

COURSE GUIDE



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- MBIB-MES-14
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- Term B,C,D
- Specialization course
- Fulltime

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Market Entry Strategy
International Business and Management
Studies

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1. Course Description

The course provides a framework for the development of an international (export) plan. It is a systematic approach to plan and to achieve internationalization. It consists of four phases: export policy, export audit, export plan and export roll-out. The course examines the role of export planning within the company and reviews the development of an export policy to enable systematic and successful internationalisation. It examines the development of a market entry strategy for internationalisation and reviews execution of an export audit to analyse and select potential foreign markets and entry modes. The course examines the development and planning of the export plan. It reviews the marketing mix required logistic infrastructure, organisational setup and financial plan.

2. Course Goals and Learning Objectives

The course will teach students to systematically select and plan the entry into new international markets and enhance the chances of success through integrated review of analyses and strategy (marketing, logistics, organisation and finance)

The learning objectives are:

Students can <u>reproduce, comprehend and apply</u> the business concepts associated with the export planning process and its 4 phases: export policy, export audit, export plan and export roll-out (knowledge) (application)
Students will demonstrate that they can develop a market entry strategy by using relevant knowledge from various business disciplines (marketing, finance, logistics, organisation) .
Students will be able to critically evaluate, analyse and interpret information to solve problems and make business decisions (skills).
Students will be able to <u>understand</u> group dynamics (knowledge) and work effectively in teams (skills) (collaborate with a variety of other people using elements of effective team dynamics to effectively and appropriately structure team work)
Students will be able to effectively present information orally and in writing (skills).

See Appendix one for specific learning outcomes.

3. Place in the Curriculum and Related Courses

It is an specialization course for students with a high interest in international business: how to get a "clear 'picture of strategies for a company, for a SBU, large or small. The four stages of the strategic planning process (analysis, planning, implementation and evaluation) are important starting points.

4. Study investment

The total study investment is based on 140 hours, which equals 5 ECTS

Classes	7 x 150 minutes =	17 hours
Feedback consultancy sessions	7 x 150 minutes =	17 hours
Literature study		32 hours
Assignments		30 hours
Exam		24 hours

5. Pre-requisites

The student needs to know the basic marketing models and theories, so the completion of at least the first-year Marketing course (or an equivalent for the exchange students) is strongly recommended. Additionally, a very good comprehension of the English language is necessary

6. Exemption Possibilities

None

7. Competencies

International business awareness (1)
Intercultural competency (2)
International strategic vision development (3)
Business processes (4)
Entrepreneurial management (5)
International marketing and sales management (6)
International supply chain management (7)
International finance & accounting (8)
Cooperation (11)
Planning and organizing (14)

Competences will be developed on level 2 and 3, depending on the competency.

Level 2	The student can apply the competence independently in a relatively clearly arranged situation.
Level 3	The student can apply the competence independently in a complex situation with complete control of the required skills.

8. Didactic Forms

The didactic forms are:

One session a week is dedicated to:

- Lectures
- Discussions on international business topics
- Case assignments
- Consultation and feedback for the assignments

The second session per week consists of:

- Consultation and feedback for the assignments on a weekly basis
- Teamwork

For the consultancy session presence is compulsory.

All the relevant documents can be found on the Share Point website:

<https://cursussen.sharepoint.hu.nl/fem/23/MBIB-MES-14/default.aspx>

On this website, you can find announcements, PowerPoint slides from the tutorials, relevant articles, and interesting links for further reading

9. Assessment

Type of Assessment	Weighing	Min. Mark
Assesment	30%	5,5
Exam	70%	5,5

The exam consists of open questions based on the course book and the Power Points of the lectures.

For the assessment students will have to collect information, make a choice of information and analyse it by using suitable models and tools. Based on this students develop a well-founded market entry strategy, and describe an appropriate implementation of the market-entry strategy including a financial analysis and a detailed marketing mix. For the project, the APA format for the use of references has to be used. Guidelines for the project are specified in Appendix B.

