



Spring 2009 Course Syllabus

MKCH390 China as a Global Market

Instructor: Jay Wu, Ph.D.

Course format: 3 course hours per week for 14 weeks
Tuesday, 5:00-7:50 p.m.

Course objectives and contents in brief: Students will learn to apply the principles of international marketing to China as part of an integrated global market. We will divide the forty-two (42) course hours into three modules:

- ***Review of Global Marketing:***, with an emphasis on economic and a review of China's economic reform cutting across SPEL (social, political, economic and legal).
- ***Gaining Acquaintance to the Market Environments in China:*** students will learn various aspects of Chinese markets, more specifically the SPELDTH – Social, Political, Economical, Legal, Demographic, Technical and History. We will also cover market segmentation and consumer behaviours.
- ***Entry to China and Marketing Strategies:*** Students will learn various modes and timing of entering China and their impact on success of marketing in China. Furthermore we will learn how to use the 4Ps (Product, price, place, and promotion) in China.

Teaching format: Throughout the course lectures will be combining in-class discussion, weekly news updates, case analyses and presentations surrounding the course material from various sources, including academic journals, online information channels as well as credible media such as *WSJ* and *Economist*. Given the extremely fast pace of change in China, we cannot afford to rely exclusively on academic journals and have to supplement that with mass media. However, we will try best to maintain a balance between theoretical framework and first hand data to make the learning both deep and attractive.

At the beginning of the course (i.e., for Module I) we expect to see more lectures than case studies or research analyses. As class moves on, we will bring more discussions and group/individual presentations to specific topics of interest. Students are encouraged to pick up and decide a particular research topic early in the class, and then focus on that throughout the rest of the course. Site visits will be arranged either in group or by individual, with an emphasis on the latter rather than former. The instructor will also encourage his SUFE students from two marketing research courses and one marketing course to match up with students in the Alliance program so that they form research partnership in collecting first hand data while in China.

Course assessment:

- Class attendance and participation 10%. An attendance sheet will be given in every class



session for students to sign.

- Response on readings 25%. Judged on the quality in leading and opening the discussions on required readings. Work will be graded on overall comprehension, relevant information search, raising/addressing questions during the discussion.
- Take home mid-term exam after Module II, 25%. Details given later in the semester.
- Open-book final exam 40%. The final exam will be arranged during the last class. Students are required to answer the questions in printed format hence they need to bring a computer with them to the exam room. The exam will last for two and half hours.

Course Contents and Readings

Module One Overview: Marketing and International Marketing

This is a quick review of principles in Marketing and International Marketing.

Required Readings:

1. Michael R. Czinkota & I. A. Ronkainen, 2007: *International Marketing*, Chapter One & Appendix A, pp. 3-20; Chapter 2, pp. 29-50.

Topic One/Module Two: Marketing Environments in China

Required Readings:

- The State Council Information Office, 2008: “China’s efforts and achievement in promoting the rule of law”, *Chinese Journal of International Law*, 7(2): 513-555.
- “Meeting the Challenges of *China's* Growing Cities”, By: Devan, Janamitra; Negri, Stefano; Woetzel, Jonathan R. *McKinsey Quarterly*, 2008 Issue 3, pp. 106-116.
- Suzanne Fox, 2008: China’s Changing Culture and Etiquette, *China Business Review*, July-Aug 2008.
- Where Urban Meets Rural in China, By: Lane, Kevin, St-Maurice, Ian, Wu, Claudia, *McKinsey Quarterly*, 00475394, 2006 Special Edition.
- “Stalking the Wild Copycats”, By: Rocks, David, Halperin, Alex, *Business Week*, 00077135, 8/18/2008, Issue 4096.
- “More Pain Ahead for China's Food Prices”, By: *Huang Jikun, Qiu Huanguan, Scott Rozelle. Far Eastern Economic Review*. Hong Kong: Jun 2008. Vol. 171, Issue 5; p. 8, 6 pages.

Topic Two/Module Two: Segmenting Chinese Market

Required Readings:

- The Value of China's Emerging Middle Class. By: Farrell, Diana, Gersch, Ulrich A., Stephenson, Elizabeth, *McKinsey Quarterly*, 00475394, 2006 Special Edition.
- Kara Chan and James U McNeal, 2006, “Rural Chinese Children as Consumers: Consumption Experience and Information Sourcing”, *Journal of Consumer Behavior*, 5: 182-192.
- Qimei Chen and Yi He, Xinshu Zhao, David Griffith, 2008, “Sources of Product Information for Chinese Rural Consumers,” *International Journal of Advertising*, 27(1), pp. 67-97.
- “Understanding China's Teen Consumers”, By: St-Maurice, Ian, Wu, Claudia, *McKinsey Quarterly*, 00475394, 2006 Special Edition.
- Guangping Wang, Wenyu Dou & Nan Zhou, 2008, “Consumption attitudes and adoption of New Consumer Products: A Contingency Approach”, *European Journal of Marketing*, Vol. 42, No. 1/2, 2008, pp. 238-254.

Suggested Readings:



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- Zhang Xin-an, N. Grigoriou & Li Ly, 2008, “The Myth of China as a Single Market”, *International Journal of Marketing Research*, Vol. 50 Issue 3, pp. 377-402.

