

Marketing in Latin America

São Paulo

4th Term MBA-2018

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MBA Program

Academic Director Second Year

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Marketing Management

Marketing in Latin America

Introduction

Latin America encompasses a large geographical area. A parallel history and common language — except for Brazil — have misled many who simplistically assumed more commonalities than differences among these countries. Historically reliant on commodities, most of these underdeveloped economies with significant inequalities in the distribution of wealth have shown pronounced cycles of boom and bust during the last quarter of the XXth century and first decade of the 21st century. Inflationary processes and sudden currency devaluations have posed both challenging opportunities and huge pitfalls for local and regional family-controlled business as well as for global corporations. The opening of these economies, together with the development of trade blocks, has had a significant impact, and during the latter part of the last decade most of these countries have shown several years of sustained growth, heavily based on rising commodity prices and greater foreign investment and trade flows. This has translated into an increase in welfare that has had a direct impact on the consumption patterns of different segments of the population.

Marketing management comprises the process of creating, capturing, communicating and sustaining value for the firm's selected customers. Do the aforementioned processes have any particular connotations in Latin America? Context naturally plays a key role in the definition of the appropriate market strategies and companies have learnt — sometimes the hard way — how to identify, anticipate and serve customer and consumer needs in these economies.

Since the beginning of the 2008 financial crisis and later recession in most of the developed world, many of these Latin American economies have drawn the attention of both practitioners and academics. A series of acronyms like BRICs and CIVETs have arisen and are being increasingly studied and cited.

Objectives

To discuss and understand what some of the key underpinnings of the practice of marketing in Latin America are, and how companies can address them.

The purpose of this course is to go beyond the purely circumstantial “flavor of the month” approach, and discuss and understand what some of the underlying issues and peculiarities of the practice of marketing in Latin America are.

Learning Outcomes

Marketing in Latin America is a course aimed at students who want to develop skills in:

- Identifying segments and customers at the so-called base of the pyramid
- Defining marketing strategies for targeting low-income consumers
- Articulating brand portfolios and learning how to respond to “b” and “c” brands
- Spotting trends in customers and newly incorporated consumers who trade-up

- Developing brands and launching new products and services adapted to local / regional needs
- Understanding cultural differences and market connotations of adopting regional strategies
- Challenging the myths of emerging market customers and consumers
- Developing and implementing successful demand generation strategies
- Adapting business models and going-to-market strategies to an environment where informal business has an important participation
- Marketing of talent — addressing the cultural and business impact of sports marketing and analyzing the viability for marketing initiatives in this context
- Identifying the challenges of Latin American companies seeking to develop and capture opportunities beyond their region and or country of origin

Competences

The specific competences expected to be developed in this course are:

- Understanding the role of context in the process of making decisions related to consumers, pricing, brands, and channels to market in a particular region of the world.
- Exhibiting a “reasonably doubtful attitude” when making judgments on “exporting” marketing strategies from elsewhere, both in terms of design and implementation.

Methodology

The course will be a mix of lectures, case discussions, project work, contact with local companies and student presentations.

Professor’s Biography



Carlos Folle is a full-time Professor at IEEM Business School, Universidad de Montevideo, Uruguay, and is the former Dean of the school. He is a visiting professor in several business schools around Latin America.

Folle holds a PhD in Management from IESE, an MBA from Cranfield School of Management (UK) and a Degree in Accounting and Finance from Universidad de la República, in Uruguay.

Brazil Projects

Rio do Janeiro

4th Term MBA-2018

Prof. Gaizka Ormazábal

MBA Program

Academic Director Second Year

Prof. Paulo Rocha e Oliveira

Marketing Management

BRAZIL PROJECTS

Introduction

The IESE Brazil Field Project consists of hands-on consulting projects in which MBA students will have the opportunity to work in small teams with Brazil-based business leaders. The student teams will help solve problems that Brazilian companies are facing with the ultimate objective of recommending new solutions that will be implemented to make a difference. The companies will have the opportunity to interact with a group of highly motivated MBA students who, under the guidance of an IESE faculty member, will get to know their company better and engage with a relevant business problem.

Objectives

Students in this course will achieve three objectives:

1. Learn about the reality of business in Brazil through direct engagement with a Brazilian company working on a real problem.
2. Learn how a consulting project works. The nature of the relationship between the IESE team and the host company will be similar to a consultant/client type of relationship.
3. Learn how to apply analytical tools and frameworks required to address specific business problems. This will vary from project to project.

Learning Outcomes

1. Learn about the reality of business in Brazil.
2. Learn how a consulting project works.
3. Learn how to apply analytical tools and frameworks required to address specific business problems.

Competences

- Decision Making
- Critical Thinking
- Judgment
- Communication

Content

The content of the course will vary depending on the Project in which each student participates.

