Josep Franch, Associate Professor in Marketing at ESADE (Barcelona), had mixed feelings as he walked out of the Mango headquarters in Palau de Plegamans (Barcelona), on that sunny morning at the end of March 2002.

On the one hand, the company visit and the interview with Isak Halfon, Director of International Franchise, had been quite useful and now Franch felt he had a lot of company insights to complement all the secondary information he had collected. He also had a direct contact at Mango headquarters, which could be very useful for writing a case study on the company. Halfon was really eager to cooperate and looking forward to seeing a Mango case study published and discussed in business schools. But on the other hand, Franch was still doubtful on which approach he should take with the case. “Maybe I’ve collected too much information…Or maybe the issues I was thinking about for my course are not relevant for today’s Mango…Or maybe I want to write too sophisticated a case study…Or maybe this is a good story, but not a case…” were some of his thoughts as he got into his car and started the 20 km drive back to Barcelona.

Mango: Company Background

Mango was founded in 1984 by Isak Andic. Born in 1954 in Istanbul, Andic moved to Barcelona with his parents in 1971. Very soon he started his own business selling clothes and by 1975 he already owned four stores and two outlets in a shopping arcade. The business was basically run with the help of some relatives and friends, and Isak Halfon was among them. By 1980 the business had grown so much that Andic decided to start outsourcing the design and manufacture of his garments. His own designs were so popular that they
soon outsold the garments supplied from wholesalers. In 1984 Andic decided to create his own brand name chain, Mango, opening a flagship store in Passeig de Gràcia, one of Barcelona’s most expensive and up-market shopping areas.

By 1988 Mango had thirteen stores in Spain. That year was a turning point for Mango. The product concept, store decor, garment quality and price, and brand image were redefined. Until then, the business had focused almost exclusively on selling denim garments. The new brand was to design and market a ready-to-wear collection. The increase in the number of stores meant that Mango needed to build a unified brand identity in order to market all its garments under the same brand name.

Mango not only changed its product concept but also its target group. Until then, it had aimed at both male and female customers. But when it was decided to produce ready-to-wear garments, the company decided to focus on the women’s market. From then on, Mango followed a strategy of specialising in a single segment: young, modern, urban, trendy women aged 17 to 35. The company defined its mission as providing work, leisure and ‘special occasion’ garments for this target market. During this period, production systems based on just-in-time philosophy were also developed and stock control, logistics and distribution systems were put in place.

By 1992 Mango already had 99 stores in Spain. At that time, Andic defined his business dream for Mango as “to be represented in every city in the world”. He opted for the franchise trading format to ensure the same rapid growth enjoyed in Spain was repeated abroad. The company began its internationalisation in 1992 with the opening of two franchised stores in Portugal. In 1997, for the first time the sales turnover abroad overtook domestic sales.

The number of countries covered increased fast, and by the end of 2001 Mango was present in 64 countries (see Exhibit 1 showing Mango’s year of market entry by country) and the company had plans to enter Australia, Bulgaria, China, Tunisia and Yugoslavia in 2002. The number of stores also grew rapidly, reaching 575 by the end 2001, out of which 354 were located abroad (see Exhibit 2). Sales abroad accounted for more than 68% of the sales turnover.

In late 2001, Mango’s headquarters were located at Palau de Plegamans, a small town about 20 km from Barcelona. Mango’s staff totalled 5,000, 950 of whom were located at the company’s headquarters.

The office space was 100,000 m², and an additional 50,000 m² of warehouse space were under construction.¹ Mango’s organisational structure was very flat, had changed according to the company’s needs and activities and was characterised by its flexibility. All departments reported to one of the three main

¹ One square metre (m²) is equivalent to 10.7639 square feet.
Managers: Isak Andic took over the product design area, his brother Nahman was responsible for running the store network and Enric Casi, the General Manager, was in charge of administration, logistics and human resources.

Mango continued to design its own collections. Given the brand's increasing international presence, it was decided to create a single world-wide collection. The only exception to this was a mini-collection of fifteen SKUs² for Arab countries. The success of Mango's business formula rested on catering to the fashion needs of young, modern urban women, giving it an edge over its competitors. The preferences of this target segment showed increasing uniformity to the point that a product that sold well in Madrid would also prove a hit in Singapore, Saudi Arabia, and Mexico. This universal formula further fostered Mango's internationalisation and globalisation, and was a major factor in the company's international success.

