

TEACHING PLAN FOR

- **INTERNATIONAL EXPANSION**

1. Basic description

Name of the course: International Expansion

Academic year: 2012-2013

Year: 4th

Term: 2nd

Degree / Course: Bachelor's degree in International Business and Marketing

Code: 44203

Number of credits: 4

Total number of hours committed: 100

Teaching language: English

Lecturer: Oriol Castells – David Cosculluela

Timetable:

Lecture classes: Monday 15:45-18.00 (Group 1) – 18:30-20:45 (Group 2)

Seminars: Thursday 18.20 – 19:15 (Group 1A), 19:20 – 20:15 (Group 1B),
16.05 – 17:00 (Group 2A), 17.05 – 18.00 (Group 2B)

Office hours: Monday, 15:00h

2. Presentation of the course

Multinationals and small and medium companies need to expand to international markets. Selling abroad was an option in the past, but today it is mandatory for a firm to sell to international markets if it wants to survive and grow in a sustainable way.

Managers must face several challenges when deciding how to gain international markets, and decisions taken at the beginning of an export process will determine the future success or failure of a company willing to go abroad.

International Expansion focuses in the entry strategies to international markets. We will study what are the steps we need to take, as managers, to make sure that our presence abroad is successful and sustainable.

We will analyze what are the best options for companies to go abroad. We will see options for small and big firms. We will cover what are the challenges, opportunities and risks that managers face in difficult environments: from the small exporters that seek an agent or distributor, to the big multinationals that need to avoid risks when investing abroad.

3. Competences to be achieved in the course

General competences	Specific competences
<p data-bbox="320 667 700 703">Instrumental competences</p> <p data-bbox="228 741 778 1144"> G.I.1. Ability to search, analyse, assess and summarise information. G.I.2. Ability to relate concepts and knowledge from different areas. G.I.3. Ability to organise and plan. G.I.4. Ability to tackle and solve problems. G.I.5. Ability to take decisions in complex and changing environments. G.I.8. Oral and written competence in communicating in English. </p> <p data-bbox="277 1182 727 1218">General personal competences</p> <p data-bbox="228 1256 778 1473"> G.P.1. Ability to adapt, lead and work in a group that is multicultural, interdisciplinary, competitive, changing and complex in nature. G.P.3. Moral commitment and ethical sense. </p> <p data-bbox="277 1512 727 1547">Generic systemic competences</p> <p data-bbox="228 1585 700 1697"> G.S.2. Ability to observe. G.S.3. Ability to think globally. G.S.4. Entrepreneurial capability. </p> <p data-bbox="288 1736 715 1771">Competences for applicability</p> <p data-bbox="228 1809 778 2020"> G.A.1. Ability to apply acquired knowledge and skills. G.A.2. Ability to use quantitative criteria and qualitative insights when taking decisions. G.A.3. Ability to search and exploit </p>	<p data-bbox="876 667 1246 703">Disciplinary competences</p> <p data-bbox="805 741 1356 853"> E.D.11. Introduce the basic marketing tools and capacitate for planning commercial strategies. </p> <p data-bbox="876 891 1246 927">Professional competences</p> <p data-bbox="805 965 1356 1727"> E.P.1. Ability to understand the decisions taken by economic agents and their interaction in the markets. E.P.5. Ability to take strategic managerial decisions whilst taking into account the economic, cultural, social and political determinants specific to a particular area. E.P.10. Ability to search, interpret and assess information available in an international environment in order to define target markets, according to the type of company and product. E.P.11. Ability to analyse a foreign market and define product implementation strategies. E.P.17. Ability to express and understand spoken and written communication in English at an advanced level in the international business environment. </p>

new information sources.	
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The above competences interrelate with the basic competences set out in Royal Decree 1393/2007, namely:

- a. competence to **comprehend knowledge, on the basis of general secondary education**
- b. competence to **apply knowledge** to day-to-day work in international management or marketing, in particular, ability to develop and defend arguments and to solve problems
- c. competence to **gather and interpret relevant data**, enabling the development of critical judgements on the economic and social reality
- d. competence to **communicate and transmit information** (ideas, problems, solutions) to a specialised and non-specialised public
- e. competence to **develop learning activities** in a relatively autonomous manner.

