



COURSE SYLLABUS

INTERNATIONAL MARKETING

Instructor: (Maria M. Smirnova, PhD, Senior Lecturer, smirnova@gsom.pu.ru)

Organization of the course

Program	Master in International Business
Year	(1-st year)
Course status	(Core)
Workload	6 ECTS, 45 hours of classes
Prerequisites	Marketing*, General Management
Teaching methods	(Lectures, guest lectures, seminars, projects, group work, creative exercises, brainstorming, presentations, case study, home and class assignments)

Course objectives

The overall objective is to provide an informed appreciation of international marketing as an academic subject and management practice, facing the challenges of globalized business environment.

Linked to this aim are the following aims:

- ☞ To provide students with insights into certain issues in international marketing:
 - *To what degree and in what ways is international marketing different from “domestic” marketing?*
 - *What are the key developments in the international marketing environment?*
 - *What are key sources of competitive advantage creation by applying international marketing practices?*
- ☞ To focus on the central strategic issues in international marketing - standardization vs adaptation; alignment of business strategy and marketing strategy; search for competitive advantage in the global markets;
- ☞ To propose a decision-based approach to international markets analysis and market entry and development.

Upon completion, the student should have complex knowledge and understanding of global markets and related marketing opportunities and issues, of the implications of global environmental factors for business, and of major international marketing management concepts, strategies and practices. The student should also have better analytical and decision-making skills which are essential for effective planning, organizing and controlling of foreign operations. The student should also have acquired a better sensitivity toward different cultures and be able to interact cross-culturally.

* In case the prerequisite course was not visited by student, the following books are recommended (available at GSOM library):

- Marketing. Baines, P., Fill, C., Page, K. Oxford University Press, 2008.
- Introduction to Marketing Concepts. Drummond, G., Ensor, J. Elsevier, 2005.

Course content

Topic 1. Why International Marketing? What is different from domestic marketing? How firms decide to internationalize? Strategic approach to international marketing: levels, key aspects, decision milestones. International competitiveness and marketing. Marketing resources and capabilities. Analysis of international competitors.

Topic 2. Which Markets to Entry? Global marketing environment. The political and economic environment. The legal environment. Public policy, risk and regulation. International market research. International market selection process. Socio-cultural environment: culture, values and technology. Consumer behavior in international markets.

Topic 3. How to select Market Entry Strategies? Key entry modes: marketing perspective. Classification of entry modes. Direct and indirect modes.

Topic 4. Global Marketing Programme. Product decisions – B2B, service and B2C firms. Pricing decisions and terms of doing business. Communication decisions. Selling and negotiating in international markets. Distribution and logistics. Channel of international distribution. SCM and logistics.

Topic 5. Implementation of the Global Marketing Programme. How to make marketing sound for the top management? Accountability of marketing. Issues of measurability and assessment. Growth aspects vs marketing capabilities.

After the course the students should be able to:

- ☞ Evaluate and integrate a wide range of management concepts with a focus on the international marketing tasks facing the firm;
- ☞ Identify courses of marketing action;
- ☞ Develop international marketing strategies for consumer products firms, industrial products firms and services firms;
- ☞ Decide the appropriate way of entering chosen foreign markets;
- ☞ Know how to implement the international marketing strategy selected through suitable methods of pricing and distribution supported by appropriate international marketing negotiations strategies.

Plan of classes*

* Due to guest lectures planning there may be changes in class topics. Please follow information during the classes and on the course web page.

Every class description contains:

- *Pre-assignments: what you are expected to prepare for the class. Most pre-assignments can be found through the e-databases of GSOM, in the library as paper versions or on the website of the course as materials to download (for mini-case studies).*
- *Key points discussed during the class.*
- *Key learning outcomes*
- *Additional reading on the topic (not required, but advised)*

For the group assignments please see the schedule at the end of the syllabus!

Class 1.

02.10.2009
13:00 – 16:15
Auditorium 403

Key points:

- Course introduction. Class planning. Course projects description. Working groups planning. Presentation of main course topics. Explanation of learning outcomes.
- Scope of international marketing: international marketing strategy and decision-making approach. Understanding main definitions.
- Initiation of internationalization. Is the firm ready for internationalization? Internationalization motives (proactive – reactive) or reasons why to go international. The triggers of internationalization (internal – external). Barriers to internationalization. Key stages of internationalization.
- The role of “bigness” in international context. Comparison of SMEs and LSEs. Born globals. Key features of MNCs.
- Key globalization factors and their implications for international marketer. Global industries – what makes industry global. The nine strategic windows model. Global village phenomenon (T. Levitt).
- Idea of international competitiveness. Internal and external factors. The Porter’s diamond. The value chain and its key forms: consideration for international marketing. Company resources and capabilities. Analysis of international competitors. The blue ocean strategy.