One of the distinctive features of Mango (and one of the key factors behind its success) was its distribution model, which was based on a deposit system. Franchisees did not place firm orders. Instead, Mango headquarters decided which garments and accessories to supply a given store at the beginning of each season according to certain criteria: store size and location, weather in the area; and country characteristics. Mango provided its franchisees with the goods on consignment. Franchisees reported their sales every day and Mango then used these figures to automatically generate a replacement order. Franchisees paid the total amount for their sales through their bank every three days. Replacements were delivered by road in Europe and by air outside Europe. Although the cost of air replacement was quite high (around 7% of the sale price) this was the only way of ensuring that merchandise arrived at stores without delay.

Unsold goods were returned to Mango at the end of each season. The company then sold these garments through a chain of discount outlets known as M2. Mango estimated that one discount outlet was needed for every twenty stores to take whatever could not be disposed of in regular sales.

In addition to the usual terms applied to any franchise, the company sought franchisees who were committed to their businesses and who strongly identified with the brand.

Mango outsourced all its production. The only manufacture carried out at the Palau de Plegamans headquarters every season were sets of samples. About 50% of the goods were manufactured in Asia (mainly China and Hong Kong), 25% in North Africa, and 25% in Europe. Only 20% of the cutting was done at Mango headquarters (most of this work was sent to a factory in Morocco, so that garments could be ready within a month if they were needed urgently).

² Stock Keeping Units
Garments were sent from the factories to Mango’s headquarters in Palau de Plegamans, the company logistics hub, to be forwarded to stores all over the world. The main reasons for this kind of operation were quality control and avoiding disputes between a factory and a store regarding the number of garments delivered. However, future plans envisaged the possibility of cross-docking operations.

In late 2001, stock was split between three types of warehouse: those belonging to subcontracting manufacturers; a bonded warehouse in Barcelona’s Free Port; and the warehouse at Palau de Plegamans, where emergency stocks were kept. Mango's aim was to store all manufactured garments in its own warehouse. The company tried to minimise the risk of having stock in manufacturers' warehouses: in factories located in some Asian countries, political and economic crises could interrupt supplies of these garments to Mango.

**ESADE: A Top-Ranking Business School**

ESADE, a non-profit academic institution, was one of the top-ranked business schools in Europe and widely recognised internationally. It was founded in 1958 in Barcelona by a group of Catalan professionals and entrepreneurs dedicated to the idea of founding a university-level business research and training centre, to prepare and equip students with the skills necessary to create and run businesses and organisations. After signing an agreement with the Societas Iesu, ESADE was born. The Jesuit Society has been very involved in the constitution and development of ESADE from its beginnings.

With a faculty body of more than a 100 full-time professors, the business school was organised around three main areas of activity: university programmes, MBA programmes and executive education. The University Programmes Unit offered a 5-year combined bachelor and master in management programme with a student population of 1,200 and a PhD programme in management sciences with 50 students. The MBA programmes had more than 600 students in different MBA formats: Full-time, Part-time and Executive MBA. Finally, more than 3,000 professionals were trained at ESADE’s Executive Education in open enrolment courses or in custom designed In-Company Training programmes.

ESADE was the first Spanish business school and one of the first in Europe to obtain both the EQUIS\(^3\) accreditation in 1998 and the AACSB\(^4\) accreditation in

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\(^3\) EQUIS stands for European Quality Improvement System and it is an international system of quality assessment, improvement, and accreditation of higher education institutions in

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4
2001. In addition, the MBA programme was first accredited by the UK Association of MBAs (AMBA) in 1994. ESADE also had an extensive network of partnerships with more than 90 universities and top business schools around the world and often appeared in the top positions of several management education rankings.

At ESADE different and practical learning methodologies were combined in order to mirror the complex world of company management: active classes led by one or more faculty members; case studies to analyse and discuss real company problems and alternative solutions; management simulations allowing participants to experience decision-making and its consequences on a given company; skill seminars with small groups to develop competencies and managerial skills; tutorials; business projects; teamwork; and company internships.

