

# BUSI 1301 – **Business Principles in a Global Economy**

Professor: Dr. Joseph L Thompson



# Semester Contact Information for Professor Thompson and TA

- **Professor:** *Dr. Joseph L Thompson*
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- **Office Location:** 325P MH  
(Melcher Hall)
- **Office Hours:** Mon: 1130-1230  
pm, Tue 12-1 pm



# Class TA

- The Teaching Assistants for this section are your point of contact for everything course-related
- Check the syllabus for the TA contact information.
- Students must email the TA first
- Check the Syllabus Course Calendar and Other Information Before Contacting the TA.

# Required Texts

1. The Syllabus (This is the most important document in the course. Students must keep up to date with the syllabus. If changes need to be made, the professor or your TA will inform students. )
2. Geringer - International Business (3rd edition) with Connect Plus.
3. Some topics require additional readings and videos. Those readings and videos will be located in the appropriate topic folder

# Recommended Readings

- Each student should acquire a copy of the classic book on writing style, *The Elements of Style* by William Strunk and E.B. White. This book will help all students learn how to write effectively for all writing inside and outside of college.
- Anyone involved in global business should be aware of international events, especially given today's volatile world. The following are a few recommended (but not required) readings for students interested in staying current on international affairs. Many of these sources can be accessed via the UH library. Go to <http://guides.lib.uh.edu/economics> and use your CougarNet ID to log in.
- *The Wall Street Journal* [www.wsj.com](http://www.wsj.com)
- *Financial Times* [www.ft.com](http://www.ft.com)
- *The New York Times* [www.nytimes.com](http://www.nytimes.com)
- *The Washington Post* [www.washingtonpost.com](http://www.washingtonpost.com)
- *BBC News* [www.bbcnews.com](http://www.bbcnews.com)
- *The Economist* [www.economist.com](http://www.economist.com)





## Mental Health

Counseling and Psychological  
Services

<http://www.uh.edu/caps>

(713) 743-5454

Let's Talk Program

(no appointment necessary):

[http://www.uh.edu/caps/outreach/lets\\_talk.html](http://www.uh.edu/caps/outreach/lets_talk.html)



# Video Recording Link

The following is a recording of the Social Media and Its Impact on International Business Lecture from October 10, 2022. This video lecture serves as a supplement to this lecture. Please go through the lecture video, the PowerPoint here, and the Lecture Notes in order to get the full lecture for this topic.

Part I link:

[https://uh-edu-cougarnet.zoom.us/rec/share/Mo2KSoBlpjkTz6ZFnh8tBd2DXv3KVdUE4r3kXC27O7CCbJwgh239I784y9\\_89WxP.4ehTQPIBwFBVIHu-](https://uh-edu-cougarnet.zoom.us/rec/share/Mo2KSoBlpjkTz6ZFnh8tBd2DXv3KVdUE4r3kXC27O7CCbJwgh239I784y9_89WxP.4ehTQPIBwFBVIHu-)

