

International Strategy

A26E03101 6 ects

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Who are we? Minna Söderqvist

HSE degrees in IB: 2002,
2001, 1991

HSE:

- researcher at CIBR
- supervisor of BBA and Master's theses
- peer supervisor of Doctor's theses
- Teacher

Helsinki U. of Technology:

Senior Advisor (International Strategy)

Kyminlaakso UAS & Helia:

Principal Teacher and Team Leader (KYAMK)

Academy of Finland:

Science Advisor

Aalto University:

Senior Advisor, Doctoral Education

- Selectronia Oy →
Ryijypalvelu-RP Oy
- Ca 25 years: teacher, supervisor, int.
coordinator, mentor, various development work at
HEIs
- 3 years as Brand
Manager for Swatch, Flik
Flak and Casio watches

Who are we? You!

- Who?
- Why here?
- Where do you work?
- Does your work include global marketing management?
Wishes to this course?
- Other important issues to be mentioned?
- Would you have a case for your group?

Welcome to this course of international strategy!

- The course is practice-oriented.
- Upon completion of the course, students should know how to:
 - prepare a global product launch and marketing campaign
 - analyse market-and customer-related data
 - collaborate in culturally diverse teams
 - communicate effectively in an international setting
 - make a competitive presentation (written and oral)

Core issues of the course

- Can be read from the Course Description at MyCourses

**10 sessions between 23rd September and
18th November**

Course Objectives- Learning Outcomes

- 1) Why and how do firms internationalize?
- 2) What are the advantages and disadvantages of different entry modes and internationalization strategies?
- 3) How to conduct successful international negotiations?
- 4) How to best manage international operations?
- 5) How to design and manage different entry modes?

Some Guiding Principles

- Interactive learning
 - Use of a variety of methods (individual and group assignments at home and in class, cases, visitors, forum, live case, final project)
 - Attending at least 70% of classes is mandatory to pass the course
 - Be prepared to not only be present but also to participate in discussions and other activities actively
 - No exam – show your knowledge in assignments
 - Arrive on time – especially for guests
 - DL 12th Feb
 - Course description includes A LOT - check it
 - Please choose a seat you like and stay in it so that it is possible to grade class participation (quality)
 - Let me know if you drop the course
 - Ask questions if things unclear
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My courses page <https://mycourses.aalto.fi/course/view.php?id=26238>

- You'll find Course Description
- You'll find details of lesson materials (not any more allowed to give you pdfs)
- You'll find places where to add your contributions
- Finding articles is also preparing you for your future - please use Aalto library's e-services + internet to find the material needed – advice is given how

Evaluation criteria

- Assignments (group work) 35 %
 - Active participation in all lessons 20 % - (10x2p + 2 bonus)
 - Final course report (individual work, two parts report + video) 45%
 - Deadlines non-negotiable
 - Grading scale
 - 0 - 49p = 0 = fail
 - 50 – 59p = 1
 - 60 – 69p = 2
 - 70 – 79p = 3
 - 80 – 89 p = 4
 - 90 – 100p = 5
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Written reflection report (4-5 pages; Arial 11 with 1 spacing; margins 2 (left),1 (up),1 (down) ,1 (right))

- Look back and reflect on your learnings during the course – remember there is no exam
- Discuss ALL the topics covered by the course
- Keep writing your thoughts during and after every lesson
- Write in business style: brief, concise, conclusions, arguments, justifications
- You should reference at least 12 articles from the course when discussing your key learnings. No extra articles needed. Please discuss also key learnings that you have had but do not relate to any articles.

Video on key learning (3-7 min) – incl a URL in your report – NO video files

- Select one interesting learning point from the course:– Readings, visitors, cases, or any other component
- In the video: Explain the selected item, what it is about and why it is interesting and useful
- Use different ways to argue for your point
- Consider this as a sales pitch for your learning point
- Your audience: Master's students who have not taken this course
- Choose freely your format, focus on content and clear message, technical quality/special effects not important
- Individual but others may assist you in shooting it

Live case – maybe your own proposal, maybe the companies I asked from

- Ex how to internationalise a company to a selected market
- Which are the most important steps – why those?
- Does the product need customising? Why , why not
- Which market entry mode to use, why?
- What is needed from the personnel? Does that company have it already?
- What other assets are needed? Why?

Cocktail Party

- Getting to know each other a bit
- Forming groups
- Get your phone numbers, email addresses, make a whatsapp group, google drive,
- Contact info of those who did not get an email from me to the paper that is circulating

International business

- 1970s Nehrt, Truitt and Wright: IB concerned with firm level activities crossing national boundaries
- Calls for extension of the term

Why do companies internationalise? What are the challenges of internationalisation?

- Get into groups
- Find answers to the questions
- Are there different reasons for manufacturing and service companies? SMEs and MNEs? Origin of the company?
- Try to describe real situations/challenges you know of – own experience, parents, friends, group members
- Then, draw a figure/ put some notes to MyCourses
- We'll have a plenary discussion based on them

Internationalisation Frameworks 1/2

- Peng & Meyer: Institution-based view (informal and formal rules – external environment) + resource-based view (firm's internal resources and capabilities, possibilities to handle the lack of familiarity)
 - Luostarinen: push and pull factors to growth (where p.363) □ POM + lateral rigidity + business distance + stages model
 - Uppsala: stages + psychic distance + increasing commitment □ Coviello & Munro: network internationalisation models + network relationships
 - Born globals: Oviatt & McDougall, Kirpalani & Gabrielsson, Autio...
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Internationalisation Frameworks 2/2

- Dunning – Eclectic model (=Ownership Location Internalize model)
- FDI models
- European vs American vs Asian...

Some terms – See also ch 1

- International business
 - Globalisation
 - MNE/MNC vs SME
 - FDI
 - GNP
 - NGO
 - Risks: cross-cultural, country, currency, commercial
 - Born global
 - Emerging market
 - BRIC, Asian Tigers (Hong Kong, Taiwan Singapore, South-Korea)
 - Expatriate assignments
 - Global Economy
 - Finland's /Your country's position in the world trade
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