



DECISION MAKING IN GLOBAL MARKETS

Intel's founder Andy Grove asserted that *"You have no choice but to operate in a world shaped by globalization. Adapt or die."*

COURSE DELIVERY

This course is offered in the University of North Texas – Denton AOP graduate-level degree program. This has two important components: it is **100% online course delivery during an accelerated 8-week time semester**. This requires students to both self-manage and self-monitor their time, energy and learning outcomes. Although the course delivery is online, the professor is available every week for online and/or face-to-face interface. The Canvas Learning and Teaching platform is a Web-based system accessible from any Internet-enabled device (i.e., desktop, tablet, mobile phone). You **MUST** log in to this course a minimum of two times each week (Sunday – Saturday), beginning with the first official day of the semester. Please note that Canvas records all of your online activity.

COURSE PROFESSOR

Dr. Lou E. Pelton

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COURSE INTRODUCTION

This course critically evaluates Grove's bold assertion cast against a backdrop of ever-changing industry and market conditions. Economists had been hopeful that growth in emerging markets could *decouple* from fluctuations in public policy (i.e. trade agreements and tariffs, the unparalleled surge of market strength and growth in both China and India, and increased threats to data and intelligence governance. Recent discussions about emerging issues in the global marketplace have major impact of multinational companies' marketing strategies and tactics. Consider some of these current events and their ensuing impact on market and marketing plans.

- The death of NAFTA and the signing of a new U.S.-Mexico-Canada Agreement (2019).
- The Pro-Democracy movement in Hong Kong and the compromise of Basic Law, influencing currency flows, retailing, and distributive practices.
- President Trump's renegeing on the Trans-Pacific Partnership (TPP) signed by his predecessor President Barack Obama. The architecture of the TPP (formerly TPA) was the Asia-Pacific Economic Cooperation [APEC] Business Advisory Council and Trade Ministerial. APEC includes 21 member economies in APEC.
- The ongoing trade war between the U.S. and the People's Republic of China.
- The persistent lack of uncertainty in Central and South America, focal markets for foreign direct investment (FDI).

These political and economic issues invariable reinforce the relevance and timeliness of the issues we will address in this course. This course considers the rising impact of both macro- and micro-environmental factors on the value chains underlying global consumption and market dynamics. A recent *BusinessMonitor* report suggests:

In recent years, the rise of 'Chindia' has been hailed as a globally transformative phenomenon one that marks a historic shift in wealth and power from West to East. Indeed the integration of China and India into the world economy has brought a third of humanity onto the radar of global businesses and investors. Consequently, we can barely speak of a global economy nowadays without China and India.

Top 5 countries for FDI inflow in Central America



Indeed, the first half of the 21st-century will be characterized by significant shifts in the manufacturing, distribution and consumption of products and services. *How will the recent developments in the political-economy impact “free trade” and extant trade policies?* The integration of business processes across the supply chain has had an important impact on decision-making in a globally-connected, technology-enabled marketplace.

“In a more integrated global economy, capital, labor and technology are freer to combine in new and more efficient ways. Companies can use the entire world to carry out their production processes, realizing significant cost savings that can be passed on to consumers. ... The decline in shipping costs—particularly air freight, with its fast delivery—allowed producers to broaden their range of physical inputs. In a similar way, cheaper communications have given service companies incentives to globalize their information operations” (Annual Report, Federal Reserve Bank of Dallas).

As transitional and emerging economies mature, foreign entry, local marketing and global management become compelling issues in the design and implementation of marketing strategies. In this course, there is an emphasis on the rapidly changing nature of global markets and implications for the desirability and potential profitability of these markets. Significant sources of threats and opportunities, along with those internal resources necessary for coping with the external environment will form the core material of the course.

