 per cent of the Chinese online retailing market. In this way, Amazon faced critical challenges in developing future international strategies. Should it continue its global expansion into new markets? What should the company do with less successful markets, such as China?

1. Why did Amazon consider international expansion in the first place? Is international expansion a key success factor in Amazon's industry? Was there any pattern under Amazon's international entries?
2. Why did Amazon choose the United Kingdom as its first foreign entry location? Why not other countries such as Canada or Australia? What strategies did Amazon use in the United Kingdom? Do these strategies make sense?
3. Given Amazon's overall performance domestically and globally, as well as the company's mission/vision/strategic plan, what should be its next step? Should it continue global expansion into new markets? What should Amazon do with its less successful operations such as China?

Apple in China

China is Apple's fastest growing market but the road to success has not been smooth. This case documents Apple's journey on this road to success; the role that Tim Cook played on this journey; the basic dynamics of China's telecommunications sector, the world's largest and most dynamic; and obstacles Apple is likely to encounter on the road to its future there. Apple's products are predominantly contract manufactured in China by Foxconn, a Taiwanese company that was the focus of considerable criticism and negative publicity for poor working conditions and suicides among its young workers. Apple, an aspirational brand in China, was named the top brand in the world in 2015 by Brand Finance--followed in second place by their global nemesis, Samsung. The growing consumer power of the Chinese middle class has accelerated demand for Apple products. Apple's popularity in China led to considerable counterfeiting or copying of their prototypes, products, know how, trade secrets, service model, and store concepts. It has spawned a cottage industry that supplies fake Apple stores with logos, uniforms, shopping bags, shelves and other accessories to make them appear real. Face-seeking behavior, the propensity of some Chinese to show off high status consumer goods, further spurs the activities of Apple counterfeiters and imitators to meet market demand. After more than a quarter century of continuous high levels of economic growth, China's economy is cooling. Despite a panoply of obstacles, Apple CEO Tim Cook maintains that China is key to Apple's bottom line now and in the future.

1. What accounts for Apple's success in the information and technology industry by drawing upon its history?
2. Why has Apple been successful (or unsuccessful) in China? What missteps have they made?
3. What challenges does Apple face in China? How would you recommend they address these issues?
4. What role did Tim Cook play in Apple's success in China?

Netflix: International Expansion

Netflix adopted an aggressive growth strategy to establish itself as a global force in the video streaming industry. To solidify its position as an industry leader, Netflix invested heavily in the production of in-house content. In January 2016, to deal with slow growth in the domestic market, the company announced an

aggressive expansion of its services into a total of 190 countries, thereby giving Netflix coverage over nearly the entire world. Was the enormous cost of such an aggressive expansion strategy the right direction for the company?

1. Examine and analyze the company's strategic competitive advantage.
2. How would you recommend Netflix overcome its challenges in the international market?
3. Moving forward, what future strategic initiatives might Hastings consider?

Tesla: Internationalization from Singapore to China

Elon Musk, the CEO of the U.S.-headquartered Tesla Motors (Tesla), was considering how the company should enter the Chinese market. Less than a year earlier, Tesla had exited Singapore after disappointing results only six months after entering that promising market. There were several questions that the company would have to answer in order to formulate an appropriate entry strategy for China. First, could the company learn from its experiences in the United States and Singapore and apply this learning to China? Second, was it the right time to enter the Chinese market? Finally, how could Tesla prevent a repeat of the Singapore experience in China? There were several questions that the company would have to answer in order to formulate an appropriate entry strategy for China.

1. What kind of challenges is Tesla facing in its industry?
2. What are the specific challenges that Tesla faces in China?
3. What, if anything, can Tesla learn from its experiences in the United States and Singapore as it develops and entry strategy for China?
4. What actions would you recommend for Tesla to be successful in China?

Uber and the Sharing Economy: Global Market Expansion and Reception

Alexander Cooper is gearing up to lead an expansion strategy for the scrappy and super successful car sharing service, Uber. While the company has not been without its controversy, it is making headway in far off places like India. It is looking to scale its model in India, China, and the rest of Southeast Asia, but is increasingly running into regulatory hurdles. Cooper is forced to think hard about what Uber's expansion strategy should be and how it will impact the company's operations.

1. How is the sharing economy characterized? Can sharing economies go global? What are Uber's core competencies?
2. What challenges does Uber face during global expansion? Is Uber's business vulnerable since it is easy for others such as Didi Kuaidi in China and Ola in India to imitate? Can Uber overcome the challenges from foreign governments? Should it try to collaborate with these foreign governments? If so, how? What are the pros and cons of doing so? What strategies should Uber implement to expand globally?
3. Due to the furious competition from rivals in global markets (China, India, or Southeast Asia) should Uber leave these markets and focus only on the U.S. market? What are the pros and cons of Uber's choice?

Cases for Written Report (team can choose any one, all questions must be addressed)

Samsung Mobile: Market Share and Profitability in Smart Phone

In December 2015, South Korean technology giant Samsung announced a new head to its mobile division. The announcement came on the heels of a challenging year for Samsung. Two handset launches that year had received criticism in the press for the way they were handled. The appointment was interpreted by many in the industry as Samsung signaling a desire to further intensify innovation in an increasingly commoditized product area. This was a time of intense challenge but also great promise. Complex questions involving significant trade-offs had to be answered. Should the mobile division push for profitability or market share? Were those objectives mutually exclusive? What was the best strategy for obtaining the chosen objective? How could Samsung differentiate itself in an increasingly crowded, competitive, and commoditized market?

1. Where is the smartphone in its current product life cycle, and how should that position influence Samsung in its strategy moving forward?
2. Should Samsung pursue profitability, even at the expense of market share?
3. Are Samsung's smartphones differentiated products? If yes, why? If not, what should Samsung do about it?
4. Should Samsung pursue a multiple segment strategy or a globally undifferentiated strategy? If the company should pursue a multiple segment strategy, what criteria should it use?

The Airbnb Business Travel Vertical in Asia: The Way Forward

In March 2017, Airbnb needed to make some important decisions regarding its strategy for the Airbnb Business Travel Vertical (ABTV) in Asia. Despite a short history of less than three years since the formal announcement of its launch, the ABTV had exhibited promising performance. The business travel market offered many attractive characteristics, including its large size. Despite the attractiveness of the business travel segment, two issues related to the choice of countries and the choice of segments were of concern. Another key issue related to identifying the specific corporate clients to approach—whether to leverage existing relationships with multinational customers or to approach Asian corporate clients directly.

1. How would you categorize Airbnb's entry into the business travel market? Does it represent product extension or diversification?
2. What is the attraction of the Asian business travel market?
3. What competencies does Airbnb bring to the Asian business travel market?
4. What should be ABTV's strategy for acquiring Asian business travelers?