Students will work in groups of 4-5 persons, agree on how to work, make a planning, resolve eventual conflicts by themselves. The evaluation criteria of the project are specified in Appendix C. The lecturer reserve the right to give different grades for the team members, based on their actual input in the project. The hand-in of the assessment should be done in week 8 latest in digital form.

Resit

The resit of the written exam is a new written exam, in the next term.

The resit of the project is as follows: teams who didn't get the minimum grade for the report get the chance to improve their assignment, in the next term.

Teams or individual students, who did not complete the project, must retake the course to pass the project. This means participating in a new team, during the next period when the course is offered.

Fraud

Cases of fraud are treated very seriously. Lecturers and examination invigilators refer all cases to the Exam Board.

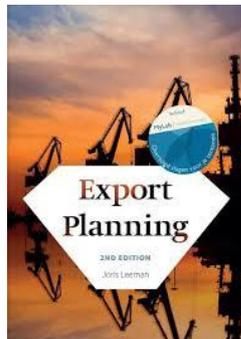
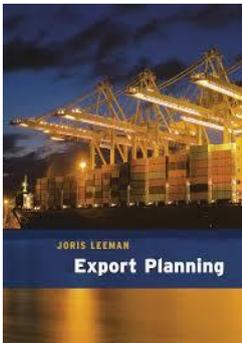
One type of fraud is **plagiarism**. *The Concise Oxford Dictionary* defines this as taking, using or passing off "the thoughts, writings, inventions, etc. of another person as one's own". This is a very serious offence. It includes:

1. Handing in the same (or very similar) assignments as other past or present (teams of) students;
2. Copying text or ideas from books, the Internet, etc. without proper source citation¹;
3. Copying answers from other students during examinations; and
4. Allowing other students to copy your assignments or examination answers.

The punishment for fraud is severe. Punishment ranges from being banned from one examination to exclusion from all block exams for more serious cases. Ultimately, fraud leads to expulsion.

10. Course Material and Literature

BOEK (Required)					
Title:	Export Planning				
Authot(s):	Joris Leeman				
ISBN:	978-90-430-1708-4	Edition:	1 or 2	Publisher:	



11. Course Evaluation

The student evaluation of this course takes place at the end of the block by means of a standardized evaluation form/Evalytics

The course will be evaluated in written form at the end. There are two evaluative moments: during the last class and after the written exam.

During the last class, the lecturer evaluates the course with the students. Here, students have the opportunity to give their opinion and tips on the content and form of the course. Besides the class evaluation, students will fill in the FEM evaluation forms using Evalytics

Appendix A: Specific Learning outcomes of the MES course book

Understand the market position of countries from an international perspective

Name the drivers for export development within an organisation

Describe the elements that influence the international strategy definition

Explain the export planning process, its 4 phases and its 10 steps

Describe a company in terms of its vision and mission, its business definition and its product lines and markets

Explain how to set up an internal analysis based on organisation structure, the 7S model, and organisational capabilities

Explain how to set up an external analysis by means of the DESTEP and trend analysis

Put together a SWOT analysis and TOWS matrix with its strategic options

Understand how business strategy and export Policy are linked together

Describe the company environment of a company with Porter's 5 forces model

Outline a company's growth strategy in terms of Ansoff and Hamel & Prahalad

Explain a company's product assortment in terms of product life cycle and BCG matrix

Describe the three competitive strategies of Treacy & Wiersema and its accompanying value proposition : review the ways toward a competitive advantage based on Ohmae

Describe the three-phase filter model as an approach to analyse and select foreign countries/markets

Explain the criteria of the three filters

Prepare a proposal for choosing which country (countries) to start the market entry strategy in

Describe a supply chain process and understand why you can use the supply chain as a competitive weapon