Passcode: n%@=4x\$M



# Social Media and International Business

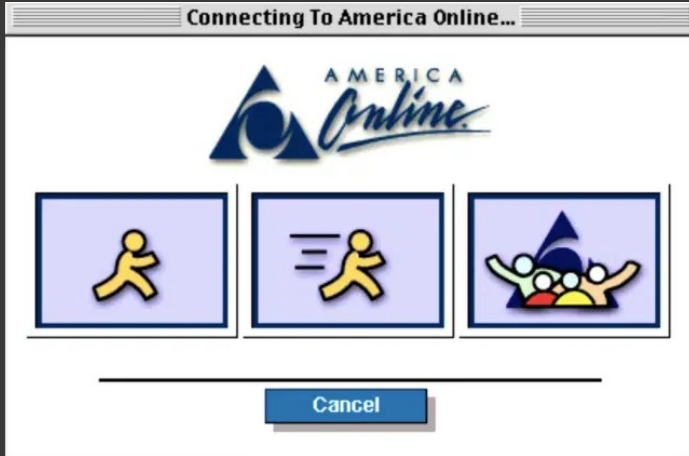




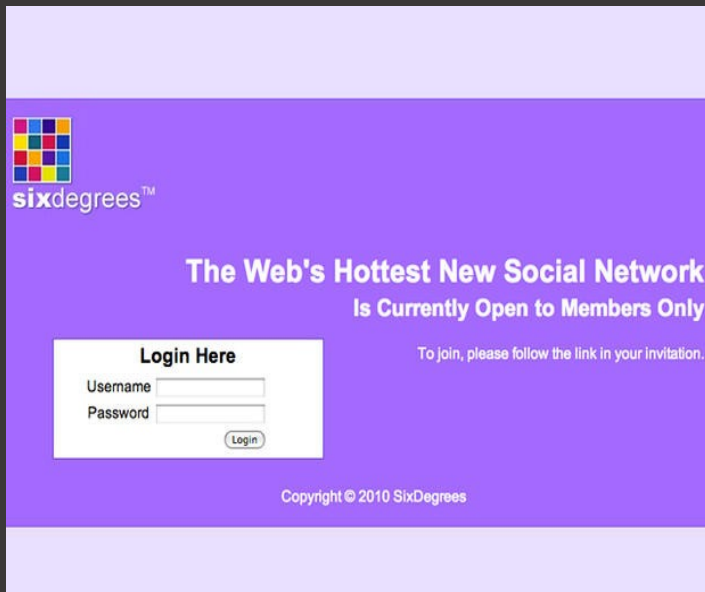
# The Globalization of Markets

- 1980s: Theodore Levitt argued technology was creating a global market
- “Ancient differences in national tastes or modes of doing business” will disappear
- Standardized products, standardized manufacturing, standardized trade and commerce
- Was Levitt right?

# The Birth of Online Messaging and Social Media (See Lecture Notes About this Slide)



- The Merriam-Webster Dictionary defines social media as: “forms of electronic communication (such as websites for social networking and microblogging) through which users create online communities to share information, ideas, personal messages, and other content (such as videos).”
- While services like YouTube and Facebook automatically come to mind, you can trace the origins of social media back to the late 1970s.



- AOL 1990s, In 1992, America Online (AOL) became available to the public. By 1995, AOL: 3 million users could interact via email, forums, and chat rooms. Celebrities like Michael Jackson used America Online chat rooms to host one of the first Ask Me Anything (AMA) sessions with over 25,000 participants.
- Six Degrees is widely considered to be the very first social networking site. Founded by Andrew Weinreich in May 1996, the site launched the following year and combined popular features such as profiles, friends lists and school affiliations in one service.

# Today's Most Popular Social Platforms (See Lecture Notes About this Slide)



In the early 2000s, we saw the launch of several of the top social networks still popular today.

- **LinkedIn (May 5, 2003):** social networking space for professionals. 830 million members worldwide
- **Myspace (August 2003): (2013)** Myspace rebranded itself as a music portal to connect people with their favorite artists and is a music-focused social network.
- **Facebook (2004):** As of Feb 13, 2023, [Statista.com](https://www.statista.com) has the total users at 2.96 billion making it the most used online social network in the world.
- **Twitter (2006):** Send short messages of up to 140 characters. Now, 436 million users can send tweets with up to 280 characters with images and video.
- **Sina Weibo (2009):** China's answer to Twitter. The microblogging service currently has 582 million users.
- **Instagram (2010):** Acquired by Facebook in 2012, has grown to 1.4 billion users. (live video streaming and shoppable posts)
- **TikTok or Douyin in China (2017):** Launched internationally in 2017 after being acquired by ByteDance and merged with Musical.ly. Known as the leading destination for short-form mobile video, it has over 1 billion users and is the most downloaded app worldwide. (Security concerns?)