Topic Three/Module Two: Consumer Behaviours

- Chinese Consumers Offer More Challenges for Challenging Times, <http://chinese.wsj.com/gb/20081029/chj102552.asp?source=email>
- Xuemei Bian et al., 2005, “Consumers’ attitude regarding non-deceptive counterfeit brands in the UK and China”, *Brand Management*, 14(3): 211-222.
- “Marketing to China’s New Traditionalists,” By: *Claudia Suessmuth-Dyckerhoff, Jimmy Hexter, Ian St-Maurice*. *Far Eastern Economic Review*. Hong Kong: [Apr 2008](#). Vol. 171, Issue 3; p. 28, 6 pages.
- Lane, Kevin P., St-Maurice, Ian, Dyckerhoff, Claudia Süßmuth, 2006, “Building brands in China”, *McKinsey Quarterly*

Topic One/Module Three: Entry and Marketing Strategies in China

Required Readings:

- Joseph Johnson & Gerard J. Tellis, 2008, “Drivers of Success for Market Entry into China and India”, *Journal of Marketing*, 72: 1-13.
- “A Pioneer in Chinese Globalization: An Interview with CIMC's President,” By: Joeress, Martin, Zhang, Henry, *McKinsey Quarterly*, 00475394, 2008, Issue 3.

Suggested Readings:

- BCG & Wharton Special Report on Operations and Strategy in China: “Selling in China”
- Stephan Binder, Tab Bowers, & Winston Yung (2004), “Selling life insurance to China”, The *McKinsey Quarterly* special edition: China Today.
- Geng Cui and Hon-Kwong Lui, 2008, “Order of Entry and Performance of Multinational Corporations in an Emerging Market: A Contingent Resource Perspective”, *Journal of International Marketing*, 13(4): 28-56.
- “Acting Globally But Selling Locally,” By: Balfour, Frederik, *Business Week*, 00077135, 5/12/2008, Issue 4083.
- Jiatao Li et al., 2008, “Identity, Community, and Audience: How Wholly-Owned Foreign Subsidiaries Gain Legitimacy in China”, *Academy of Management Journal*, 50(1): 175-190.

Topic Two/Module Three: China’s Global Integration

Required Readings:

- Competition from *China*: Two McKinsey Surveys in 2008
- “Selling China’s cars to the world: An Interview with Chery’s CEO,” By: Gao, Paul, *McKinsey Quarterly*, 00475394, 2008, Issue 3.

Suggested Readings:

- “Global Investment Strategies for China’s Financial Institutions,” By: Ngai, Joe, Yi Wang, *McKinsey Quarterly*, 00475394, 2008, Issue 3.
- “[China’s Track Record in M&A](#)”, By: Luedi, Thomas. *McKinsey Quarterly*, 2008 Issue 3, pp, 75-81.
- “How Chinese Companies Can Succeed Abroad,” By: Dietz, Meagan C., Orr, Gordon, Xing, Jane, *McKinsey Quarterly*, 00475394, 2008, Issue 3.
- Friedrich Wu and Arifin Seah, 2008, “China Investment Corporation Faces Formidable Challenges”, *China Business Review*, pp. 56-59, July-Aug 2008.



- “China’s Opportunity in Offshore Service”, Enrico Benni and Alex Peng, *McKinsey Quarterly*, 2008.
- Albrecht, Stefan, Xia, Xiaoyu, Von Morgenstern, Ingo Beyer, “The Cost of Going Global for China's High-Tech Companies”, *McKinsey Quarterly*, 2008.
- Shi, yizeng et al., “Market Entry Mode Selection: The Experience of Small Hong Kong Firms into China”, *Asia Pacific Business Review*, PAGE NUMBERS?.
- “Making M&A Fly in China”, By: Peng, Mike W., *Harvard Business Review*, 00178012, March 2006, Vol. 84, Issue 3.
- Lee Li, 2002, “Online Trading’s Impacts on Western Manufacturer’s Entry Mode in China”, *Review of Pacific Basin Financial Market and Policies*, 5(4): 491-507
- Campbell, Robert M., Hexter, Jimmy, Yin, Karen, 2004: “Getting Sourcing Right in China”, *McKinsey Quarterly*, 00475394, 2004 Special Edition.
- Ping Deng, 2001, “WFOEs, the Most Popular Entry Mode in China”, *Business Horizon*, July-Aug, 2001.
- Qiu Bin, Shu-Jen Chen, Shao Qin Sun, “Cultural Differences in E-commerce: A Comparison Between the U.S. and China”, *Journal of Global Information Management*, Hershey: Apr-Jun 2003. Vol.11, Issue. 2, p. 48.
- Wattie C W Lo, Andre M Everett. S.A.M, “Thriving in the Regulatory Environment of E-commerce in China: A Guanxi strategy”, *Advanced Management Journal*, Cincinnati: Summer 2001. Vol. 66, Issue. 3; p. 17.
- Kunal Sinha 2007: “The Challenge for Brands in the Other China”, *China Business Review*, Sep-Oct 2007.