

PEPPERDINE UNIVERSITY
ECNM 478
International Business
Summer 2018
Dr. Sean D. Jasso

CRITICAL ANALYSIS TWO

Introduction and Guidelines

As stated in our syllabus, “the critical analysis provides you with the opportunity to demonstrate ownership of the material by synthesizing our readings with the *initial* research of your Global Enterprise Project (GEP).” The purpose of your *second* critical analysis is to move you deeper into your research for your Global Enterprise Project (GEP). Please answer and develop each question as thoroughly as possible, providing rich detail from our readings and discussions. The organization of your response, the depth of your analysis, and the sophistication of your critical thinking are the key elements of your evaluation.

The central themes include:

1. On Global Strategy
2. On the Global Value Proposition
3. On the Global Value Chain
4. On Global Management

The total value of this exercise is 25% of your course grade. Each segment is worth a total of 25 points. The guidelines include:

- Ten pages, single-spaced, 12 point, Times New Roman font, business block format, justified margins (our syllabus follows this format) is your minimum target
- Effective use of subheadings, page numbers and professional presentation is expected
- You may use *footnotes* to cite references. Additionally, please include a references page.

Segment One – On Redefining Global Strategy – Where Differences Still Matter

- a. This question allows you to explore Ghemawat’s central objectives – *global prosperity and how to achieve it* and, more directly, *the world isn’t flat and distances still matter*. We will explore the *problems* and *choices* he asserts and attempt to move close (if possible) to an approach *you* will take as either the future manager of a “global” firm, or a stakeholder in the so-called “global economy” or both. Include the following in a broad discussion of ‘globalization’:
 - i. Dr. Pankaj Ghemawat’s contribution to the scholarship on globalization – what is he teaching us? Consider reflecting on his major models (AAA, CAGE, others)
 - ii. A recommendation for Dr. Ghemawat – consider a constructive criticism – or, your criticism can be a proclamation of his significant contribution. Repetition in his narratives isn’t an effective criticism.
 - iii. Identify your personal philosophy of globalization and the strategy/approach that best supports your view on the best way forward for the modern corporation to create value for itself and for the market.
 - iv. On your GEP – identify the **three** most urgent *differences (distances if you prefer)* requiring significant risk management to ensure the sustainability of the firm’s competitive engagement with the foreign market.

Marketing mix

• tool for customer creation

• integrated marketing communication (IMC) - use of the marketing mix

Product (customer solution) → Price (customer cost) → Promotion (customer communication) → Place/Distribution (customer convenience) → Positioning (customer mind)

Segment Two – On the Global Value Proposition

a. Referring to de Kluyver's segment on *value proposition adaptation decisions*, identify and concisely discuss the major issues pertaining to your company/country enterprise opportunity. Additionally, from the *value proposition globalization matrix* model, which generic strategy fits your company/country endeavor best and why? Consider the following issues to help guide your answer:

i. Product standards, geographic and climatic issues, commercial infrastructure, buyer preferences, packaging design, cultural differences, standard of living and purchasing power of target market.

b. Lastly, provide a high-level, yet concise synopsis of the following:

i. **Marketing mix** – in host country (think within the context of the 4 Cs)

ii. Marketing strategy – general overview of the marketing plan (catalog of primary tactical maneuvers to market the product in host country)

□ I will provide a basic marketing plan template

iii. **Brand Management** – characterize your company's *global brand structure* as either: corporate-dominant, product dominant, or hybrid.

□ Lastly, explain how your corporate brand meets or falls short of the *best global brands* criteria – what should be done to improve or sustain the brand's position?

Segment Three – On the Global Value Chain Infrastructure

a. Define your company's core competencies that define your competitive advantage. Discuss in detail (much of this can be supported by your FSAs). *firm specific advantages*

b. De Kluyver contends that globalizing your firm's value creating infrastructure (value driven activities from the sourcing of raw materials, to manufacturing to distribution and customer service to name a few) must decide on the following three major avenues:

• which activities to perform *in-house* or *outsource*

• develop the right *partnerships* to support a company's globalization efforts

• implementing a suitable *supply-chain management* model

□ Respond to each of the above three bullet points whereby you identify and discuss the major strategic issues pertaining to developing and maintaining a successful *global value chain*

Segment Four – On Global Management

Ultimately, you must engage in the general management of the organization abroad. Approach the following questions within the context of what De Kluyver refers to as the *global mindset*:

a. Identify and discuss the actual vision and mission of the organization.

i. In your opinion, are these statements strong enough to facilitate a global component of the home firm? Explain.

b. "Think Global Act Local" and "Think Local and Act Global" – how do these mantras differ and what is the best approach for your company's successful globalization strategy? Explain in detail.

c. Define your company's *corporate global management mindset* by articulating the following four primary factors:

i. Top management's view of the world

ii. The company's strategic and administrative heritage

iii. The company's dominant organizational dimension

iv. Industry-specific forces driving or limiting globalization