In order to establish a correspondence between the basic competences and those developed in the degree, these are grouped according to two criteria. Thus, the competences developed in the subject are structured into those that are seen as a development or specification of basic competences and those that define the professional profile of the graduate, with respect to general and specific competences.

Basic competence: understanding of knowledge

- I. General competences G.I.3, G.S.2, G.A.2*
- II. Specific competences E.P.1*

Basic competence: application of knowledge

- I. General competences G.I.2, G.S.3*
- II. Specific competences E.P.11*

Basic competence: gather and interpret data

- I. General competences G.I.1, G.A.3*
- II. Specific competences E.P.10*

Basic competence: communicate and transmit information

- I. General competences G.I.8*
- II. Specific competences E.P.17*

Basic competence: develop learning activities

- I. General competences G.I.3, G.I.4*

Competences that define the professional profile which are not included under basic competences

In general, these competences combine the following key elements for professionalising students in the area of international business and marketing:

- provide students with the capacity to adapt to dynamic teams and environments
- provide students with the capacity to create their own integral vision of the operation of a business or international marketing project
- provide students with the capacity to take complex decisions and carry out negotiation processes

I. General competences G.I.4, G.I.5, G.P.1, G.S.4, G.A.1

II. Specific competences E.D.11, E.P.5

Own competences of the subject

Understand the different alternatives available to a company for introducing its products/services in different countries.

4. Contents

Unit 1: Going International

Unit 2: Exports: Initial Stages

Unit 3: Exporting through agents

Unit 4: Exporting through distributors

Unit 5: Entering in other markets in cooperation with other companies

Unit 6: Investing abroad

Unit 7: Countertrade

5. Assessment

A. Evaluation during the term

The course grade will be the average of several elements with the below specifications:

Assessment elements	Time period	Type of assessment		Assessment agent			Type of activity	Grouping		Weight (%)
		Comp	Opt	Lecturer	Self-assess	Co-assesses		Indiv	Group (#)	
Valuable participation	Seminars	X		X			Application	X		10%
Homework, presentations, tests and exercises	Lecture classes, seminars	X		X			Application, conceptual synthesis	X	X	30%
Final Exam	End of the trimester	X		X			Syntheses	X		60%

B. Extraordinary final exam

Students who have failed the course will be admitted to a retake of the final exam. In this case, the grades of the application-based activities (participation, homework, presentations, tests and exercises) earned during the term are preserved, and the retake concerns exclusively the final exam. Therefore the overall grade will result from:

Preserved grades for application based activities	40 %
New grade: Retaken Final Exam	60 %

6. Bibliography and teaching resources

Basic teaching resources: Power Point presentations, articles and exercises delivered to students prior to its lecture in class. Articles and cases to be discussed at seminars

Other resources:

- Keillor, Bruce D., Kanna, Vijay R. and Wilkinson, Timothy J: *International Business in the 21st Century*
Praeger, 2011
- Root, Franklin R.: *Entry Strategies for International Markets*
Jossey-Bass, 1994
- Branch, Alan: *Export Practice and Management*
Thomson, 2006 5th ed.
- Albaum, Gerald / Duerr, Edwin / Strandkov, Jesper: *International Marketing and Export Management*
Prentice Hall, 2005, 5th ed.
- Cateora, Philip R. / Graham, John L.: *International Marketing*
Mc Graw Hill, 2005, 12th ed.

- Díez Vergara, Marta: Manual práctico de comercio internacional
Ediciones Deusto, 1996
- Esteban de la Rosa, Gloria: Comercio Internacional Compensado (Normas y estrategias empresariales)
Atelier, 2005

7. Methodology

We will follow the following methodology:

- Students will be requested to read teaching resources before its explanation in lecture classes.
- Seminars will consist of case and article discussions, as well as tests, presentations and exercises that can be carried on an individual or group basis.
- The Final Exam will consist of a test and exercises. Please note that the test will also include questions about cases, articles and exercises already discussed at the seminars.
- Active participation is important during lecture classes and seminars