Many presume that international marketing efforts in the U.S. are constrained to multi-national corporations based in Los Angeles, New York or Miami. The reality is that Dallas-Ft. Worth is a prominent region contributing to international trade. From points-of-production to points-of-purchase, the Dallas - Fort Worth business region is a hub of international marketing activities. For example, Dallas has also become a leading inter-modal distribution hub for global imports and exports:

“The Dallas Logistics Hub is the largest new logistics park in North America, with 6,000 acres master-planned for 60 million square feet of distribution, manufacturing, office and retail developments. The Hub will position Dallas as the number one trade hub in the Southwest region and serve as the primary gateway for the distribution of goods to the major population centers in the Central and Eastern United States” (<http://dallaslogisticshub.com/the-hub/>, 2019).

Consider the maturing of the Alliance Intermodal Distribution Hub, just a short drive from our University of North Texas – Denton campus:

“Texas' location, geography and diverse economy offer unique trade opportunities with other states and countries. Texas has a number of ports of entry, including seaports, inland ports and border crossings, which facilitate the movement of imports and exports. Texas ports of entry contribute to the state and local economies, each in a very distinctive way. The State of Texas was responsible for nearly \$650 billion in international trade in 2015. Of Texas' total international trade, \$71.1 billion or 11.3 percent attributed to cargo arriving and/or departing by air through the state's air/multimodal ports. In 1990, Hillwood Development Company (Hillwood), partnered with the Federal Aviation Administration and the city of Fort Worth to open Fort

Worth Alliance Airport as the world's first industrial airport. Since its inception, AllianceTexas has received more than \$8 billion in public and private investment, . . . The Alliance Global Logistics Hub is one of Texas' two intermodal logistics facilities connecting air, road and rail (Port San Antonio being the other), allowing businesses to take advantage of and provide services for trade arriving via all three modes of transportation. . . ." (<https://comptroller.texas.gov/economy/economic-data/ports/alliance.php>, 2019).

The Dallas/Fort Worth area is home to more than 100,000 businesses and 2,000 corporate headquarters, ranking 3rd in *Fortune 500* corporate headquarters. These area businesses are also responsible for producing about one-third of all goods and services in Texas. Multinational corporations like *AMR, Brinker International, Exxon Mobil, Frito-Lay, Kimberly-Clark, Mary Kay, State Farm, Toyota North America*, and *Texas Instruments* are sourcing and selling products across the world. The next time you order baby-back ribs at your local *Chili's*, consider that others are doing the same thing in places like Beirut, Lebanon; Kuala Lumpur, Malaysia; Monterrey, Mexico; and Wollongong, Australia. These changes cast against the rise of technology-enabled omni-channels illuminates the challenges that marketers face in a dynamic global economy.

Globalization and Glocalization

From *Chili's* to *Pizza Hut*, the globalization of Western-based food franchises have significantly impacted food consumption trends across the world. Please consider the most globalized restaurant chain in the world: *McDonald's*. From Argentina to Zimbabwe, McDonald's has become a global icon. *Chili's McPalta* Indonesia's *McRice*, Japan's *Ebi-Chiki McBurger*, and Singapore's *McSpicy* are just a few examples of the global menu offerings from McDonald's across the globe. Sociologist George Ritzer uses the term "McDonaldization" to describe the process by which societies take on many of the dimensions of a fast-food restaurant chain. In his review of *Golden Arches East: McDonald's in East Asia*, he comments:

"In the terminology of the day, we are witnessing the process of "glocalization." Yan finds that in Beijing McDonald's is a place to "hang out," it is a family setting, and there are personalized relations between staff and customers. All of this has led to the elimination of the "fast" from fast food. Watson argues that in Hong Kong, McDonald's has been appropriated as a local institution, and in any case change is so rapid there, as well as in the global world of McDonald's, that is impossible to distinguish between what is local and what is not. Wu demonstrates a similar process of localization in Taipei, but his key point is that the transnational has led dialectically to the "hyperlocal"²

Throughout the course, you will read and hear about doing business in markets around the world. Given both the expanse of and idiosyncrasies across countries, it is not possible to evaluate each country's market setting. Instead, we evaluate markets as they relate to economic and market development. In this course, there will be as a disproportionate emphasis on emerging markets. However, you will have an opportunity to conduct in-depth inquiry into any market setting in the world.