Learning outcomes:

- Understanding the course structure;
- Effective planning of study time and team work activities.
- Understanding the nature of key reasons of internationalization;
- Structured perception of the main drivers of international competitiveness

Project work: working group design - check the compatibility

Class 2.

06.10.2009
13:00 – 16:15
Auditorium 403

Pre-assignment:

- Emerging Giants / HBR, October 2006, pp. 60-69.
- China + India: The Power of Two / HBR, December, 2007, pp. 60 – 69.
- Value-for-Money Strategies for Recessionary Times // HBR, March 2009, pp. 66-74.

Key points:

- Development of firm’s international competitiveness. The blue ocean strategy.
- Idea of International Marketing Environment Analysis (IMEA). PESTLE and HELPS FREDICT models.
- Economies classifications. Phenomenon of emerging markets. Economic cooperation and integration. Arguments for protection of own industry.
- The political and economic environment. Public policy, risk and regulation. The

	<p>levels of analysis.</p> <ul style="list-style-type: none"> • The role of technological environment. • The legal environment. IPRs in international marketing. Key issues and problematic points. <p>Learning outcomes:</p> <ul style="list-style-type: none"> ▪ Ability to systematically analyze firm's potential to be internationally competitive; ▪ Understanding of the nature and scope of international marketing environment as basis for further analysis and decision-making. ▪ Understanding main approaches to political, economic and legal environment analysis; ▪ Development of analytical attitude to the main factors, influencing firm in international markets from economic, legal and political view; <p>Additional Reading:</p> <ul style="list-style-type: none"> ▪ <i>Malhotra, N.K. Heterogeneity of regional trading blocs and global marketing strategies: A Multicultural perspective // International Marketing Review, 15 (6), 1998, pp. 476-506.</i>
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Class 3.	
<p>09.10.2009 13:00 – 16:15 Auditorium 403</p>	<p>Pre-assignment:</p> <ul style="list-style-type: none"> ▪ Dies it Pay to Be Good? // MIT Sloan Management Review, Winter 2009, pp. 61-68. ▪ A Manager's Guide to Human Irrationalities // MIT Sloan Management Review, Winter 2009, pp. 53-59. ▪ The Battle for China's Good-Enough Market / HBR, September, 2007, pp. 81-89. <p>Key points:</p> <ul style="list-style-type: none"> • Socio-cultural environment: culture, values and technology. The levels of culture. Low-context and high-context countries. Cultural study by G. Hofstede. Cultural implications for marketing. • Ethical issues in international markets. • Consumer behavior in international markets: B2B and B2C markets. <p>Learning outcomes:</p> <ul style="list-style-type: none"> ▪ Main approaches to socio-cultural environment analysis: key concepts, main analytical tools. ▪ Understanding the challenges of ethical issues in international marketing. ▪ Knowledge of the main approaches to consumer behavior analysis in international markets. <p><i>Additional reading:</i></p> <ul style="list-style-type: none"> ▪ <i>Clarke, G. International Marketing Environment Analysis // Marketing Review, 2005, 5, pp. 159-173.</i> ▪ <i>Craig, C.S., Douglas, S.P. Configural Advantage in Global Markets / Journal of International Marketing, 2000, Vol. 8(1), pp. 6-26.</i>

Class 4.	
<p>16.10.2009 13:00-16:15 Auditorium 403</p>	<p>Pre-assignment:</p> <ul style="list-style-type: none"> ▪ What People Want (and How to Predict It) // MIT Sloan Management Review, Winter 2009, pp. 23-34. ▪ Is Your Growth Flying Blind? // HBR, May 2009, pp. 86-96. <p>Key points:</p> <ul style="list-style-type: none"> • Selecting international markets. Key issues. Segmentation process. Systematic and opportunistic approach. Preliminary screening. Industry market potential. Company sales potential. • International market research. The role of international marketing researcher. The

	<p>role of Marketing Information System (MIS). Secondary and primary research. Self-reference criterion.</p> <p>Learning outcomes:</p> <ul style="list-style-type: none"> ▪ Ability to structure main factors on new key economies – China and India - and propose main outcomes for firm’s market entry strategy; ▪ Understanding key approaches to plan, organize and implement market selection process, including understanding of the main limitations of cross-cultural research.
Class 5.	
<p>22.10.2009 13:00-16:15 Auditorium 209</p>	<p>Key points:</p> <ul style="list-style-type: none"> • Market entry decisions. Born globals. Overview. Stages. • Classification of international markets entry modes. Types of entry modes. Key approaches and factors, affecting entry mode selection. Exporting: motives and key export modes. Direct and indirect exporting. International partner mix. Intermediate entry modes. • Internationalization theories. The Uppsala internationalization model. The transaction cost analysis. The network model. <p>Learning outcomes:</p> <ul style="list-style-type: none"> ▪ Understanding market entry decisions from the marketing perspective; ▪ Ability to classify the factors, supporting market entry decisions; ▪ Knowledge on the key theoretical approaches to internationalization process.

