

A man in a grey suit and glasses is shown from the side, flying upwards. He is wearing a jetpack with two blue and silver engines. His right arm is raised towards the sky. The background is a city skyline with many skyscrapers. The image is set against a blue and white geometric background with diagonal lines.

DIVERGENT CONSULTANTS

*Project: Cost-Leadership Strategy for
Basic Jetpack Product line.*

Business PLAN *For Falcon*

Your client wishes to adopt a cost leadership strategy in the Basic Jet Pack product line.

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Problem and Purpose

This project focuses on analysing "Cost Leadership Strategy for Basic Jetpack for upcoming four years for Falcon".

- Basic Jetpack is an economic scale product(from Hubro market research).
- A cost-Leadership strategy based on the lower-cost model also supports the economic scaling of the product.

Proposal

This report focuses on bringing rational solutions for clients' requirements in pursuing Cost Leadership Strategy in Basic Jetpack. First, the study discusses why and how the business needs a Cost Leadership strategy. In this regard, the document examines the macro and microenvironment of the company. Then, a hypothesis based on Hubro and real-world is drawn to consult the firm. As a result, the study identifies the challenges and opportunities that the company must investigate to compete successfully in the market. Finally, a concise business roadmap or strategic plan is presented.

A cost leadership strategy is a collection of measures taken to create goods or services with desirable qualities at the lowest feasible cost in comparison to rivals (Ireland and Hitt., 2011). In addition, cost leadership is more focused on competitors than on customers (Frambach et al., 2003). Implementing the cost leadership strategy is to gain an advantage over competitors by lowering economic costs (Barney, 2002). The goal is to propose an analysis to deal with the identified opportunities for the growth of the business.

Falcon's cost leadership strategy is analysed by PESTLE, SWOT, Ansoff, Porter's five forces and Competitor analysis. According to Akman (2020), PESTLE analysis includes various political, economic, social, technological, legal, and environmental factors that significantly impact an organisation. This tool helps develop plans and strategies for expanding a product line or opening a new branch of the company in a different area (Gupta, 2013). SWOT Analysis is a basic yet efficient method for assessing an organization's resource capabilities and gaps, market opportunities, and external threats to its future (Thompson et al., 2007: 97). Businesses conduct a SWOT analysis to assess their internal strengths (S) and weaknesses (W). Still, it also

encourages employees to look beyond the company to evaluate potential opportunities (O) and threats (T) (Gurel and Tat, 2017).

However, there is a significant difference between PESTLE and SWOT analysis, fulfilled by Porter's five forces (Grundy, 2006). According to Porter (1985), firms that pursue any of the three generic strategies, namely cost leadership, differentiation, and focus strategy, can improve organisational performance, and gain a competitive advantage. Furthermore, he contends that a low-cost position offers a good resistance over competitor rivalry as its reduced costs allow it to recover returns after competitors have competed for their profits in competition.

The Ansoff Matrix comprises four strategic components: new product strategy, existing product strategy, new market strategy, and current market strategy. This method is widely used in strategic management to objectively and accurately analyse the organisation's thoughts to expand the market and develop new products (Qian, 2005). Similarly, Yin (2016) believes that the firms conduct Ansoff Matrix to minimise their risks and plan their growth strategies.

This study will use secondary data to get an accurate and in-depth understanding of the proposal.

Secondary data is any data set that was not obtained by the author of "the analysis of data gathered by someone else" (Boslaugh, 2007: IX). Secondary data may comprise previously obtained information that is being investigated for reuse towards new inquiries for which the data was not originally collected (Vartanian, 2010). Based on secondary evidence, this study has showcased that Cost Leadership Strategy has the most crucial role in impacting competitiveness. In this research study, strategic implementation of cost leadership at Jetpack company Falcon is analytically and critically illustrated and tested with references to scholarly sources (Roy and Suvendu, 2019). Secondary documentary sources such as articles, journals, websites, and databases are used to analyse the Cost Leadership strategy. These sources would help develop the research and collect evidence for the arguments.

MISSION STATEMENT:

We create sustainable yet commercial solutions for businesses to grow for the comfort of humankind.

