Market to Win Simulation: Liftsoft

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**Introduction to the Global B2B Simulation**

The Global B2B strategic marketing simulation was designed by Edmund Bradford and Professor Malcolm McDonald. This simulation acts as a comprehensive management tool intended for participants to have the opportunity to practice and develop their strategic marketing skills. Understanding market strategy is one of the most important skills to have in order to be a leading business. Marketing strategy provides an organization an edge over its competitors and aids in the optimum utilization of its resources to provide a sales message directed towards the company’s target market.

This simulation is a valuable tool in demonstrating the decisions a chief marketing officer would make in a real world setting. All those participating in the simulation were split into small teams that then represented different suppliers in a specific market, in our case we were suppliers to the elevator industry.

At the start, all five competing companies have different value propositions and mission statements that are tailored to their corporation. The teams competing make a decision for five periods, each of which represent a six-month time frame. The end goal of the simulation is for your team’s company to be the most profitable in the final period.

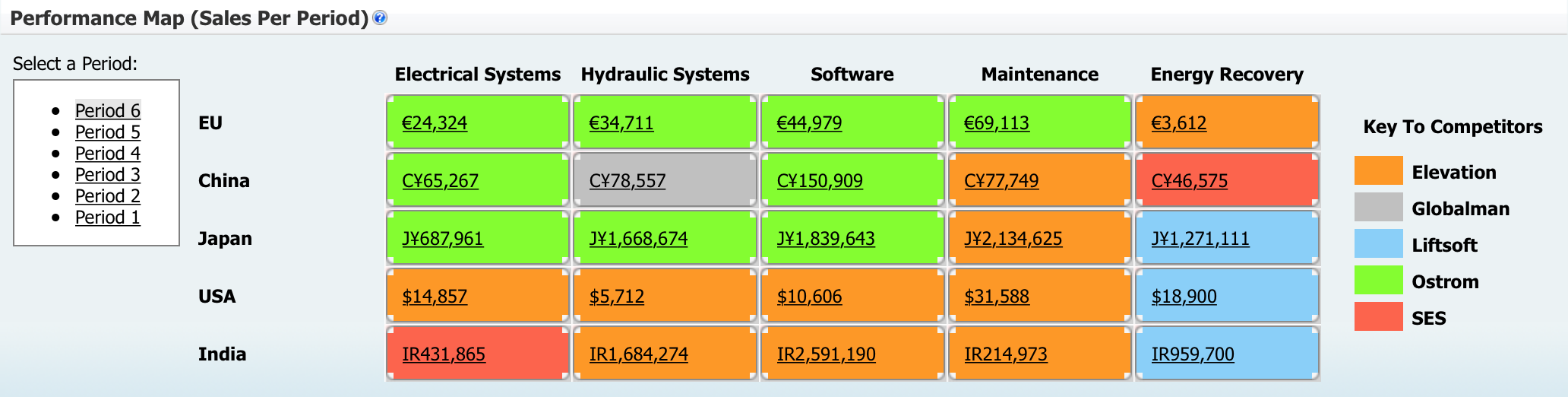
Business-to-business marketing includes the promotion of products to businesses or other organizations for use in the production of finished goods, general business operations or for resale to other organizations, such as a manufacturer selling to a distributor or a wholesaler selling to a retailer.

The Global B2B simulation was designed to reinforce the target market and marketing strategy planning process. This simulation is a learning tool that allows participants to engage with a group of people with different functional expertise that are all working toward a common goal. The underlying purpose of Global B2B is to learn and practice the managerial skills required to effectively market and drive sustainable and profitable growth within the elevator industry. Through the simulation, our team had the opportunity to learn and practice the key tools of segmentation, targeting and positioning.

**Strategic Planning**

Strategic planning is an organization’s process of designing a strategy and then allocating its resources in order to execute that strategy. In the simulation, the team’s focus was to use the budget towards the markets that would allow Liftsoft to be most profitable. Ensuring that everyone is working toward common goals and establishing agreement regarding the period outcomes and then assessing whether the strategy needs to be adjusted are all vital aspects of strategic planning.