Class 6.	
<p>06.11.2009 16:30-19:15 Auditorium 209</p>	<p>POSTER SESSION PRESENTATION – international investor show Submission of first report - by Nov, 15th (by email) Project work:</p> <ol style="list-style-type: none"> 1. Prepare mid-term report by 15.11.2008 (in a written form) – submit by email. 2. Prepare short summary on your report for presentation (up to 5 minutes) for the mid-term presentations round. 3. Prepare the scheme for critical analysis of other groups’ presentations (investors’ comments): <p>Main question – What information is absent? Is the market selected presenting potential for the project implementation? What are the main risks to be taken into consideration in frames of the 2nd project stage.</p> <p>Key points:</p> <ul style="list-style-type: none"> • 1st stage course project progress presentation • Investors questions • Groups’ presentations feedback & recommendations • Marketing mix. Product. Innovations. Brand. • Pricing decisions. <p>Learning outcomes:</p> <ul style="list-style-type: none"> • Learning main gaps and issues on results of the 1st project stage. • Learning on the critical approach to international projects and argumentation on project feasibility. • Understanding the logic of marketing mix. • Specifics of product decisions in international markets. <p><i>Additional reading:</i></p> <ul style="list-style-type: none"> ▪ <i>Mottner, S., Johnson, J.P., Motivations and Risks in International Licensing: A Review and Implications for Licensing to Transitional and Emerging Economies // Journal of World Business, 35 (2), 2000.</i> ▪ <i>Luo, Y. Entering China Today: What Choices Do We Have? // Journal of Global Marketing, Vol. 14 (1/2), pp. 57-82.</i>

	<ul style="list-style-type: none"> ▪ <i>Ayal., I., Zif, J. Market Expansion Strategies in Multinational Marketing / Journal of Marketing, 1979, Spring, Vol. 43, pp. 84-94.</i>
Class 7.	
<p>13.11.2009 13:00-16:15 Auditorium 410</p>	<p>Pre-assignment:</p> <ul style="list-style-type: none"> ▪ Where Discounting Can be Dangerous // Business Week, August, 3, 2009, 49. ▪ Microsoft's Aggressive New Pricing Strategy // Business Week, July 27, 2009, p. 51. ▪ Why Wal-Mart Can't Find Happiness in Japan? / Fortune, August, 6, 2007, pp. 73 – 78. <p>Key points:</p> <ul style="list-style-type: none"> • Pricing decisions. Pricing decisions and terms of doing business. Specifics of pricing decisions in international context. Key factors, influencing international pricing. Key strategies (skimming, market pricing, penetration pricing). Alternative pricing strategies. Dumping strategies. Terms of sale. Terms of payment. • Communication decisions. Interbrand. Key branding decisions and branding model for decision making. The risks of making a brand global. Principles guiding global brands. International issues of promotion. Corporate design in international context. • Distribution decisions. <p>Learning outcomes:</p> <ul style="list-style-type: none"> • Structured understanding of market entry modes and main issues by entering foreign markets. • Systematization of entry mode decisions: from indirect to hierarchical entry modes; • International marketing decisions analysis linked to the nature of international firm and its product's specific. <p><i>Additional reading:</i></p> <ul style="list-style-type: none"> ▪ <i>Sato, Y. Some Reasons Why Foreign Retailers Have Difficulties in Succeeding in the Japanese Market // Journal of Global Marketing, 2004, Vol, 18, No ½, pp.21-44.</i> ▪ <i>Schmekel, V. The Strategic Importance of Retail Investment in Asia and Its Implications for the Metro Group in Asia // Journal of Global Marketing, 2004, Vol. 18, No ½, pp. 133-150.</i> ▪ <i>Baek, J. How Does the Global Retailer Localize Its Format?: The Case of Toys "R" Us and Carrefour in Japan // Journal of Global Marketing, 2004, Vol 18, No ½, pp. 151-166.</i> ▪ <i>Nishimura, J. The Linkage of Trades in Terms of Wholesale Business Formats in Japanese Distribution Systems // Journal of Global Marketing, Vol. 18, No ½, pp. 167-186.</i>
Class 8.	
<p>27.11.2009 13:00-16:15 Auditorium 403</p>	<p>Pre-assignment:</p> <ul style="list-style-type: none"> ▪ Case study: Merck Indonesia ▪ Mini case study: Media Markt in Russia <p>Key points:</p> <ul style="list-style-type: none"> • Distribution decisions: Channels of international distribution. Role of channel intermediaries. Distribution channel selection criteria. Nature of conflicts in channel and how to solve them. Intensive, selective and exclusive distribution. • SCM & Logistics: the role in international marketing. <p>Learning outcomes:</p> <ul style="list-style-type: none"> • Evaluation of success and failure factors across supply chain in international markets; • Diagnosis capabilities of the main issues in distribution channels, • Understanding of the specifics of Japanese and other Asian markets in terms of distribution system specifics. <p><i>Additional reading:</i></p> <ul style="list-style-type: none"> • <i>China's New Cultural Revolution // Fortune, May 28, 2007, pp. 91-96.</i> • <i>Branding reading: Selling P&G/ Fortune, September, 17, 2007, pp. 163 – 169.</i>