VISION STATEMENT:

To be sustainable and attainable solution providers for businesses that strive to provide consumers better life.

Values:

Our values are to provide humankind with the sustainable and innovative solution in the effective price. Our focus is to build quality solution and putting honest effort to build a reputation of firm. We believe in building an environment for innovation that is approachable to all.

Executive Summary

This report focuses on the solution for the problem encountered by Falcon to become a cost-leader in basic jetpack product line. The first part of the report emphasises the current market situation of Falcon. The decisions have impacted the performance of Falcon in the market, alongside the four major competitors in the segment of Basic Jetpack.

As cost-leadership is the economy's strategy, the product has a classified market in the actual world. Therefore, this report also provides a solution to make jetpacks a new recreational vehicle model. That will help Jetpack to gain acceptance in the actual world. The data collection method for the analytical model is the secondary method where academic journals, material present on the internet is collected to support the analysis and academic argument. Data from the Hubro simulation platform has also been considered an essential part of research design.

Cost-Leadership Strategy: With the high competition and market fragmentation, it is challenging to employ a cost leadership strategy. The essential method to implement cost leadership is by adopting an efficient production method and marketing. As the jetpack industry do not have well established B2C efficient market, B2B will be considered. In addition, a marketing strategy to reach more people with lower prices than competent with a quality product for creating brand value is proposed.

Analytical method for the business success road map is PESTLE, SWOT, Competitors Analysis, Porter's five forces and Ansoff Matrix. PESTLE gives the situational assessment for manufacturing Jetpack that analyses macro-environment and SWOT about microenvironment assessment. Macro factors like low tax rates, sustainable

environment and labour cost, information about suppliers helped develop a production efficient strategy. Competitor analysis and Porter's five forces have provided analysis about the market situation from the point of view of market leaders in the same product line, understanding their marketing strategies and information about their profit margins. Gaps in competitors' strategies are analysed to formulate a strategy to attract consumers.

Finally, Falcon is suggested with steps to implement cost leadership strategy in Hubro simulation and cost focus strategy for actual Jetpack. On the one hand, a business road map is developed based on the Ansoff matrix suggesting Falcon shift resources on Market penetration, which could be achieved by reducing the cost of production. On the other hand, cost leadership happens to improve companies' performance; therefore, practising this strategy will help in improving Falcon's market value.

Analytical Design

Introduction

Falcon started its Jetpack Factory to provide faster and better services in all the segments of the Jetpack in the year 2100. Falcon has been striving hard to hold its position in the market of Jetpack industry. Falcon has consulted us for advice on adopting a cost leadership strategy in the Basic Jetpack product line. This report is to understand Falcon's business in the last four years, analyse the current situation, critically assess the business progression plan based on secondary data and company data, and recommend the best-suited strategy based on business strategy analytical tools.

Falcon's Four-year Performance Analysis:

From the database collected from Hubro, Falcon has launched three different products in the Jetpack factory, one of that has been Basic Jetpack, namely Falcon 1.1. Its production was started in year one and stopped in year 2 with the start of a sporty Jetpack named Falcon 2.2. The organisation's workforce shifted entirely in the operations and marketing of Sporty Jetpack. Due to this company has suffered three-quarters of the deficit in the capital. Thus, to revise back from the situation started

basic jetpack production again, and even with timid investments in production and marketing, the company was able to build its equity in 3 quarters of year 3, providing the firm with the courage to develop a new product of safe Jetpack. However, after holding a steady position in the market again, Falcon decided to drop the production of basic Jetpack, which has poorly impacted in the last quarter of year 4.

Market Report Analysis:

Market report analysis (Appendix 1) will provide a thorough assessment of the market dynamics. From the market reports present in the Hubro database, this is seen that the Basic Jetpack segment of Jetpack have high competition as all the five Companies are manufacturing and supplying Basic Jetpack with [BOT] Lowe International and Platinum Ltd as the leading market shareholder. On the other hand, due to limited investments in marketing, Falcon has been held back from being a significant market share.

Production Report Analysis

In comparison with the production reports(Appendix 3) over different quarters over 4-year time, it has been evident that production cost of basic Jetpack is significantly less as compared to other two and thus the margin for one unit of basic Jetpack is higher than that of sporty and safe Jetpack. Therefore, based on the overall production report, we could interpret that discontinuation of basic Jetpack has affected Falcon's profit margins.