ESADE’s facilities covered a total of 27,000 m² split between three neighbouring buildings in Barcelona and a building in Madrid with a further 2,500 m² in facilities.

Josep Franch and the International Marketing Course

Josep Franch earned his BBA and his Master in Management degree at ESADE, graduating in 1984. He worked in marketing positions until 1988, when he was offered an assistant professor position at ESADE’s Department of Marketing Management. His first teaching appointments were in the Basic Marketing and Strategic Marketing courses, but soon he began to specialise in International Marketing. His teaching evaluations were very good and he realised that if he was to pursue an academic career he needed to obtain a PhD, so he enrolled on ESADE’s PhD programme. Franch was enthusiastic about working with active teaching methodologies, sharing his personal experience and working with case studies in class.

In 1990, Franch was appointed Associate Director of the Full-Time MBA at ESADE. This was a two-year programme aimed at young graduates from different disciplines, at that time taught in Spanish, with some courses also offered in English. The student body was made up primarily of Spanish nationals, with only 35% of international students, mainly from Latin America. A lot of changes were to happen during his term of appointment, as Franch recalls:

management and business administration, run by the EFMD (European Foundation for Management Development).

4 The Association to Advance Collegiate Schools of Business. Founded in 1916, AACSB is the longest-serving and largest global accrediting body for business schools that offer undergraduate, Masters, and doctoral degrees in business and accounting.
“Those were hectic years. When I took over, the Full-Time MBA had no foreign exchange programme, and was mainly taught in Spanish... We completely revamped the programme, raised the English requirements in the admission process, set up an exchange network, opened a new section entirely in English, started to recruit students at international MBA fairs... It was fun, but a hell of a lot of work.”

Programme administration on top of his teaching load did not leave Franch much time for his PhD programme. He completed courses and seminars but had no time for a lot of research. So when his term of appointment ended in 1996, he negotiated a sabbatical year to work full-time on his dissertation. He went to IMD, a top-ranked business school in Lausanne (Switzerland), to work under the supervision of Kamran Kashani. In the 1996-1997 academic year, Franch prepared and submitted his research proposal and completed all the field work needed for his dissertation on managing global brands. But beyond his research, Franch also had the opportunity to learn several other things at IMD, in particular how to write cases. In his own words:

“[The year at] IMD was a turning point in my career. Not only did I have the chance to work on my dissertation with an outstanding supervisor, Kamran Kashani, but I also experienced how another business school was run and I learned a lot about how to write and use cases in class. At IMD, they use the case method extensively, a lot of their faculty members have been trained at Harvard and they write and publish a lot of cases every year. They have a full structure of research associates that support faculty members in writing cases. Although I was not directly involved in writing a case study during my stay there, I had the chance to interact with some faculty members and research associates and I had the chance to see how they approached companies, developed cases, used them in class... I also remember a lot of useful advice from Gordon Adler, case editor at IMD. You know... it was like opening my eyes. So this was how I became interested in case writing.”

Back at ESADE, Franch decided to start producing his own cases for his International Marketing course. Whenever possible, he tried to involve a company when preparing the case, but he also wrote some arm-chair cases based on secondary research. Case leads came from very different sources, an article published on a company, a presentation, alumni, personal contacts... When questioned about how he typically approached a case, Franch said:

“How do I decide on the issues a case is going to deal with? I believe there is no single answer to this question. Sometimes I see an issue and I immediately anticipate the main learning outcomes, in which session to schedule the case, which questions to put to students. On
other occasions I have a need, a gap in the syllabus, a topic I
definitely want to address through a new case, and then I try to find a
suitable company. Or sometimes I have a contact at a company or I
am eventually approached by a company to see if we can write a
case about them…What’s important to me is to visualise in advance
what the learning points are going to be – the take-aways – otherwise
you might end up writing a nice entertaining story, but not a good
case!”