At the start of Period 3, Decision 2 our team purchased additional reports regarding the elevator industry, market report and a manufacturers survey report, all of which assisted us in our decision making process. The team was very conservative with the budget at the beginning of the simulation. Once we explored different markets and decided which segments we felt Liftsoft would excel in, our team began to spend more of the budget in those areas, specifically electrical systems and maintenance. For the final period, our team took advantage of the opportunity to spend a large portion of our budget on energy recovery and pulled from certain segments that contained more risk and was lacking in profits.



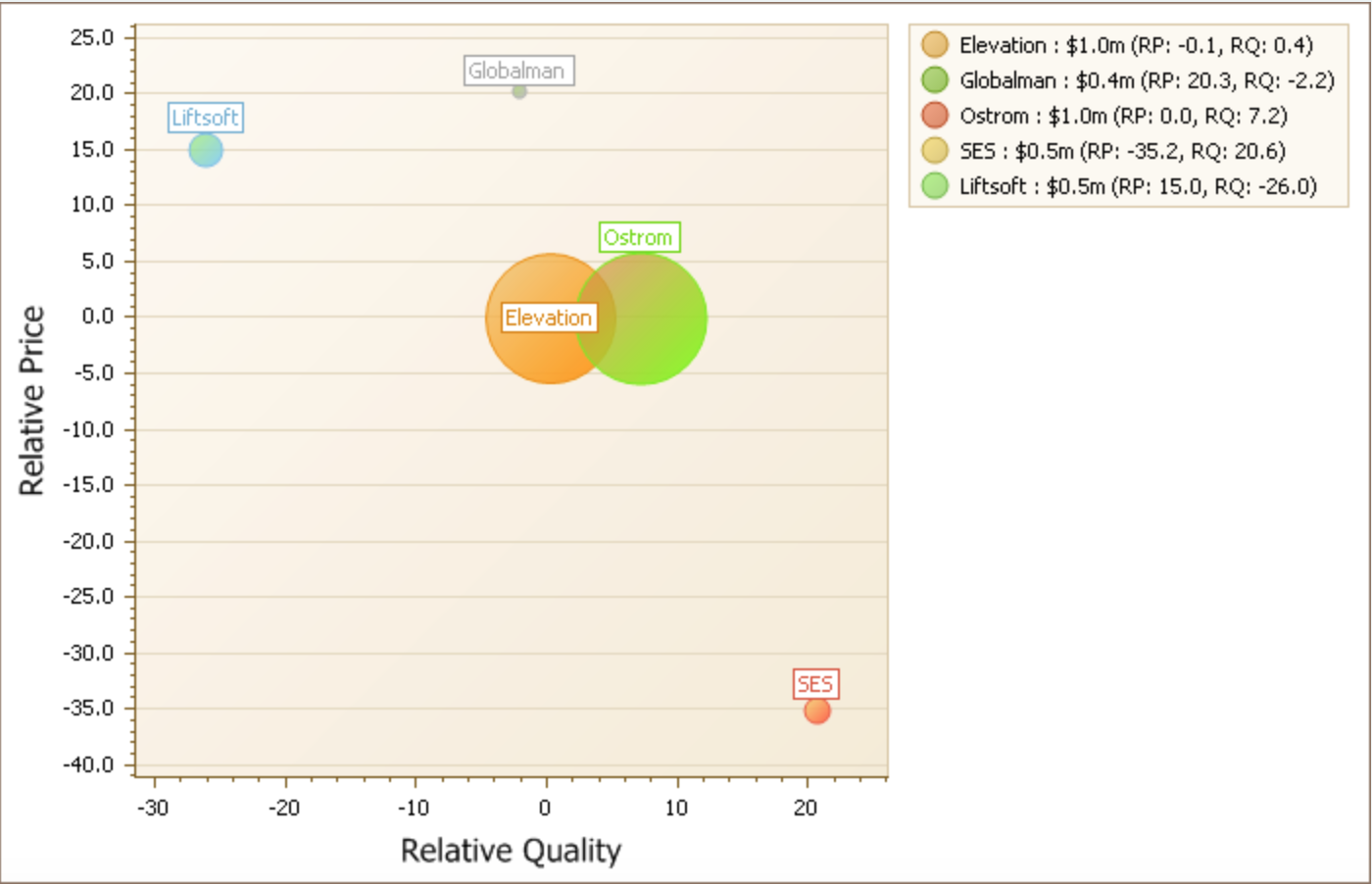
*Liftsoft’s Performance Map after completing Period 6.*

Through extensive research of the market and an understanding of our customers’ needs and wants, Liftsoft is able to successfully match the performance that is expected. This will then aid in the company’s marketing goal of increasing its brand value and customer relationship, making Liftsoft more desirable.