Sales Report Analysis

According to the sales report(Appendix 2) of Quarter 2 Year three Falcon 1.1, i.e., basic Jetpack earned a maximum profit for the company. Similarly, for quater3 of year 4. Thus, Basic Jetpack with minimum material and outsourcing cost was performing better than the other two products for Falcon.

Quarterly Report Analysis

In quarter 2 of year 4, with consistent production spending minimum on marketing for the basic Jetpack, Falcon improved on their ranking to the third position in net income and revenue from

sales. However, end of q4 year, the company lost its place in the market missed a chance on the leader board (Appendix 4).

Inference of past four years for basic Jetpack

From the above analysis, it is inferred that Basic Jetpack has supported the business by constant revenue generation, making the company stronger to invest in innovation.

Jetpack industry:

Jetpack is an emerging aviation technology that has limited use in aviation and recreational vehicle markets. Thus, in this report, we are dealing with the aspect of B2B services. However, Jetpack Industry has a few key players in the real world: Gravity, Martin Aircraft and German-Jetcat and Apollo from Denver. These Jetpacks are thriving to make Jetpack a mainstream mode of commutation, but still, Laws must be established as some jetpack operates at low altitude and some can fly near to airbus (Morrison.M., 2020). Significant product developments have already been started (Morris, 2022). The focus market and sector for promoting the product that will be the recreational industry (Gravity Industry, 2020). Therefore, in the real world, the jetpack industry with cost focus strategy is well suited to establish the technology.

Cost-Leadership Strategy:

The main goal is to earn profit by either product or service. According to the classic competitive advantage approach, a company must consider the structure-conduct-performance as a measure to design a strategy to survive in a market. The structure is a measure that mainly defines the structure of the industry, degree of concentration, market share and distribution. The firm's conduct is pricing setting, advertisement, technology Etc., and the performance defines by the profitability earned by the company related to the extent of market power(Ormanidhi and Stringa, 2008). This approach states that structure conduct and performance impact each of these.

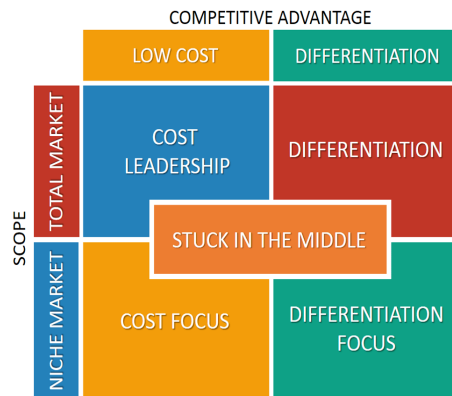


Fig 1: Porters' Competitive Advantage(Source: B2U)

Another approach provided by Porter is to design a competitive advantage in the market are based on broader and narrow targets: where the overall mark serves the industry in masses. Porter (1980, p. 3) "The essence of formulating competitive strategy relates a company to its environment."

A company must have a defined strategy as the company's strike in the centre happen to be unsuccessful. To provide cost leadership: supplying products or services at a lower cost; an enterprise must include experience, invest in manufacturing facilities, practise conservation, and carefully monitor overall operating expenditures (Valipour, Birjandi and Honarbakhsh, 2012) (through programs such as reducing the size and quality management). A corporation may be offered more outstanding quality, performance, or distinguishing features that justify the higher pricing.

If a company must move to cost leadership as a business strategy, it must increase the company performance, which could drive out of financial leverage. However, for product differentiation as a business strategy, company performance may or may not improve even with financial analysis(D. Banker., et.al., 2014).

According to Baack and Boggs (2008), Cost Leadership tends to fail for developed countries on emerging technology. The four primary cost leadership strategy drivers are Input Cost, Economies of scale, Experience, Product Design. According to Porter's generic strategy, Cost leadership is a strategy that means business cost structure should be the lowest cost structure compared to the competitors. Cost leaders have two choices: first, parity with competitors in product or service offered value by the customer; second, proximity to competitors in terms of product/service feature (Johnson, 2017). To find if the cost leader strategy is valid for the basic jetpack, we perform the following analysis: PESTLE, SWOT, competitor analysis, Ansoff Matrix, Porter's Five forces.