COURSE PERSPECTIVE

An African proverb counsels that "No one tests the depths of a river with both feet." Yet, there are countless examples of organizations who literally dive in to new markets, exploring the depths of market opportunity while attempting to stay afloat in the perilous waves of social, cultural, economic and political uncertainty. You have enrolled in this course during a time of heightened international economic and geopolitical unrest. It may be especially useful for you to stay abreast of current events across the globe. Consider the ancient Chinese fable titled "His Spear Against His Shield." It goes like this:

"A man of the state of Chu had a spear and a shield for sale. He was loud in praises of his shield. 'My shield is so strong that nothing can pierce it through.' He also sang praises of his spear. 'My spear is so strong that it can pierce through anything.

²Ritzer, George (1999), "Contemporary Urban Japan: A Sociology of Consumption," review of *Golden Arches East: McDonald's in East Asia*, *Contemporary Sociology*, 28(January), 68-70.

'What would happen,' he was asked, 'if your spear is used to pierce your shield?' It is impossible for an impenetrable shield to coexist with a spear that finds nothing impenetrable.

Centuries later, President Richard M. Nixon, the 37th U.S. president, noted that "The Chinese use two brush strokes to write the word 'crisis.' One brush stroke stands for danger; the other for opportunity. *In a crisis, beware of danger – but recognize opportunity.*"

PEDAGOGICAL APPROACH

This is a graduate-level seminar, and the course *does not* review rudimentary principles underlying international marketing practice. Rather, it requires students to critically evaluate concepts, theories and practices that relate to organizations' marketing decisions that confront the perils and promise of the global marketplace. However, some course participants may need to review basic international marketing practices. If you want recommendations for books and/or articles that may facilitate a review of rudimentary principles underlying international marketing practice, please email Dr. Lou E. Pelton (pelton@unt.edu).

Distance Learning Platform: Canvas

All of the course content for this course is supported via *the Canvas learning and teaching Internet platform*. Accordingly, you must become adept at accessing and using Canvas. Training courses are available through the Center for Distributed Learning. Should you encounter any problems at any time, it is your responsibility to contact the Help Desk. There are several important issues regarding *canvas.unt.edu*

- The instructor does not have the authority or access to manage the hardware, software and/or network systems. Therefore, students must contact the Canvas Help Desk directly for assistance. It would not be wise to email the instructor if you encounter any systemic problem with *canvas.UNT.edu*.
- Most of the initial problems confronted by students attempting to use Canvas are related to the Internet browser and related settings on a non-UNT computer system. The Canvas site recommends that you conduct an on-line check of any non-UNT system to enable or improve Canvas performance.

Experiential Learning

To accommodate 100% on-line administration, the pedagogical approach is an experiential learning approach. What is experiential learning?

"Learning from experience by yourself might be called "nature's way of learning". It is 'education that occurs as a direct participation in the events of life.'³ It includes learning that comes about through reflection on everyday experiences."⁴

The experiential learning platform requires that you to actively participate in discussions and self-learning projects, applying your skills, knowledge and experiences to real-world decision scenarios related to global marketing practice. To advance your knowledge, there will be a variety of articles that are required readings throughout the semester. The citations for these readings will be provided to you. Due to copyright laws, you will need to procure on these articles from the library. Most of the articles can be obtained through the University of North Texas electronic library resources (<http://irservices.library.unt.edu>); others can be obtained through Google searches. In some cases, you may have to photocopy a hard-copy of the article because it may not be available in an electronic

³Houle, C. (1980) *Continuing Learning in the Professions*, San Francisco: Jossey-Bass, 221.

⁴Jeffs, T. and M.K. Smith (2005) *Informal Education. Conversation, Democracy and Learning*, Second Edition, Ticknall: Education Now.

format. In addition to these readings, you will be required to procure and watch video content.

