UNIVERSITY OF FLORIDA
Food and Resource Economics Department
AEB 4343 -- INTERNATIONAL AGRIbusiness MARKETING
Spring 2012 – Section 9755 – 3 Credits

Class Days & Time: MWF 7th period, 1:55pm – 2:45pm

Class Location: Room 1142, McCarty Hall, A-wing (MCC-A)

Course Homepage: UF Sakai website.

Prerequisite: A basic marketing course (e.g. AEB 3300) is recommended, but not required.

Instructor: Dr. James Sterns, 1177 McCarty Hall; Phone: 392-1826x222; jasterns@ufl.edu


Other Required Readings: (1) International Marketing for Agribusiness: Concepts & Applications (selected chapters; posted on webpage) (2) The Scientific Background paper for the 2008 Nobel Prize in Economics (webpage) (3) 1998 A Basic Guide to Exporting (selected chapters, available on line at http://www.unzco.com/basicguide/toc.html ) (4) Case Studies (text and handouts) and (5) other readings as assigned (handouts, webpage, etc.)

Office Hours: MWF 3pm to 4:45pm, or by appointment.

Learning Objectives: Prepare advanced undergraduate students to compete successfully in the global agribusiness sector. Help students understand international agribusiness marketing, develop a global perspective, and appreciate the unique requirements for success in international agricultural and agribusiness markets. Give students the opportunity to enhance their analytical and communication skills. Challenge students to think critically, to defend their positions with relevant logic and theory, and to achieve excellence.

Course Description: Principles, trends, issues, barriers, policies, strategies, and decisions involved in international marketing, with emphasis on perishable and storable agricultural commodities and food products. Combines firm-level agribusiness marketing concepts with strategic international agribusiness marketing and export applications. Includes development and presentation of an international agribusiness marketing plan.

Format: While the course includes lectures, the primary focus is on subject-matter discussions, the development and presentation of marketing plans by student teams, and case-study discussions led by students. Emphasis is on the facilitation of learning, realizing that the student must assume ultimate responsibility. The course is designed to be fair, encourage excellence, and provide opportunities for success. Successful students will be actively involved in subject-matter discussions, case-study presentations and discussions, and marketing-plan development, presentation, and discussion. Students should come to class prepared to contribute to discussions of assigned readings and case-studies.

Exams: There will be two exams, each accounting for 25% of the final grade (total 50%), covering information from lectures, discussions, case studies, and reading assignments. The specific date of each exam will be announced at least one week in advance of the exam. Target dates for exams are mid-February (tentatively Feb. 24) & early-April (tentatively April 11).
**Marketing Plan:** Students will be organized into management teams for the purpose of developing, writing and presenting international agribusiness marketing plans. Details are provided later in the syllabus. The marketing plan project accounts for 45% of the final grade. There will be a peer-evaluation instrument for team members. Individual team-member grades may vary based on levels of contribution to the project. Useful web-sites in addition to the assigned readings for the course include:

a) *Ag Exporter Assistance*, a U.S. Department of Agriculture Foreign Agricultural Service site, provides step-by-step assistance for companies considering exporting.
   
   http://www.fas.usda.gov/agexport/oldsitefiles/exporter.html

b) *Export Programs Guide*, a site maintained by the U.S. International Trade Administration, providing a comprehensive introductory guide to the many facets associated with developing export markets.
   
   http://export.gov/index.asp

c) *TradePort*, a repository of free information and resources for businesses seeking to conduct international trade to and from California. Created in 1996, TradePort is backed by an alliance of regional trade associations that assist California export and import businesses.
   
   http://www.tradeport.org/

d) *Country-specific GAIN Reports and FAIRS reports*, are reports generated by FAS/USDA field offices. As you attempt to identify potential export markets, these guides provide very detailed information about market opportunities and regulatory requirements in each country.

e) *The Export Institute of the United States*, a for-profit marketing and educational group not associated with government agencies, which over the past 47 years, has brokered $80 million in sales between U.S. exporters and foreign buyers and have established 300 agents and distributors for U.S. companies in 60 foreign countries.
   