8. Scheduling activities

Week	Activity in the classroom Grouping/type of activity	Activity outside the classroom Grouping/type of activity
Week 1	Presentation of the course (0,5 hours) Lecture: Unit 1: Going International 1.1. Reasons for going abroad 1.2. Are we ready? The export diagnosis (1,5 hours)	Review of Unit 1 (2 hours)
Week 2	Lecture: Unit 2: Exports: Initial Stages 2.1. Selling through trading companies 2.2. Piggyback sales 2.3. Direct Sales 2.4. Export Consortia (2 hours) Seminar: Exercises (by group) (1 hour)	Preparation of lecture class (1 hour) Review of Unit 2 (2 hours) Preparation of Seminar (3 hours) Review of the Seminar (2 hours)
Week 3	Lecture: Unit 3: Exporting through agents 3.1. When shall we work with an agent? 3.2. Recruitment and contract 3.3. Key facts to succeed (2 hours) Seminar: Alessi case (by group) (1 hour)	Preparation of lecture class (1 hour) Review of Unit 3 (2 hours) Preparation of Seminar (groups) (4 hours) Review of the Seminar (1 hour)
Week 4	Lecture: Unit 3: Exporting through agents 3.4. The salaried agent Unit 4: Exporting through distributors 4.1. The distributor: why so many companies are exporting	Preparation of lecture class (1 hour) Review of Unit 3 & 4 (2 hours) Preparation of seminar (groups)

	<p>through distributors? 4.2. Exclusive and non-exclusive agreements (2 hours)</p> <p>Seminar: Article David Arnold: 7 Rules International Distribution (1 hour)</p>	<p>(3 hours) Review of the seminar (1 hour)</p>
Week 5	<p>Lecture: Unit 4: Exporting through distributors 4.3. How to develop a marketing plan with a distributor 4.4. Sales performance (2 hours)</p> <p>Seminar: Case Bodegas Navarra (1 hour)</p>	<p>Preparation of lecture class (1 hour) Review of Unit 4 (2 hours) Preparation of seminar (groups) (4 hours) Review of the seminar (1 hour)</p>
Week 6	<p>Lecture: Unit 5: Entering in other markets in cooperation with other companies 5.1. Licensing 5.2. Franchising (2 hours)</p> <p>Seminar: Case Imaginarium (1 hour)</p>	<p>Preparation of lecture class (1 hour) Review of Unit 5 (2 hours) Preparation of seminar (groups) (4 hours) Review of the seminar (1 hour)</p>
Week 7	<p>Lecture: Unit 5: Entering in other markets in cooperation with other companies 5.3. The Joint Venture</p> <p>Seminar: Article Launching a world class Joint-Venture (1 hour)</p>	<p>Preparation of lecture class (1 hour) Review of Unit 5 (2 hours) Preparation of seminar (groups) (3 hours) Review of the seminar (1 hour)</p>
Week 8	<p>Lecture: Unit 6: Investing abroad 6.1. The sales subsidiary: transfer prices, legal status 6.2. Manufacturing (and selling) in the country of destination (2 hours)</p> <p>Seminar: Case Silvio Napolli at Schindler India (1 hour)</p>	<p>Preparation of lecture class (1 hour) Review of Unit 6 (2 hours) Preparation of seminar (groups) (4 hours) Review of the seminar (1 hour)</p>
Week 9	<p>Lecture: Unit 6: Investing abroad 6.3. Project valuation 6.4. Acquisition of a company (2 hours)</p> <p>Seminar: Exercise on Project Valuation (1 hour)</p>	<p>Preparation of lecture class (1 hour) Review of Unit 6 (2 hours) Preparation of seminar (groups) (3 hours) Review of the seminar (1 hour)</p>
Week 10	<p>Lecture: Unit 7: Countertrade 7.1. Introduction to Countertrade 7.2. Commercial countertrade 7.3. Industrial countertrade (2 hours)</p> <p>Seminar: Exercise on Contertrade (1 hour)</p>	<p>Preparation of lecture class (1 hour) Review of Unit 7 (2 hours) Preparation of seminar (2 hours) Review of the seminar (1 hour)</p>
Week final exams	<p>Final Exam (2 hours)</p>	