# The Role of Social Media in International Branding

- Social media has made the world smaller. A potential customer can log onto a social site in a variety of countries, and your message on that site can lead people to your own website. The result is global awareness of your brand.
- International social media marketing is a continually growing and effective way for businesses and corporations to develop, expand and target new customer bases with relative ease and minimal expense.





# Social Media Users for Business Worldwide

- Successful online marketing demands a focused targeting of relevant consumers and attracts the attention and interest of this audience.
- Benefits
  - Enthusiastic audience encourages the potential for increased customer awareness and support through simple sharing of marketing material.
  - Business' customer willingly becomes a promotor and in turn, maximum marketing efficiency can be achieved with minimum cost.
- *Social media algorithms never stay the same for long. Business owners need to stay on top of their social media game by testing out new strategies around app updates and evolving consumer behavior.*



Social media marketing, which has been steadily increasing to become the dominant marketing channel for more than a decade, is one way that e-commerce businesses can quickly expand their customer base outside the U.S.

An international business transaction is any type of deal between parties from at least two different countries and such transactions can include sales, licenses, and investments. An e-commerce transaction can be an international business transaction.



# Largest eCommerce Companies in the World



Because online transactions can be initiated from literally anywhere in the world, even small and startup eCommerce businesses must be aware of the implications of international transactions.



# Social Media and Problems for Businesses



*“To many Americans, SeaWorld offers family fun amid penguins and killer whales,” – New York Times: April 18, 2013*





**“Twenty-first-century political risk is the probability that a political action could affect a company in significant ways.” – *Political Risk*, page 5.**

- How does Condoleezza Rice and Amy B. Zegart define twenty-first century Political Risk? >>>>>>

# Social Media and International Business



In 2010, Gabriela Cowperthwaite, a documentary filmmaker, read a story about how an orca named Tilikum killed veteran trainer Dawn Brancheau in the middle of a show at Seaworld's Orlando park.

*"I feel very, very strongly about marine animals, or really any animals, for entertainment. I think that's the lowest run on the ethical totem pole. I think it's the strangest practice....."*

<https://www.seaworldofhurt.com/features/blackfish-documentary-exposes-seaworld/>

# Social Media and International Business



She soon created an investigative documentary called Blackfish, which depicted how SeaWorld's treatment of orcas harmed both the animals and their human trainers. Released soon after SeaWorld's initial public offering in 2013, the movie went viral.

# Social Media and International Business



*"I don't agree with the way they treat their animals," Nelson told CNN's Brooke Baldwin. "It wasn't that hard a deal for me."*

Celebrities took to Twitter, musicians canceled shows at the park, and corporations cut ties.

Federal lawmakers opened investigations, attendance declined, and the company's stock price plummeted.

SeaWorld responded:

<https://www.indiewire.com/2013/07/sea-world-unleashes-8-assertions-about-black-fish-and-filmmakers-respond-36897/>



## SeaWorld making a comeback?

"We are pleased to report another quarter of record financial results and record financial results for the fiscal year," said Marc Swanson, Chief Executive Officer of SeaWorld Entertainment, Inc. "In the fourth quarter and fiscal 2021, we delivered record revenue, record net income."



[SeaWorld rebound continues with 8.6% growth in attendance 1st March 2019](#)

[SeaWorld Announces Another Increase For 4th Quarter Of 2018](#)

# Social Media and International Business



*"There was a sense of, 'We're mad as hell, and we're not going to take it anymore,'" said Gary Leff, a travel expert who writes the View from the Wing blog. "People are still frustrated with air travel, but the moment has largely passed."*

On April 9, 2017, Dr. David Dao was dragged off a United flight at O'Hare by airport police. United promised to make improvements to prevent similar incidents.

Exactly one month after Dao's flight, United's stock, which lost more than \$500 million of its value in the immediate aftermath, was at an all-time high. At the airline's annual meeting in May, shareholders didn't ask a single question about the incident.