   http://www.exportinstitute.com/agora.cgi

f) *Foreign Trade Online*, a global B2B trade portal, which is a privately owned and operated business dedicated to helping companies around the world with the opportunity to expand their business beyond their own borders.
   
   http://www.foreign-trade.com/

g) *UF FRED Center for Agribusiness Web Resources for Business and Agribusiness in Florida*, a site designed to provide those in the private sector, government and academia with useful and relevant web links related to exporting.
   
   http://www.fred.ifas.ufl.edu/agbuscenter/resources.php

**Contribution (Including Quizzes and Case Studies):** A student’s contribution is evaluated based on regular class participation, *positive, meaningful contributions* to discussions of reading assignments, including case studies, observable effort in the timely completion and mastery of reading assignments, observable effort in the development, writing and presentation of the marketing plan, and performance on quizzes and other written assignments. The contribution category accounts for 5% of the final grade.
**Course Grades**: Grades are neither rewards nor punishments; rather, grades are determined by performance on exams, quizzes, written marketing plan and presentation, case study discussion, and overall contribution to the class. Weights by category are as follows:

- **Exams (2 @ 100 pts each)** = 200 pts (50% of final grade)
- **Marketing Plan** = 180 pts (45% of final grade)
  - (3 interim reports @ 10 pts each)
  - (Final written report @ 100 pts)
  - (Final in-class oral report @ 50 pts)
- **Contribution** = 20 pts (5% of final grade)

Course grades will be assigned according to the following scale:

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<thead>
<tr>
<th>Course Grade</th>
<th>Percentage Grade</th>
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<tr>
<td>A</td>
<td>Your % grade =&gt; 91.00%</td>
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<tr>
<td>A-</td>
<td>91.00% &gt; your % grade =&gt; 90.00%</td>
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<tr>
<td>B+</td>
<td>90.00% &gt; your % grade =&gt; 89.00%</td>
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<td>B</td>
<td>89.00% &gt; your % grade =&gt; 81.00%</td>
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<td>B-</td>
<td>81.00% &gt; your % grade =&gt; 80.00%</td>
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<td>D+</td>
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**Academic Honesty for this course is specified and explained in the UF Honor Code.**

In 1995 the UF student body enacted an honor code and voluntarily committed itself to the highest standards of honesty and integrity. When students enroll at the university, they commit themselves to the standard drafted and enacted by students. In their words, the **Honor Code Preamble**: In adopting this honor code, the students of the University of Florida recognize that academic honesty and integrity are fundamental values of the university community. Students who enroll at the university commit to holding themselves and their peers to the high standard of honor required by the honor code. Any individual who becomes aware of a violation of the honor code is bound by honor to take corrective action. The quality of a University of Florida education is dependent upon community acceptance and enforcement of the honor code.

**The Honor Pledge**: We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity.

On all work submitted for credit by students at the university, the following pledge is either required or implied: "**On my honor, I have neither given nor received unauthorized aid in doing this assignment.**" The university requires all members of its community to be honest in all endeavors. A fundamental principle is that the whole process of learning and pursuit of knowledge is diminished by cheating, plagiarism and other acts of academic dishonesty. In addition, every dishonest act in the academic environment affects other students adversely, from the skewing of the grading curve to giving unfair advantage for honors or for professional or graduate school admission. Therefore, the university will take severe action against dishonest students. Similarly, measures will be taken against faculty, staff and administrators who practice dishonest or demeaning behavior.

**Student Responsibility**: Students should report any condition that facilitates dishonesty to the instructor, department chair, college dean or Student Honor Court.
**Faculty Responsibility:** Faculty members have a duty to promote honest behavior and to avoid practices and environments that foster cheating in their classes. Teachers should encourage students to bring negative conditions or incidents of dishonesty to their attention. In their own work, teachers should practice the same high standards they expect from their students.