Although there was no infrastructure to produce a lot of cases at ESADE, very
soon Franch was to see the results of his efforts. A two-case series he wrote
with the assistance of an MBA student, “Unilever (A): Globalising the Ice-Cream
Business” and “Unilever (B): Frigo Spain”, won the European Foundation for
Management Development (EFMD) 1999 Case Writing Competition in the
category of International Business. In that edition, several cases written at IMD
also won in other categories. The “Sony Europe” case, co-authored by Kamran
Kashani, won the Change Management category. The cases were presented at
HEC (Jouy-en-Josas, France), where awards were given to the case authors.
Franch was very happy to meet Kashani at this event and he had the chance to
learn how Kashani and his co-author approached the development of their case
study in a completely different way. As Kashani said during the presentation of
“Sony Europe”:

“This case was developed in an unusual way. We had no idea or
preconception about what to write the case on. We had the
company’s permission, so we went there and interviewed a couple of
people and while we were conducting the interviews we discovered
what we wanted to focus the case on.”

Only a couple of years later, Franch won the EFMD 2001 Case Writing
Competition in the Multimedia category with the cases “L’Oréal (A): Fighting the
Shampoo Battle” and “L’Oréal (B): Locally Adapting Elsève’s Global Strategy”. This
case was published in CD Rom format along with other multimedia
materials: interviews with company managers; commercials and printed ads for
Elsève and its main competitors; articles about the shampoo market; and other
mater.

By 2002, Franch was only using his own cases in his International Marketing
course (see Exhibit 3 for a typical outline of this course). The course was made
up of ten sessions. Every session lasted three hours, one and a half to two
hours were usually spent in case discussion and the remaining time in active
lecturing, presentations by a guest speaker or other learning activities. There
was only one session where students did not have to prepare a case, instead
they had to conduct a desk research assignment for a product or a brand in a
foreign country and the class discussion was based on students’ presentations
and their findings. Franch was satisfied with his cases and how the course was
going. Some of his cases were also available through the European Case Clearing House (ECCH). In addition to that, he started to gain a reputation as a case study writer.

**Preliminary Thoughts on a Mango Case Study**

As international marketing expert, Franch had been closely following the international expansion of two main Spanish players in the clothing industry, Inditex, the parent company of Zara, and Mango. He used to say in class:

“Companies like Mango or Inditex are not only a benchmark for successful international expansion, but also an example of how to position Spain as an international clothing supplier. A few years ago, this positioning seemed to be dominated by Italian brands, and Spanish companies did not seem to provide any added value. But now thanks to the likes of Mango or Zara, there are a lot of consumers around the world who look for Spanish designs when buying clothes.”

Franch had been playing with the idea of writing a case on one of these two companies, but the first thing he needed was company access. It was not easy to get information on those two companies. The founders of Inditex and Mango were extremely discrete in terms of their private lives. For instance, there were no published photos of Isak Andic, the founder of Mango, and pictures of Amancio Ortega, founder of Inditex, were only released to the press when Inditex became a public listed company.

At the end of 2000, Franch was invited to serve on an ESADE panel that had to assess a master thesis entitled “Growth Strategies of Spanish Fashion Design Companies: The Mango Case”. The master thesis had been written by Elena Salcedo under the supervision of Marcel Planellas, a colleague at the Business Policy Department. Planellas was aware that Franch was keen on writing his own cases and he thought that Salgado’s thesis was quite rich in detail and could potentially become a good case with some rewriting. As Planellas put it:

“The student has done a very good job. She had a contact at Mango and got first-hand company information. The thesis initially focused on issues of entrepreneurship, but later on she widened the scope to also include the international expansion of Mango.”

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5 The original title in Spanish was “Estrategias de crecimiento de las empresas de diseño de moda en España: Caso Mango”. Elena Salcedo defended her master thesis on March 19th, 2001.
Salcedo’s master thesis was indeed very good and also provided rich company insights. Unfortunately, shortly after successfully defending her master thesis, Salcedo was made a very good job offer and moved abroad, so the company contact was lost. However, Franch kept on searching for information on the clothing business in general and on Mango in particular.

A few months later, Isaac Levy, a former ESADE student who had not completed his master thesis on time, approached Franch. He formally asked the latter to supervise his master thesis. After more than ten years working in the textile industry as a supplier for many different companies, including Mango and Inditex, Levy wanted to capitalise on his own experience and write his master thesis comparing the business models of Mango, Inditex and Cortefiel, the three largest companies in the textile and garment industry in Spain. Supervising Levy’s master thesis gave Franch the opportunity to learn much more about this industry. But the really good news was that Levy had direct contacts at the three companies that could eventually be approached to see if they would be willing to cooperate in writing a case study.

