

Doing Business in Emerging Markets

Credits: 6

Schedule: 06.05.2024 – 17.06.2024

Contact information for the course (applies in this implementation):

Instructors' contact information:

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Overview

The rise and transformation of emerging market economies around the world over the past three decades is clearly one of the megatrends of this century. The role of emerging markets is significant not only because of increased cross-border trade and investment in these economies, but also because of their impact on the societal, (geo)political, and cultural trends on the global scale. As such, developing an understanding of whether and how to do business in emerging markets is no longer an option for most firms but a necessity.

This course aims to untangle the rewards and challenges and chart opportunities for doing business in emerging markets. These markets are often associated with high uncertainty, turbulence, and volatility, yet they also present tremendous business opportunities. Moreover, businesses that are adept at operating in such “VUCA” (volatile, uncertain, complex, and ambiguous) environments, and can adjust rapidly to an altered business context, are likely to be more resilient in the times of increasing radical uncertainty and global disruptions.

The course will explore a wide range of issues relating to why, under what conditions, and how to do business in and with emerging markets. During the course we will a) discuss the common characteristics, pathways to economic transformation, opportunities and challenges presented by the emerging markets, b) introduce the internationalization strategy alternatives for entering emerging markets, c) discuss the internationalization strategies of the emerging market multinationals; d) present the ways to manage the operations, people, and government relations in emerging markets, e) provide insights on the marketing communication strategies and digital marketing activities in emerging markets, f) discuss the role of the companies in development actions in emerging economies aimed at accomplishing the sustainable development goals (SDGs), and g) engage in the discussion about the new geopolitical era of international business and the role of political risk in emerging markets (with the specific focus on Russia).

Learning Outcomes:

Upon completion of the course, you will be able to:

- Critically assess the opportunities and risks associated with doing business in emerging markets;
- Understand the key factors influencing strategic choices of the firms expanding abroad into/from emerging markets;

- Understand and apply conceptual frameworks to situations facing firms when operating in emerging markets;
- Understand ethical dilemmas facing firms and employees in emerging markets.

Assessment Methods and Criteria:

The course assessment will be based on the following components:

- Assignment 1: reflection on pre-readings (40%)
- Assignment 2: Individual or group final course report (50%)
- Assignment 3: Participation in the discussions (10%)

To get credit for the course, 70% of the lectures must be attended (7/10). The class takes place online. You are expected to be on time and prepared to participate actively during the course sessions.

Final grade (0 to 5) is based on the points below:

0-49 points = 0
 50-59 points = 1
 60-69 points = 2
 70-79 points = 3
 80-89 points = 4
 90-100 points = 5

All assignments must be submitted in order to get a final grade for the course. General feedback is given during the lectures and/or on MyCourses following the submissions. Specific feedback could be given personally for students upon request. Note that turning in class assignments is considered acknowledgement of guidelines on scholastic honesty and academic integrity (see the end of the document).

Assignments description

1. Reflection on pre-readings (40%):

Reflection on given readings (max. 2 pages per reflection, font 12, line spacing 1.0)

- Summarize the key points and lessons of the articles (1 point);
- Discuss how these points and lessons relate to some piece of news about an emerging market (2);
- Discuss whether the points confirm or refute your practical knowledge or intuition (2 points).

Businesses environment in emerging markets is often volatile, uncertain, and changing rapidly. Keeping yourself updated with the most recent news in these markets would help you to anticipate changes and adjust rapidly to an altered business context. This assignment offers you an opportunity to create a routine of following the news from emerging markets on a regular basis and engage in their discussion with the course instructors, company visitors, and fellow classmates.

Moreover, with this assignment, you will practice applying theoretical knowledge on practice. After reading the assigned materials, reflect on your experience during working or studying, how the points discussed in the reading explain these experiences, or maybe how your experiences differ from what is discussed in the readings. If you cannot identify any relevant experience, try to think what surprised you in the readings, how it differs from your perspective and assumptions before the reading. With this reflection, it is easier to gain deeper and lasting understanding of theoretical concepts.

Deadline: before most course sessions

Evaluation: maximum number of points is 40 (5 points for each of 8 reflection papers)

NOTE! Late submissions will be penalized by a 50%-point reduction

2. Final report (group or individual assignment) (50%):

The final course report represents a re-cap of the course learning, which reflects all topics covered in the course during the lecture sessions. The report should comprise theoretical grounds provided in the course literature, as well as empirical evidence discussed in the classroom and gathered independently.

The report consists of two parts. The **first part** presents a critical analysis of the specifics of business environment that need to be taken into account when considering a market entry in one selected emerging market, which the students choose themselves. This part should strongly rely on the theoretical concepts introduced in the classroom and offered in the course reading materials (make sure to use proper referencing). The **second part** of the report is empirical. It includes your in-depth analysis of a) one foreign case company, which entered an emerging market selected in Part 1 and either is still present there or has exited at some point of time, or b) one emerging market case company, which has expanded abroad either into other emerging markets or advanced economies.

You cannot choose companies that were included in the case discussions. Otherwise, your choice of the company is not limited by any criteria besides information availability. You may collect primary information or do the assignment entirely with secondary data. In your case analysis, you can focus on one of the several aspects of firm's business operations in an emerging market: e.g., market entry strategy, growth strategy, marketing strategy, innovation strategy, people management, or sustainability.

The work is graded for quality, as reflected in the rigorous execution, strong argumentation of the opinion you present, and clarity of reporting. The length of the report should not exceed 10 pages including references and potential appendices (font 12, line spacing 1,0; reference style APA).

Deadline: 17 of June

Evaluation: Maximum number of points is 50 (Part 1 - 25 points; Part 2 - 25 points)

NOTE! Late submissions will be penalized by a 50%-point reduction

Details on the schedule (applies in this implementation) – subject to change

Session	Date	Topic	Assignments
1.	06.05.2024 17:00-19:45	Introduction. What are the emerging markets?	
2.	08.05.2024 17:00-19:45	Geopolitical risk in Emerging Markets. Case of Russia	Reflection 1
3.	13.05.2024 17:00-19:45	Emerging Market Multinationals. Latin America case	Reflection 2
4.	16.05.2024 17:00-19:45	Expansion to Emerging Markets. Case of India <i>Jhoomer Chandra</i>	Reflection 3
5.	20.05.2024 17:00-19:45	Business environment and market of MENAT region.	Reflection 4
6.	23.05.2024 17:00-19:45	Business environment and people management in China <i>Linyu Liu</i>	Reflection 5
7.	27.05.2024 17:00-19:45	Business environment and community engagement in economic activities in Africa	Reflection 6
8.	30.05.2024 17:00-19:45	Feedback meeting for the final report	
9.	03.06.2024 15:00-17:45	Marketing mix and digital marketing in China; Aalto Case; Conclusion of the course. <i>Rixin Jiang from Nordic Friend</i>	Reflection 7
10.	06.06.2024 17:00-19:45	Feedback meeting for the final report	Reflection 8
			Final report due on 17.06

Workload:

Contact teaching 30h
Independent work 130h
Total 160h (6 ECTS)

Study Material:

A reading package consisting of academic and managerial articles.

Ethical rules

Aalto University Code of Academic Integrity and Handling Violations Thereof:

<https://www.aalto.fi/en/applications-instructions-and-guidelines/aalto-university-code-of-academic-integrity-and-handling-violations-thereof>