Apply the value chain model of Porter

Describe the export market strategy of a company

Determine different export market entry options

Understand the need for a market entry risk analysis

Compare the different market entry options and choice of market entry

Analyse the internationalisation strategy of market development

Determine Customer needs and the branding position

Develop the assortment plan and competitive positioning

Create the price setup

Determine the delivery and payment terms

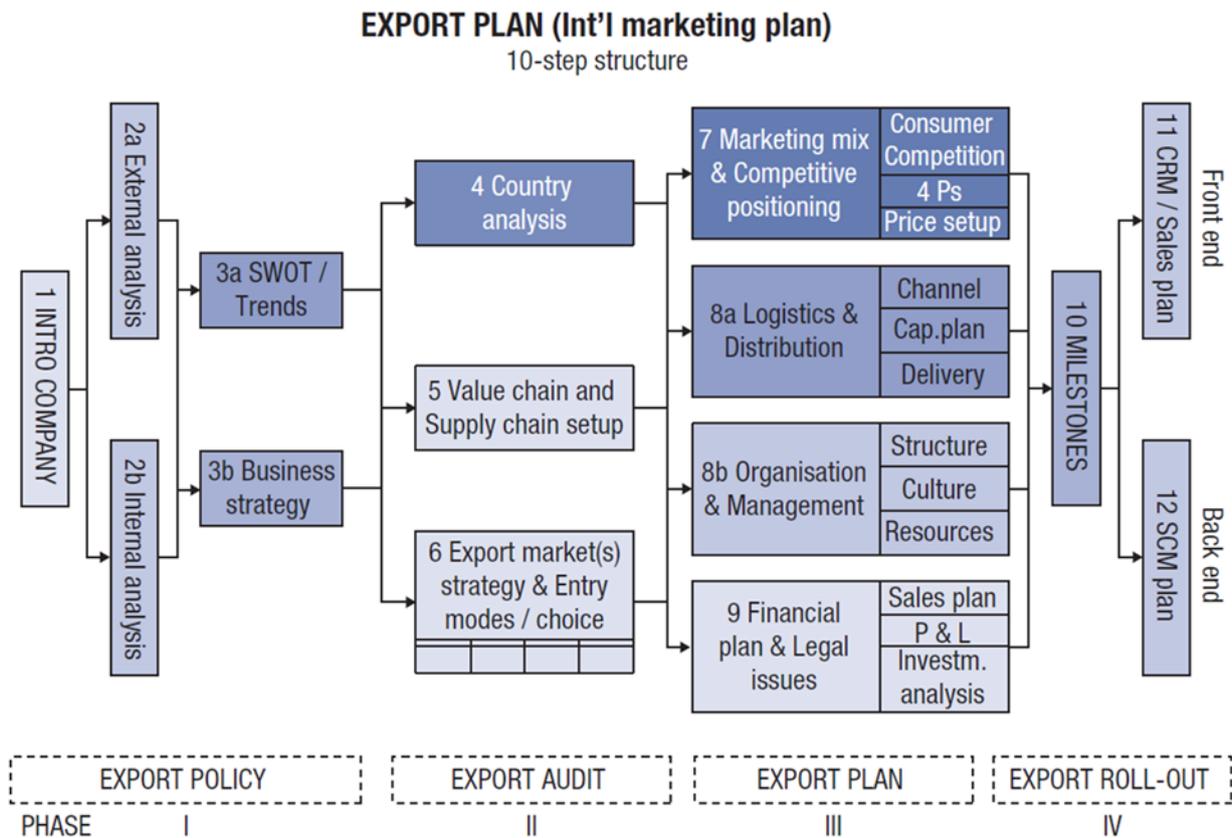
Create the necessary organisation structure setup

Identify cultural issues and resource requirements

Put together the profit & loss and cash flow statement

Appendix B: Project Specifications

The course assignment is to prepare a market entry strategy (MES) plan, following the steps, described in Export Planning. See figure 1.



Source: J.Leeman©, 2010

Figure 1: 10 steps of export planning

The company to research is a company in the Netherlands that is exporting to one another country.

Teams can choose a company. Requirements: small to medium size, tangible products, industry data generally available. The lecturer will agree on the chosen company or suggests changes/another company based on the input of the team.

Teams of 4-5 students

Feedback sessions are planned once a week. As this is a team effort all members should attend.