COURSE ASSESSMENT

Global Marketing Quizzes (200 points). There will be three online quizzes in this course administered through Canvas. Each quiz will address any and all materials delivered or accessible on the course web site.

Experiential Exercises (200 points). You will be required to do two experiential exercises that assess your ability to apply principles of global marketing to your real-world decision scenarios. Each experiential exercise will be evaluated based on the following four criteria:

- Critical development (25%)
- Supporting Documentation/Research (25%)
- Written presentation (i.e., spelling, grammar and organizational flow) (25%)
- Conclusion or summary statement(s) (25%)

The final grade will be based on total cumulative points earned in the assignments above. Letter grades will be based on the following:

A	B	C	D	F
900 – 1000 points	800 – 899 points	700 – 799 points	600 – 699 points	Below 600 points

PROFESSOR ACCESS | COURSE RESOURCES

The University of North Texas Faculty Handbook mandates that “each faculty member is required to list and maintain office hours within their department... so that students can have access to their professors.”

- **Electronic Communication.** The *Canvas* site affords you 24/7 access to course information from virtually any computer with an Internet connection. For interactive communication, you are encouraged to communicate with the instructor by telephone, by text, via email (preferred) or face-to-face. We can also arrange an online, computer-mediated face-to-face meeting (i.e., Zoom or Skype).
- **Face-to-Face Meetings.** The instructor is available to meet with you at most times. Officially, office hours will be Tuesdays from 10:00 – 11:00 a.m., and by appointment. Please note that an instructor’s professional obligations may require out-of-town travel during the semester. These trips are part of the instructor’s contributions to advancing marketing theory and practice. The course schedule is designed to minimize any impact on student learning or professor access.
- **Telephone Access.** The instructor may be reached at 972.333.3132 between the hours of 8:00 a.m. and 9:00 p.m. daily. You can always text a message. Please note that the mobile phone uses “RoboKiller” software and may identify your phone number as a “Spam” call. In this event, please contact me via text or email. In the event that the instructor is unavailable, a voice mail system will instruct you on the procedures for leaving a message. Please speak slowly and clearly, and remember to leave a number where you can be reached. You may also reach the departmental support staff at 940.565.3130 during the hours of 8:00 a.m. and 5:00 p.m. Mondays through Fridays, except on official university holidays.

Course Textbook: The textbook for this course is customized to accommodate the AOP 8-week format. To access the textbook, you will click on the following link

<http://services.cengagebrain.com/course/site.html?id=3990020>

COURSE POLICIES

Academic Integrity. Each course participant should be fully aware of the policies and guidelines for academic honesty in the University of North Texas *Student Guidebook* and on UNT's web page (www.unt.edu). The *Student Code of Conduct* and an abbreviated list of other rules, regulations and policies are available from the Dean of Students. Plagiarism is a serious compromise of academic integrity. Please be certain to cite any reference. Materials copied verbatim must be in quotation marks with a correct citation documented within the text. This applies to any and all materials taken from any resource, especially from the Internet. It is strongly recommended that you do not use Wikipedia or Google for secondary research searches – that is for high school and undergraduate students. The University of North Texas boasts one of the most extensive electronic databases of resource materials (articles, books and other media), and I expect that you will use the following portal for research related to your experiential exercise assignments: <http://library.unt.edu>. From the portal, you may wish to use EBSCOHost, and check databases such as Academic Search Complete; Business Source Complete; Newspaper Source; and other sector-specific resource outlets. Another great research portal is IbisWorld, a great resource for industry and/or sector information. The University of North Texas has both on-line and in-person tutorials to assist you with learning how to use these resource databases.

All written assignments are encouraged to be edited using a free online application: www.grammarly.com and I strongly encourage you to take advantage of the University of North Texas – Denton “Writing Center.” For assistance with bibliographic or citation formats, you may choose to consult www.citefast.com