Levy succeeded in getting an appointment with Mango at the end of March 2002. By then, Franch had a stack of information on the company but if he was to write a case study, he was still unsure what the main issues would be. He and Levy met to prepare the company visit.

- “This is going to be an excellent case,” said Levy. “You have loads of information.”
- “Yes,” answered Franch. “There’s a lot of information in here, but I’m still missing the most important part: What the main issue is going to be...”
- “You can describe Mango’s international expansion. It’s a great story. There’s a lot to be learned from what these guys have done by moving into more than 64 countries, don’t you think?”
- “Yes, but I might end up with too descriptive a case, a nice story but no real discussion in class.”
- “Why do you want to have discussions in class?” asked Levy.
- “Because I like confrontation. I like to see people taking different positions in class, defending their own views and discussing others’ viewpoints.”

Franch was also considering replacing some of his current cases in the course programme. A new case study on Mango could replace his “Chupa Chups in

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6 Levy finally defended his master thesis on October 19, 2002 with the title “Models of Growth and Internationalisation in the Spanish Textile Industry: A Study of the Cases Inditex, Mango and Cortefiel” (the original title in Spanish was “Modelos de crecimiento e internacionalización en el sector textil español: Un estudio de los casos Inditex, Mango y Cortefiel”).
Mexico” case, but it was pretty obvious that a Mango case study should be used in a session on International Distribution. He wanted something more challenging. A couple of ideas that came to mind were to write a case study on parallel markets or counterfeits. These were two topics he wanted to address in greater depth in his course but he had been unable to find suitable cases so far.

The Visit to Mango

Franch and Levy met at Mango with Isak Halfon, Director of International Franchise, and Salvador Vallés, one of his Area Managers. Vallés was an MBA graduate from ESADE and had been a student on one of Franch’s courses a few years earlier. Both were very kind and willing to cooperate with the case study. They started the visit by showing them round the company facilities and different departments. Of special interest was the visit to the Distributing Warehouse, where Franch and Levy were shown the machinery for distributing both ‘hung’ and ‘folded’ garments directly to stores. Each garment was given a bar-code label that was read by the machine’s scanner and assigned to its corresponding store. There was only one other machine like it in Europe, at Benetton’s headquarters. This machine made it possible to sort and allocate 30,000 garments an hour. The garments left the distribution machine with blank labels and no alarm. The prices and alarms were added at the stores.

During the visit to the Purchasing Department, Franch decided to put some questions to Halfon to see if he could identify some issues for the case:

− “Do you send your designs to your factories in China?” asked Franch. “Aren’t you afraid of copycats? Do you send the labels to your suppliers?”

− “Certainly,” replied Halfon. “And sometimes we come across copies of our products in Morocco. We’re aware that some brands such as Levi’s or Louis Vuitton have a specific department to deal with those issues, but we’re still a small company and this is not a main issue yet. Maybe in the future…”

− “What about parallel imports? Do you have a lot of them?” asked Franch.

− “Not many, really,” answered Halfon. “We might have some copycat problems, but not with parallel imports.”

− “What’s your international pricing strategy?” Levy wanted to know.

− “We have no standardised prices,” answered Halfon. “Every country or area has different prices depending on transportation costs, tariffs, VAT, salaries and other market factors. If we take the price in Spain as a 100 index, in some countries we might sell at lower prices (90 on the index) and in some other countries prices could be between 115 and 140. The
cost of renting a store and the salaries you have to pay are very high in some countries. In other countries we have to pay a lot in tariffs.”

− “I assume if the price difference from one country to another is not very significant, that you won’t have high parallel imports,” said Franch. “There’s no incentive in re-exporting your products.”

The visit continued through different company departments: Design, Purchasing, Merchandising, etc. Halfon and Vallés filled Franch and Levy in on company issues. Franch wanted to explore other potential topics for his case:

− “I’d like to find out about the problems you encounter selling abroad through your own stores or through franchisees.” And then he asked, “What are your challenges?”