**Value Proposition**

Identifying value proposition is an effective strategy used in order to meet specific customer needs. The extent to which Liftsoft’s elevator services provide solutions for its’ customers determines the company’s value proposition. Throughout the simulation, our team had been consciously working on different ways to tailor our services toward a specific target market. Liftsoft’s mission is to provide the best customer experience possible for its’ stakeholders. Our team strived to provide the best product quality to build a strong value proposition, which would set our company apart from competitors.

Our customer focus is essential, especially since there are times where companies focus solely on profit, rather than customer relationships. We directed our resources towards the betterment of the various products and services Liftsoft offers. Another factor the company took into account is supplier relationship. By building up strong relationships we would be more successful in providing an excellent customer experience.



*Value Map illustrating Liftsoft’s relative price and quality in the final period.*

The team utilized the Value Map as a tool to track how Liftsoft’s customers perceived the company’s elevator services. Throughout the simulation we worked on improving the company’s position on the Value Map. To do this, we needed to focus more attention on improving the relative quality of Liftsoft’s product and services.

**Implementing the Selling Strategy**

When implementing a selling strategy, it was important for our team to custom-tailor the plan based on the company’s intent, industry and growth opportunity within the elevator industry. Key evaluation points were clearly defined and used as a guide throughout the simulation decision periods in order to maximize Liftsoft’s efficiency and profitability. Marketing is an essential aspect for building the company’s brand and expanding the elevator services provided by Liftsoft to potential customers.

Before implementing the selling strategy, our team had to first identify the value proposition of the company and have a clear understanding of the marketplace. Upon entering the final period, our team decided to allocate our budget towards products and services within the elevator industry that would focus on being profitable in the Energy Recovery industry. In using the research reports purchased through the simulation, our team took advantage of expanding into this potential market, thus being profitable.

**Using Simulations as a Learning Tool**

Simulations are starting to become more prevalent in education because they help prepare students for the workplace. They are a great way for students to get hands on experience within a specific industry. Simulations prepare students for real life business situations and help students learn ways to react in those different scenarios.

Participating in a simulation, along with the education learned throughout one’s college experience, will better prepare you for the various real life, workday experiences that could occur. In addition, the repetition of the weekly decisions keeps the students engaged and is a driving force in mastering the various learning objectives needed to improve one’s managerial skills. Every period there is a decision that must be made that should factor in various elements, such as the industry, competitors, budget, profit, target market, brand recognition and value proposition.

Through simulations, we are able to have access to all these resources and identify how each element is effected by the decisions made in each segment. That being said, a major benefit of simulations is that students are able to make mistakes and receive feedback soon after they make their decision. The instant feedback that is provided after each decision period allows students to have the opportunity to learn from their decisions and make adjustments for the following period.

**Group Dynamics**

Our group dynamic was a very positive experience. Having a level of trust among the group members is very important when making collective decisions throughout each period. As deadlines approached, we all held each other accountable for the work being submitted. Each of us brought different strengths to the team.

Our Chief Marketing Officer, Ivan, did a great job steering us in the right direction of what he thought we should discuss and where the best decisions opportunities would occur. In addition, we all worked together in keeping our group meetings on task in order to effectively make decisions for each period. When making decisions it was important that we had excellent communication skills so that we were able to communicate thoroughly our thoughts on developing our strategy.

As a group, we were all in understanding that a major aspect of our strategy required us to utilize our budget in areas that would generate the most profits. Each of our group members brought a variety of skills to the team. We all have different strengths coming from different majors, so we were all able to bring a variety of ideas to our team meetings to help us make effective decisions. As a whole, our team had great communication. We created a group message to aid us in communicating regarding our weekly decisions and discussing our thoughts on how we should spend our budget. In addition, the creation of the group message helped us communicate with one another if one of our group members was unable to meet with the rest of the group or attend class.

