

MKT 622 – Country Manager (Simulation)

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Introduction

Computer based simulations are an invaluable tool for learning and applying business concepts. For students, simulations offer the opportunity to experience much of the realism of making business decisions in the classroom. They can sharpen their strategy formulation skills or learn about market dynamics. In this course students will be able to apply their theoretical and conceptual knowledge of marketing strategy and international marketing in a hands-on application exercise. The course focuses on the computer simulation Country Manager. This is a computer assisted management simulation pertaining to the managerial issues arising when companies plan and execute market entry into new countries. The exercise is designed to allow students to experience the challenges in international marketing by playing the role of a category manager for a major consumer products company.

This course is taught as a 1-day seminar on April 6, 2017, from 09:00 am to 17:00 pm in the WI-Pool, L7, 3-5, Room 3.58. There will be a kick-off meeting held on March 23, 2017, from 10:15 am to 11:45 am (B2) in L9, 1-2, Room 001. Attendance at the kick-off session and the simulation session is mandatory. For the Country Manager Simulation, students will work in small groups.

Please note that this is a graduate level marketing course. This course is not appropriate for students without prior exposure to marketing. It is recommended that participants have completed at least one course in international/global or strategic marketing and/or are currently enrolled in Global Marketing (MKT621).

Course Registration & Organization

Please note that it is mandatory that you apply for this course as we have a restricted capacity of 32 students. The application process is organized via the student portal². Students will be assigned to a specific simulation team. The team allocation will be communicated during the kick-off session. For organizational reasons, team switching is not possible.

Country Manager Simulation

Played from the perspective of a domestic manufacturer of consumer products determined to expand into Latin American markets, Country Manager encompasses the international dimensions of marketing and business. Students experience market entry and expansion as a category manager for Allstar Brands, a major consumer products company. The U.S. market has matured, and Latin America has been identified as having the best potential for future growth. The toothpaste brand management team must decide which out of six pre-selected Latin-American countries is most attractive for their Allsmile brand and how to expand their presence throughout the region. Local or regional strategies can be developed and implemented using customized and/or standardized marketing programs. Countries being considered for expansion include Argentina, Brazil, Chile, Mexico, Peru, and Venezuela.

The Country Manager simulation will allow students to explore the following topics in an interactive and engaging environment:

- Market Entry: Which markets to enter? In what order? At what time? How to determine country attractiveness and market potential?
- Type and Mode of Entry: Local production versus exporting; distribution through a company sales organization versus indirect wholesales; managing types and modes of entry over time.
- Segmentation, Targeting, and Positioning: Which segments to target? How to position brands for the chosen segments?
- Product Management: Global product, adapted product, or local product? How to choose appropriate products for a market from an existing set?
- Pricing: Pricing to meet local market conditions versus multi-country pricing consistency. Grey market impact of large across-market price differences. Pricing for profit.
- Advertising and Promotion: Using standardized home country ads versus developing local campaigns (cost and customer trade-offs). Allocating budget across advertising and other promotional expenditures. Different advertising and promotional objectives across markets.
- Distribution: In addition to the mode of entry issues raised above, decisions will be made about the allocation of sales force to types of accounts, implying the relative emphasis on channels.

Your decisions on these issues will then be incorporated into a computer-simulated market to reveal how both you and your competition performed. Decisions cover a time-span of 7 to 8 simulated years, allowing you to observe both the short-term and long-term effects of your decisions.

It is mandatory that you prepare for the simulation by reading the provided simulation manual. Well prepared students benefit the most from their simulation experience and good grades correlate with good preparation.

Performance Assessment

The course has the following grading components:

1. Simulation Performance	50%*
2. Strategy Outline	25%*
3. Final Report	25%*

*We will conduct a peer rating to minimize team free-riding. For this peer rating, each team member will evaluate the performance of all other team members. Team members with consistently higher/low group evaluation will receive a higher/lower grade than the rest of the team.

1. Simulation Performance

Teams will be graded on their performance in the simulation. Overall contribution and brand equity measures will be taken into account when evaluating simulation performance. We will also look at the overall situation and competitiveness of the company at the end of the simulation and gauge its future prosperity (i.e., maximizing revenues by reducing your company's assets in the last period will hurt your grade).

2. Written Assignment: Strategy Outline

Each group needs to write a strategy outline – the road map for the first round of the simulation. Even though we only ask you to submit your strategy report for Year 1, we recommend that you make decisions about your general international marketing strategy (your strategic thrust) for your entire endeavor in Latin America. Before working on your strategy outline, it is necessary to read the Country Manager manual. The goal is to determine what strategy you want to set and how to implement it (i.e., what decisions you will need to make) in order to best explore the opportunities of the Latin American market. Your strategy outline should not exceed **2 pages** of text. You may add as many exhibits as you like. All exhibits must be referred to in your text.

Organize your strategy outline as follows:

1. Cover Sheet with group number, members' names, countries you plan to enter, date, and course.
2. Problem statement and introduction.
3. Situation analysis (opportunities and threats).
4. Market entry (which country/which countries to enter first).
5. Market segmentation and target marketing strategy (for the country/countries you enter first).
6. Positioning and marketing mix strategies (for the country/countries you plan to enter first).

Please hand in a printed version of your strategy outline at the beginning of the simulation day April 6, 2017. In order to submit the strategy outline on the day of the simulation you are required to orchestrate this team effort before coming to class. We will communicate team members' email addresses so that students can establish the contact with other members in your team.

3. Written Assignment: Final Report

Each group has to submit a report that describes the group's performance and the team's learning during the simulation. Your report must not exceed **3 pages** of text. You may add as many exhibits as you like. All exhibits, however, must be referred to in your text.

Organize your final report as follows:

1. Cover Sheet with group number, members' names, countries you entered, order of entry, date and course name.
2. Description of your group's success in implementing your original strategy.
3. Revisions that you made to your plan, why you made them, and the effects on your group's success (a period-by-period description of your decisions, assumptions and their effects on your results).
4. What you learned about being a country manager for a company expanding internationally.
5. Your Appendix should also include country performance information. Include the following information:
 - a. Last period net contribution (for each country and for the region as a whole),
 - b. Last period cumulative contribution (for each country and for the region as a whole),
 - c. Segments targeted and last period market shares (for each country),
 - d. Last period Brand Equity Index.

Please submit this final report on April 13, 2017, 12:00 (noon) at the latest via email to vonjanda@bwl.uni-mannheim.de. Please also submit your peer evaluations with the final report. Late submissions will not be considered.

Please note that you also have to register for the examination of the course via the student portal in the exam registration period! (This is only a formal requirement so that the registrar has a record of your enrollment. There is no exam for this course.)

Course Material

For this course, you will need to purchase a reader which contains the simulation manual. Readers will be available at the kick off session. The cost for the reader will be approximately 10 Euros which mostly subsidizes the license fees for the Country Manager simulation.

Course Outline

<i>Date</i>	<i>Topic</i>	<i>Assignments</i>
February 17, 2017	Application Deadline	Application via the student portal
March 23, 2017, 10:15 am – 11:45 am (L9, 1-2, Room 001)	Kick-Off Session Sale of Country Manager manual	Read Country Manager manual
April 6, 2017, 09:00 am – 17:00 pm (WI-Pool, L7, 3-5, Room 3.58)	Simulation Day	Submit strategy outline at beginning of the simulation session
April 13, 2017, 12.00 noon		Submit: <ul style="list-style-type: none"> • Final Report • Peer Evaluations