− “In some countries there’s no alternative to selling through franchisees,” said Halfon. “For instance, we might not know the local market, there could be legal complexities or perhaps the majority of a company has to be in the hands of local people.”

− “Local market knowledge is essential in this business,” added Vallés. “Even if you’re very good, you’ll never perform better than a local partner. And there’s also the issue of taking advantage of different opportunities. Resources are limited and store openings are scheduled according to a strategic plan. But if a good opportunity arises, we won’t let it slip through our fingers.”

The visit was coming to an end. Franch had been taking extensive notes during the visit and Levy had been recording the conversations.

− “Many thanks for your time and your useful comments,” said Franch. “With all the information you’ve provided us with, I can get to work on an outline for our case. I’ll get back to you as soon as I’ve got a proposal.”

− “Now that the interview’s nearly over, I have to say you haven’t asked me the million dollar question yet,” said Halfon.

− “And that is?”

− “Why Mango isn’t present in the US market yet,” informed Halfon. “And the answer is that it’s a very difficult market. A lot of European companies have failed to succeed there and a lot of stores had to be closed down. Benetton had all sorts of problems, Zara’s only been able to open 6 stores in 12 years, and H&M is just opening up its business in the US.”

− “Besides, the fashion concepts are very similar and homogeneous around the world. But the North American market has a completely different concept of fashion,” pointed out Vallés. “People dress more basic, more casual, more sporty, and our product is somewhat different.”
“Also, the US is a very protectionist country and there are tariffs and quotas on Chinese-made products,” added Halfon.

“Tariffs between China and the US are going to be removed in 2004 once China joins the World Trade Organisation (WTO). Is that right?” asked Levy.

“Sure! They’re certainly going to disappear in the future,” confirmed Vallés. “But an additional problem is the difficulty of implementing a just-in-time procedure for the US. We need to come up with alternatives.”

“Yes, and we’d also need an ad-hoc logistic system,” concluded Halfon.

With these final considerations, the meeting ended. As Franch was going back to his car he was wondering if he really needed another case on Entry Strategies. The current case study he was using on the challenges of ATR, a European turboprop manufacturer, entering the Chinese market was going quite well in class and he did not feel the need to replace it. On the other hand, a case study on Mango would be very appealing to students and there was no question that Mango was a real success story: But could this story be a good case? In fact, Franch was still unsure what the main issues of that case should be. And he had to make a decision.
## Exhibit 1: Mango’s year of entry into different countries

<table>
<thead>
<tr>
<th>Year</th>
<th>Countries</th>
</tr>
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<tbody>
<tr>
<td>1992</td>
<td>Portugal</td>
</tr>
<tr>
<td>1994</td>
<td>France</td>
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<tr>
<td>1996</td>
<td>Austria</td>
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<tr>
<td></td>
<td>Belgium</td>
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<tr>
<td></td>
<td>Cyprus</td>
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<tr>
<td>1997</td>
<td>England</td>
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<tr>
<td>1998</td>
<td>Chile</td>
</tr>
<tr>
<td></td>
<td>Argentina</td>
</tr>
<tr>
<td></td>
<td>Brazil</td>
</tr>
<tr>
<td>1999</td>
<td>Denmark</td>
</tr>
<tr>
<td></td>
<td>Hungary</td>
</tr>
<tr>
<td></td>
<td>Kuwait</td>
</tr>
<tr>
<td></td>
<td>Lebanon</td>
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<tr>
<td>2000</td>
<td>Andorra</td>
</tr>
<tr>
<td></td>
<td>Aruba</td>
</tr>
<tr>
<td></td>
<td>Cuba</td>
</tr>
<tr>
<td>2001</td>
<td>Costa Rica</td>
</tr>
<tr>
<td></td>
<td>Czech Republic</td>
</tr>
<tr>
<td></td>
<td>Dominican Republic</td>
</tr>
</tbody>
</table>