**Administration Responsibility:** As highly visible members of our academic community, administrators should be ever vigilant to promote academic honesty and conduct their lives in an ethically exemplary manner *(Source: 2010-2011 UF Undergraduate Catalog).*

**Software Use**
As with all courses, the following UF Policy applies to AEB4325: All faculty, staff and students of the university are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against university policies and rules, disciplinary action will be taken as appropriate.

**UF Student Resources, Counseling Services and Services for Students with Disabilities**
Students experiencing crises or personal problems that interfere with their general well-being are encouraged to utilize the university’s various counseling resources. The following resources are available for all UF students,
- For general student affairs, Dean of Students Office, 392-1261 (after hours, call 392-1111)
- For mental health consultations, Counseling & Wellness Center, 392-1575 (24/7 phone access)
- For physical health consultations, Student Health Care Center, 392-1161
- For victims of sexual assault, Office of Victim Services, 392-5648 (after hours, call 392-1111)
- For career guidance, Career Resource Center, 392-1602, [www.crc.ufl.edu](http://www.crc.ufl.edu)

**Students with Disabilities**
The Disability Resource Center coordinates the needed accommodations of students with disabilities. This includes registering disabilities, recommending academic accommodations within the classroom, accessing special adaptive computer equipment, providing interpretation services and mediating faculty-student disability related issues. Please contact this office at 0020 Reid Hall, 392-8565, [www.dso.ufl.edu/drc/](http://www.dso.ufl.edu/drc/).
TOPICAL OUTLINE and ASSIGNED READINGS

Key:
IMA = International Marketing for Agribusiness: Concepts & Applications (posted on webpage)
SB = The Scientific Background paper for the 2008 Nobel Prize in Economics (posted on webpage)

INTRODUCTION, FOUNDATIONS AND OVERVIEW
1. Introduction to Global Marketing: Text Chapter 1 and Case 1-2 (McDonald’s)
2. Overview of U.S. Agricultural Trade and Agricultural Trade Policy: IMA-2 and SB pages 1-10
3. Assessing Export Readiness and Developing an Export Marketing Plan: IMA-4

THE GLOBAL MARKETING ENVIRONMENT
1. Developing a Market Overview: IMA-5
2. The Global Economic Environment: Text Chapter 2 and Case 2-3 (Vietnam)
3. Global Trade Environment: Text Chapter 3 and Case 3-1 (South Korea)
5. Social and Cultural Environments: Text Chapter 4 and Case 4-2 (Fair Trade)
6. The Political, Legal and Regulatory Environments: Text Chapter 5 and Case 5-1 (Cuba)

GLOBAL STRATEGY / APPROACHING GLOBAL MARKETS
1. Global Information Systems and Market Research: Text Chapter 6 and Case 6-2 (Whirlpool)
2. Sources of International Market Information: IMA-11
3. Segmentation, Targeting, and Positioning: Text Chapter 7 and Case 7-2 (car makers)
4. Importing, Exporting and Sourcing: Text Chapter 8 and Case 8-2
5. Global Market Entry Strategies: Text Chapter 9 and Case 9-1 (Starbucks)
7. Strategic Elements of Competitive Advantage: Text Chapter 16 and Case 16-2 (LEGO)

GLOBAL MARKETING MIX
1. Product and Brand Decisions: Text Chapter 10 and Case 10-2 (Smart Car)
2. Pricing Decisions: Text Chapter 11 and Case 11-2 (LVMH)
3. Pricing Strategies: IMA-8, Guide Chapters TBA
4. Financing and Methods of Payment: IMA-9, Guide Chapters 12 & 13
5. Risk Analysis and Management: IMA-10
6. Export Terms of Sale and Pro Forma Invoicing: IMA-12
7. Global Marketing Channels and Physical Distribution: Text Chapter 12 and Case 12-1 (Tesco)
8. Advertising and Promotion: IMA-13
11. Export Documentation, Freight Forwarding and Insurance: IMA-14
12. Legal and Tax Considerations: IMA-15

MANAGING THE GLOBAL MARKETING EFFORT
1. The Digital Revolution & Global Electronic Marketplace: Text Chapter 15, Case 15-1 (social media)
2. Corporate Social Responsibility: Text Chapter 17 and Case 17-1 (Unilever)
Teams will: Create a phantom agribusiness company; Select an agribusiness product which can be “marketed” to a significant, identifiable segment of final consumers; Research two countries as possible target markets; Select one country as the target-country market and justify selection based on market research and company assets, vision, and goals; Develop a strategic plan; Develop a marketing plan and; Present final marketing plan in class. Plans will be evaluated by both students and instructor.