Weekly Schedule

Week 1:

Choice of company Forming of teams and choice of envisaged company (preferably SME), product and export market (being from The Netherlands to another country). Present choice to your and obtain approval of your teacher.

Week 2:

Introduction of company, Give a short introduction of the company, the reason why you have chosen it and the product you have in mind that you would like to export

Company overview: vision & mission, business definition, product lines & markets, key facts

Internal analysis: organization structure, capabilities, strong and weak points

Week 3:

External analysis: DESTEP & trend analysis for existing markets (+ add recent news article with item that could affect international business of chosen company)

Combining internal & external analysis: SWOT analysis and conclusion about this

Business strategy: 5 forces model Porter, Hamel & Prahalad model, Treacy & Wiersema model

Sub-conclusion: Go/contingency planning needed/No go

Week 4:

Country analysis: which trends/ influences in general in the macro environment are influencing the export market of your choice (you can use the criteria of the filter model (Ch. 4) for this and also check if specific points of your previous DESTEP apply to your export market. Verify if these are opportunities or threats

Update export product: reaffirm or change the envisaged product for the chosen market using BCG analysis

Week 5:

SWOT export market: The strong and weak points might be the same as those of the global SWOT but can be different, certain strengths or weaknesses might not be valid for the chosen market of there can be additional strengths or weaknesses/

Market entry strategy: based on all steps made so far determine your market entry strategy and give analysis for choice in sub-conclusion.

Week 6:

Marketing plan: define your STP and marketing mix. Be creative when it comes to the updating your product (if necessary) and be clear about the marketing activities that have to be carried out in the export market. Take into consideration who will do what and the costs of all the marketing activities.

Supply chain & logistics: describe how your product will be transported, the costs involved and the conditions used

Week 7:

Financial plan: calculation & determine the price of your product in the export market, make a clear Profit and Loss analysis

Conclusions: conclude with a clear conclusion and include if your project is still a go?

Implementation: make a milestones list (including who is responsible for each task) and fall back plan (based on contingency planning insights gained going through all the steps)

Executive summary: clear and concise description of the process and the outcome:

- A good Executive Summary contains the justification of the company/country choice, and specifies how the research has been performed and how tasks have been divided
- It then summarizes the main aspects of the report in a easy to read document, as if you were explaining your report to somebody who does not know the subject.
- You can end your executive summary with a reflection on what you have learned during this project
- For tips on how to write an Executive Summary =>
 - <http://libraryguides.griffith.edu.au/c.php?g=73200&p=882307>

Tips

- Use our textbook, but do not follow it too literally, some steps are not relevant for small companies
- Use a wide variety sources and use professional sources. If you find student's reports on the Internet, use only their references
- Always mention sources in the text and in graphs/tables, use the HU citation guidelines
- Use professional labelling of graphs/tables
- Verify if all the required elements are there
- Use one single font and style for the report
- Write connecting sentences between paragraphs
- Do not use chapter titles like DESTEP or Porter 5 Forces but make it a business report
- The SWOT cannot contain 'new' information, all aspects must have been mentioned before in the analysis
- Check consistency of your choices, if you choose a cheap brand, then you will probably have limited marketing costs and negotiate hard on the distributor's margin
- For the Financial Plan, use the guidelines provided on Sharepoint. Verify if all the margins are calculated on the right base. Some margins are calculated from the retailers price, others from the distributors price and others from the cost of goods sold or production cost
- Check & discuss the final result in your team, make sure the report shows consistent and professional quality
- Be present and prepared during feedback sessions, adapt your report weekly based on the feedback recieved

Appendix C: Evaluation Criteria Project

A) Overall style/ lay-out/ pictures/charts/sources/use of English	10/100
B) Depth and relevant of analysis	60/100
- Executive Summary	
- Internal Analysis	
- External Analysis	
- Market Entry Strategy	
- Logistics	
- Marketing plan	
- Financial Analysis	
- Conclusion & implementation	
C) Creativity	10/100
D) Completeness and consistency	20/100
<i>(D includes attendance & teamwork)</i>	