Class 9.	
11.12.2009 14:45-18:00 Auditorium 403	<p>Pre-assignment:</p> <ul style="list-style-type: none"> ▪ In a Downturn, Provoke Your Customers // HBR, March 2009, pp. 48-56. ▪ Case study: European Connection. <p>Key points:</p> <ul style="list-style-type: none"> • Selling and negotiating in international markets. • Controlling and measuring. Planning. • Accountability of international marketing. Dynamic growth approach. • The International Problem of Counterfeits • Modern trends in international marketing <p>Learning outcomes:</p> <ul style="list-style-type: none"> • Understanding of the scope of marketing programme: pricing strategies and terms of doing business; • Communication strategies: targeting right customers in international markets; • Summarizing peculiarities of consumer behavior in international markets. <p><i>Additional reading:</i> Simmonds, K. <i>International Marketing – Avoiding the Seven Deadly Traps / Journal of International Marketing, 1999, 7 (2), pp. 51-62.</i></p>
Class 10.	
15.12.2009 13:00-18:00 Auditorium 403	<p>FINAL PRESENTATIONS</p> <p>Key points:</p> <ul style="list-style-type: none"> • Final group presentations • Investors' session • Evaluation, assessment and feedback <p>Learning outcomes:</p> <ul style="list-style-type: none"> • Self-assessment on the base of group discussion.

Office hours for individual consultations:

Maria M. Smirnova, Friday, 16:15 – 17:00, room 126 (Volkhovsky, 3) AND by email arrangement: smirnova@gsom.pu.ru

Calendar plan of current and final evaluation

Mid-term (project poster presentations):	06.11.2008
Announcement of coursework results	TBA
Pre-exam consultation:	TBA
Exam:	TBA
Announcement of exam results:	TBA
Deadlines for projects, home assignments etc.	
Final group formation	16.10 – list of group members by email smirnova@som.pu.ru
1 st stage of group project presentation – poster sessions	06.11 – 13:00 – 16:15 – Auditorium 403
Submission of the report on the	13.11 by email smirnova@gsom.pu.ru (deadline: 18:00)

1 st stage of group project	
Final presentation on the group project	15.12 - 13:00 – 18:00 – Auditorium 403
Submission of the final presentation file	14.12 by email smirnova@gsom.pu.ru (deadline: 18:00)
Submission of the final report on group project	22.12 by email smirnova@gsom.pu.ru

Evaluation system

Forms of final evaluation and grading policy (*final grading, percentage distribution between course work and final exam, percentage distribution between different kinds of coursework*):

- Final exam – 60%
- Mid-term project – 8%
 - Poster session
 - Individual feedback (individual)
- First stage course project report – 5%
- Course project final report – 5%
- Course project final presentation 8%
- Final investor's round contribution – 7% (individual)
- Individual performance throughout the course – 7%
 - Answers during the class,
 - Attendance,
 - Pre-assignments read & prepared.

In case of 3 or more minuses (except of absence with a valid reason): 0% on this part of assessment. Otherwise assessment on the base of participation.

Peer review on completion of the group project is assessed on “passed/failed” basis at the end of the course and is required to get the credit for the course project work.

Required textbooks

- *Hollensen, Svend. Global Marketing: A decision-oriented approach. – 4th ed. – Prentice Hall. Harlow, England, 2007.*
- *Bradley, Frank. International Marketing Strategy. – 5th ed. – Prentice Hall. An imprint of Pearson Education: Harlow, England, 2005.*

Other required reading

- *Links to materials on the course web page (supplied on a weekly basis).*
- *Materials in the course folder (GSOM library).*