PESTLE

POLITICAL

Political factor is mainly interested in government action to influence or control organisations and political lobbying in a specific industry (B2U, 2018). The company's political stability is critical for any business organisation to survive in a competitive business environment. For example, Brexit has caused severe problems for the UK-based aviation industry. Because of restrictions on the free movement of goods and high custom tariffs, supply chain activity is disrupted, raising concerns about pricing policy. However, the UK government has announced a reduction in the corporate tax rate from 19% to 17% beginning April 1, 2020. (GOV.UK, 2018). As a result, this would be a positive factor for Falcon. Also, the laws governing Jetpack flying would be of concern.

ECONOMICAL

The country's economic situation is a critical aspect of Falcon's PESTLE analysis. According to Aldrick, P(2020)the United Kingdom has the world's fifth-largest economy by nominal GDP. The primary factor impacting manufacturing in the aviation industry are guided by: Crude oil price, price of aluminium, global per Capita Income and GDP of BRIC nation (Buchko.M, 2021). As Aviation Industry suppliers(AIRBUS, Boeing) are not based in the UK, various international trade laws govern the economic aspects of the Jetpack industry(Buchko.M, 2021). On the other hand, an increase in the minimum wage rate for employees aged 25 and up from £8.72 to £8.91 per hour will increase labour costs for the company (GOV.UK, 2021). Thus, to reduce production costs, substitute material and automated industrial operations can be employed to increase efficient production.

SOCIAL

Social factors will affect consumer purchasing behaviour, the effect of advertising and public relations, leisure activities, media views/roles, lifestyle changes perceived in products, and consumer perception of brands and products (Perera, 2017). The technology diffusion process is one major challenge for any innovation. It took household computers almost 30 years. (Hall, B.H. and Khan, B., 2003). Thus, the timeline for Jetpack adoption is uncertain. Therefore, to promote social acceptance, the first step to extensively showcase Basic jetpack would be in show business

(Ferguson, 2017). Also, the Recreational industry could be our potential buyers following up as B2B strategy.

TECHNOLOGICAL

The United Kingdom is regarded as one of the most technologically advanced countries, adopting and utilising various technical aspects. As per the viewpoint of (McGoogan, 2017), evolving innovations and technological elements may impact consumer purchasing behaviour and market conditions. Falcon may also consider how technology affects product design, production, distribution, pricing, and consumption. The advancement of technology has also resulted in transferring knowledge and maintaining positive relationships with customers, retailers, wholesalers, and manufacturers (Minford et al., 2015).

LEGAL

Legal factors include areas where the organisation must abide by laws to carry out its operations ethically and legally. Legal aspects are somehow related to political factors, including government rules, tax policies, trade policies, employment laws, labour laws, health and safety laws, and environmental laws (Sammut-Bonnici and Galea, 2015). The government's strict rules and costs made the overall operation of Falcon more and more complicated. According to B2U (2018), the organisation should be guided by a legal advisor or attorney when it comes to such matters. Similarly, Falcon should follow a legal advisor or attorney to smoothen its business operation and sustain its competitive business environment. Legal factors that will affect consumer behaviour will be related to the use of technology and potential threats of the aviation security breach.

ENVIRONMENTAL

Because of the shortage of raw resources, carbon footprint objectives, and pollution goals imposed by any regime, environmental policies are becoming increasingly significant (B2U, 2018). Climate change, global warming, ecological offsets, weather,

and climate all have a bearing on companies (Team FME, 2013). Sourcing products from environmentally friendly suppliers is also a possible solution to meet some environmental factors (Zalengera Collen 2014). Also, designing a jetpack based on electric fuel-driven aircraft technology will help bring an environment-friendly technology and reduce the manufacturing cost (Schäfer. et al., 2019).