**Exhibit 2: Data on number of stores and main sales figures for Mango (1998-2001)**

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
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</thead>
<tbody>
<tr>
<td><strong>Number of stores</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stores in Spain</td>
<td>191</td>
<td>206</td>
<td>217</td>
<td>221</td>
</tr>
<tr>
<td>Stores abroad</td>
<td>211</td>
<td>257</td>
<td>298</td>
<td>354</td>
</tr>
<tr>
<td>Total number of stores</td>
<td>402</td>
<td>463</td>
<td>515</td>
<td>575</td>
</tr>
<tr>
<td><strong>Sales turnover (in million €)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stores in Spain</td>
<td>198.3</td>
<td>246.4</td>
<td>255.4</td>
<td>266.8</td>
</tr>
<tr>
<td>Stores abroad</td>
<td>270.5</td>
<td>426.7</td>
<td>465.8</td>
<td>574.6</td>
</tr>
<tr>
<td>Total stores’ sales turnover</td>
<td>468.8</td>
<td>673.1</td>
<td>721.2</td>
<td>841.2</td>
</tr>
<tr>
<td>Consolidated group sales turnover</td>
<td>305.0</td>
<td>427.0</td>
<td>559.0</td>
<td>667.0</td>
</tr>
<tr>
<td><strong>Number of countries covered</strong></td>
<td>32</td>
<td>45</td>
<td>53</td>
<td>64</td>
</tr>
</tbody>
</table>

Source: Mango Annual Reports

*Note: The exchange rate in December 2001 was $1 = €0.8912*
Exhibit 3: Typical outline of Franch’s International Marketing course

<table>
<thead>
<tr>
<th>Session</th>
<th>Topic(s) Covered</th>
<th>Case Study</th>
<th>Case Learning Objectives</th>
</tr>
</thead>
</table>
| 1       | Programme Presentation. Introduction to International Marketing. Different International Marketing Orientations | “Mateus Rosé”                                                             | • To discuss the reasons Mateus had to go international  
• To identify different international marketing orientations |
| 2       | Analysis of International Marketing: Environment. Economic Forces, Political and Legal Forces, Cultural Forces | “Coca-Cola: Crisis in Belgium”                                               | • To identify the elements of the international marketing environment  
• To learn how to manage a crisis in a foreign market |
| 3       | Marketing Information Systems (MIS) in International Markets. Market Research Design for International Markets | Desk Research Assignment                                                   | • To illustrate the difficulties of conducting a market research in a foreign market  
• To develop the competences of finding market information |
| 4       | Entry Strategies: Exporting, Foreign Production, Joint Ventures, Strategic Alliances | “ATR: Entering China”                                                      | • To analyse alternative strategies for entering a foreign market |
| 5       | Segmenting International Markets: Cross-National vs. National Segments | “L’Oréal (A): Fighting the Shampoo Battle” (ECCH case no. 501-011-1)       | • To discuss the definition of strategic priorities in the international marketing of a brand |
| 6       | International Product and Brand Management: Multinational and Global Product and Brand Decisions | “Unilever (A): Globalising the Ice Cream Business” (ECCH case no. 500-003-1) | • To develop and discuss the alternatives and implications of a change of brand image, moving from a multi-domestic strategy to a global marketing strategy |
| 7       | Price-setting for International Marketing: Strategic Decisions in International Pricing | Case study: “Hewlett Packard: Changes in the large-format printer market” | • To evaluate the implications of the entrance of a new competitor on a company’s international price strategy |
| 8       | International Distribution Channels: Gaining Access to Distribution Channels in a Foreign Market | “Chupa-Chups in Mexico” (ECCH case no. 500-005-1)                          | • To illustrate the difficulties of introducing a company in a highly competitive and already mature market  
• To discuss the alternative channels in a highly fragmented market |
| 9       | Management of International Communication: Success Factors in Global Communication | Unilever (B): Frigo Spain” (ECCH case no. 500-004-1)                       | • To discuss the implications of a global marketing decision on a local market  
• To reflect the complexity of making a global strategy work |
| 10      | Organising and Controlling International Marketing Management. Course wrap-up | “L’Oréal (B): Locally Adapting Elsève’s Global Strategy” (ECCH case no. 501-012-1) | • To discuss the implementation of a global marketing strategy in different markets |

Note: In brackets, the reference number of the case studies available through the European Case Clearing House (ECCH)