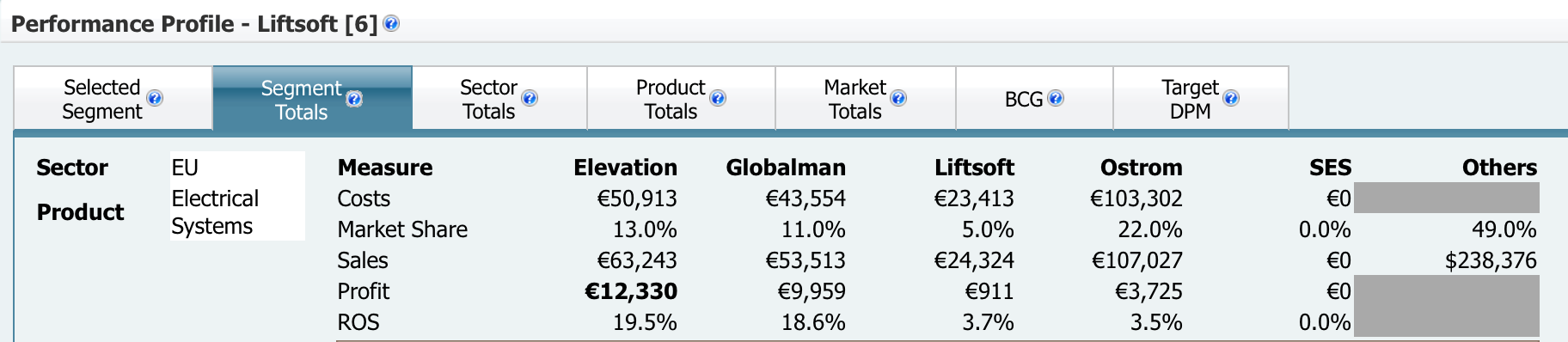
**Outcomes and Final Conclusions**

After completing the Global B2B marketing simulation, there are some key findings that we took away from our efforts. One being, the importance of implementing an accurate marketing strategy before making large financial decisions. When we first started the simulation we had no clear strategies or long term goals put in place and this hurt us in the early decision periods of the simulation.

Another key takeaway is realizing the importance of understanding our market tools and support documents, such as the Boston Consulting Group and our Directional Policy Matrix. These are extremely valuable tools that need to be understood and taken advantage of in order to be successful when making marketing decisions.

We found that it is crucial to buy all the research reports provided within the simulation and understand them fully. They are a very valuable tool to help understand the market, industry, and manufactures and should definitely be considered when making decisions. The last key takeaway that our group took out of the simulation is to not fear taking risks. In the first few decision periods we left a lot of our total budget untouched, which was a mistake. As the simulation went on, we realized that we needed to stretch our budget in order to have a wider reach on the market and maximize profits.

Although Liftsoft was not a leader in majority of the segments, participating in the simulation was a great learning experience and has broadened our understanding of strategic marketing. With the feedback provided at the end of each period, our team had the opportunity to learn from our mistakes.



*Liftsoft’s final outcomes at the end of the simulation.*

**Reflections**

Looking back at our experience, we believe that the most valuable learning tool of the simulation was having the ability to make mistakes and learn from them in a realistic, business environment. The best way to learn these skills is by practicing them and making mistakes in our market strategy.

Although our group made a lot of mistakes in our decision making process, we took a lot of valuable information away from the simulation. We have expanded our knowledge regarding the skills needed to effectively market and drive sustainable and profitable growth within the elevator industry. Having the ability to make smart, risky decisions and observe the consequences or benefits is a unique experience that we had this semester and has greatly improved our understanding of the marketing industry.

If our group had the opportunity to compete again in the Global B2B marketing simulation, we would focus on finding a key strategy and researching more on who our target market is before making any decisions. We would do this by focusing on the purchasable research report documents prior to the start of the simulation. Secondly, we would also make sure to use all of our budget for each period in order to maximize profits. The simulation provided no real risk, therefore we should have used the full budget to get the most out of each decision period.

Another strategy that could greatly improve our performance would be the division of roles amongst our group. Group members could have had more defined responsibilities regarding research, evaluations, and decisions within each period.

References

Edmund Bradford and Malcolm McDonald, strategic marketing simulation. Strategic Marketing PowerPoint (2019).

Edmund Bradford and Malcolm McDonald, Liftsoft Marketing Plan (2019).