Other edition, participating companies included IBOPE, Latam Airlines, FEMSA - Coca Cola, Aoka, Fundacao Maria Cecilia Souto Vidigal, AIG, Natura, Schneider Electric, Instituto Alfa e Beto, Porsche Consulting, and Helping. Project topics for 2018 are likely to be similar to those in the past, which include:

- Designing a financial strategy for the company, including devising a budgeting plan, cost allocation methodology, and forecasting model.
- Developing a franchise model, including market analysis, logistics and finance strategy.
- Developing a strategic plan to grow the company, including a marketing plan (rebranding, differentiation, sales), financial structure and operations.
- Developing a franchise model to grow the company, focusing on organizational structure and control systems.
- Reengineering the organization at the division level, with a focus on talent management, people and processes.
- Designing a marketing plan for the company, including a proactive sales strategy, and operations management (capacity plan, stock and inventory control system).
- Developing a business plan and valuation to sell the company.

Professor's Biography



Paulo Rocha e Oliveira is assistant professor in the Marketing Department. He holds an A.B. in Mathematics from Princeton University and a Ph.D. in Management from the Massachusetts Institute of Technology. His main area of expertise is the management and marketing of services, with a focus on tourism-related services. His latest research focuses on the management of issues at the marketing and operations interface, which include the management of waiting time, service quality, customization strategies and dynamic pricing policies. Prof. Rocha e Oliveira's research has been presented at international conferences such as Frontiers in Services, INFORMS and Marketing Science and has been accepted for publication in journals such as *Manufacturing and Service Operations Management* and *Journal of Air Transport Management*.

Business in Brazil

São Paulo

4th Term MBA-2018

Prof. Gaizka Ormazábal

MBA Program

Academic Director Second Year

Prof. Paulo Rocha e Oliveira

Marketing Management

BUSINESS IN BRAZIL

Introduction

Is Brazil an attractive place for business? In this course, students will be given the tools and resources to answer whatever variation of this question most interests them. Should my company sell our products in the Brazilian market? Should I start a company in Brazil? Could I have a successful career as an executive in a Brazilian company? Should my company buy from Brazilian suppliers?

Brazil is a country of contrasts. It has the ninth-largest economy by nominal GDP and by purchasing power parity. These high rankings translate into potentially attractive market opportunities in a number of industries. At the same time, companies operating in Brazil are tormented by the so-called “Custo Brasil” (“Brazil Cost”), which broadly refers to the difficult regulatory environment, poor infrastructure, and lack of qualified human resources. Doing business in Brazil is extremely challenging, as this complex environment is not easy to navigate. But it can be worth it: companies that devise effective strategies to minimize the “Custo Brasil” can reap huge rewards for their efforts.

This course will provide students with a framework to evaluate the business attractiveness of a country and provide the resources to answer related questions in the Brazilian context.

Objectives

General

- To provide students with a framework to help them evaluate the attractiveness of a new country from various business perspectives.
- To practice combining various types of information (e.g., quantitative data, external reports, personal interviews, etc.) into a consistent evaluation of a business opportunity.

Brazil-specific

- To obtain a broad understanding of the Brazilian business environment from a historical, economic, and political perspective.
- To answer a Brazil-related business question of the student’s interest (through the final project).

Learning Outcomes

- To learn how to evaluate the attractiveness of a new country from various business perspectives.
- To practice combining various types of information into a consistent evaluation of business opportunity.
- To gain a broad understanding of the Brazilian business environment.

Competences

- Decision Making
- Critical Thinking
- Judgment
- Communication

Content

The course will give students an overview of the main opportunities and costs associated with doing business in Brazil as well as introduce students to the major industries that move the Brazilian economy. This will be achieved through a variety of session formats (see “Methodology”) in which students will have the opportunity to discuss various topics related to doing business in Brazil with executives from a carefully selected sample of Brazilian companies and companies doing business in Brazil. A comprehensive description of the sessions is found in the “Program” section.

Methodology

- **Case studies**

Three of the course’s sessions will be case discussions.

Each of the cases has a list of preparation questions.

- **Guest lectures**

We will be joined by guest speakers in most of our sessions.

These guests have been instructed to speak for no more than 30 minutes in order to leave plenty of time for discussion with students.

- **Joint session with EMBA Brasil**

This will be an interactive session in which we will explore similarities and differences between the Brazilian and European/Spanish business cultures.

- **Company visits**

Even though they are not formally listed as course sessions, company visits are an essential part of this course’s learning experience. Each student will visit two companies, one on Tuesday afternoon and one on Wednesday afternoon. At the end of July, students will be provided a list of the companies available to host visits and will be given a link to a website in which they will rank their visit preferences. The visit schedule will be distributed to students by mid-August. Students are expected to be well-prepared for the visit, having researched the company and industry in question.

Professor's Biography



Paulo Rocha e Oliveira is assistant professor in the Marketing Department. He holds an A.B. in Mathematics from Princeton University and a Ph.D. in Management from the Massachusetts Institute of Technology. His main area of expertise is the management and marketing of services, with a focus on tourism-related services. His latest research focuses on the management of issues at the marketing and operations interface, which include the management of waiting time, service quality, customization strategies and dynamic pricing policies. Prof. Rocha e Oliveira's research has been presented at international conferences such as Frontiers in Services, INFORMS and Marketing Science and has been accepted for publication in journals such as *Manufacturing and Service Operations Management* and *Journal of Air Transport Management*.

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