In addition to the Final Plan, three interim reports will be due throughout the term: (1) the company analysis and target-market selection, (2) the strategic plan, and (3) the marketing plan. The due date for each report will be correlated with discussion of relevant reading material. Together, these three reports (after revisions), along with the executive summary, will comprise the Final Written Plan. Each team member will complete a learning assessment and a peer evaluation of fellow team members’ contributions to the project.

The Written Plan (typed, double-spaced, 12 font) needs to include, at a minimum, the following:

**I. Company Analysis and Target-Country Selection (Interim report tentatively due February 3)**

*Company Analysis:*
- Firm history, products, operations and resources in the United States (home country).
- **Home-country** industry structure, competition, demand, customers, firm’s industry position.
- Explanation of motivation and decision to internationalize.
- Assessment of company readiness to internationalize.
- Company Vision and Commitment statement.

*Target-Country Selection:*
- Identification of at least two potential target-country markets and discussion of relevant historical and projected country statistics (economic, social, cultural, political, regulatory) for each.
- Discussion of relevant target-market information for each country (size, purchasing power and other demographics and psychographics).
- General assessment of the competitive environment in each country.
- Explanation of and justification for the selection of your target-market country.

**II. Strategic Management Plan for Exporting (Interim report tentatively due March 2)**

- A strategic plan of how you are going to “go global.”
- Segmentation, targeting, and positioning decisions.
- Sourcing decisions.
- Market entry and expansion strategies, including use of intermediaries.
- Competitive analysis and competitive strategies, including any cooperative strategies.

**III. The Marketing Plan (Interim report tentatively due March 30)**

- Product, price, promotion, distribution, terms-of-sale, method-of payment, risk mgmt. decisions.
- International organization and procedures (how you will organize your company).
- Sales goals, profit (loss) forecasts, budgets, financial statements (5 years into the future).
- Implementation schedule, procedures for review and measurement of results against plan.
- Brief SWOT analysis of your company in terms of the specific targeted market.

**IV. Final Plan with three-page Executive Summary (Due within 48 hours after team presents in class; tentative due dates will range from 18 to April 25).**

- Includes a three-page executive summary (single-spaced) and revised versions of reports I, II, and III (double-spaced).
AEB 4343, Section 9755 – International Agribusiness Marketing – Spring 2012

Name: _______________________________ UFID# __________________________

Local Phone: _______________ Cell Phone: ___________________ (Circle Preference)

Preferred E-mail: ___________________________________________________________

Hometown/State/Country: _______________________________ Expected Graduation (Mo/Yr): ____________

Major (College/Dept./Specialization): ___________________________________________

Agribusiness/Business or Internship Experience:

Career Objectives:

Goals for this Course:

Which best describes your background? Farm____; Rural Non-farm____; Urban/Suburban____

In which of these subjects (or equivalent) have you already completed courses? (Check all that apply)

_____ Principles of Agricultural and Food Marketing (e.g., AEB 3300)
_____ Principles of Marketing (e.g., MAR 3023)
_____ International Trade Policy in Agriculture (e.g., AEB 4242)
_____ International Marketing (e.g., MAR 4156)
_____ Agribusiness and Food Marketing Management (e.g., AEB 4342)
_____ International Economic Relations (e.g., ECO 3700)
_____ International Trade (e.g., ECO 3703)

I have read and understand the provisions of the Course Syllabus.

Signature: _______________________________

Date: ______________________________