SWOT

STRENGTHS

As per Sarsby's (2016) viewpoint, Strengths in the SWOT analysis are internal capabilities and positive qualities of business establishments relevant to organisations fulfilling their aims and efficiently serving their clients. It is the controllable activity of an organisation that results in a good performance (David and David, 2017). The key Strength of Falcon in the basic jetpack is that this product has generated a good amount of revenue, saving the Company from hitting the bottom (Appendix 4). Secondly, marketing strategies have always won the contract. With very little investment in the market, the Company stands third in the competition for total equity.

WEAKNESS

A weakness is a characteristic or attribute that an organisation lacks or performs badly in comparison to others, or a circumstance that puts it at a competitive disadvantage. (Thompson and Strickland, 1989). Falcon could not secure high margin contracts for the Basic jetpack due to the fragmented market. Falcon's decision to discontinue production of the basic jetpack so soon directly impacted the revenue from sales (Appendix 1). Finance management has been poor (Appendix 4). Thus, weaknesses of a firm are the internal controllable factors that affect a company's performance (David and David, 2017).

OPPORTUNITIES

Opportunities are external environmental conditions that allow an organisation to capitalise on organisational strengths, overcome weaknesses, or neutralise environmental threats (Harrison and St. John, 2004: 164). According to Hubro, the opportunity with a basic jetpack is waste reduction methods, and substitute with a

lightweight material can bring down the production cost and improve profit margins. Also, providing a user-friendly interface at a lower price can gain more brand value.

THREATS

Threats originate from changes in the organization's local or distant environment that might prevent it from continuing to exist or from retaining its competitive edge. (Ulgen and Mirze, 2010: 161). For example, according to Hubro, highly fragmented market share in the product line of basic jetpack due to which chances of playing price leadership strategy can end up as a threat on business rather than getting profits. Also, using cost leadership as a competitive strategy in high competition and established market leaders can be challenging.

Competitor Analysis:

Competitors are of two kinds: Direct and Indirect competitors (David and David, 2017). For Basic Jetpack following are identified as direct competitors: Platinum Limited, [BOT] LOWE International, Group 4 and Group 1. The strength of Platinum Ltd and [BOT] is their marketing strategy to earn significant contracts, and because of bigger profit margins, they can sustain with marketing expenses. On the other hand, marketing has been the weakness of Falcon, where marketing has been neglected. Also, consistent production of the essential jetpack in the market has helped Platinum and [Bot] to build brand value. On the other hand, inconsistency has been the second shortcoming of Falcon. Thus, loyalty has been hampered.

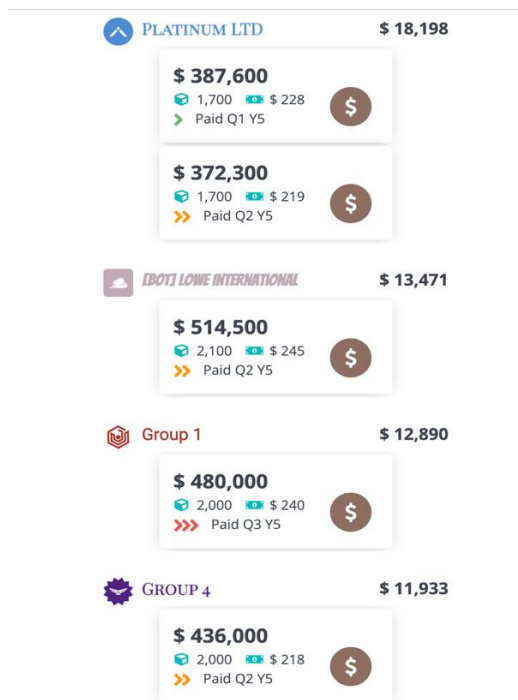


Fig 2: Basic Jetpack Quarterly Report

The gap in the approach of both the competitor's approach is that they had only spent on promotion of the product, not on R&D or any production improvement plan, which could have helped lower the cost of production and increase profit margins. In such a competitive environment lowering the product quality to lower the cost will not be a good solution, whereas innovation in the same product line has contributed a lot even in dysfunctional competition (Liu and Atuahene-Gima, 2018).

To become a cost leader, Falcon must innovate the production method to present a quality product in the market. They were first working on consistent production of basic jetpack to build a market presence and secondly working on the B2B approach to build Brand Value and win the customer's loyalty and focus on the dense increase in production.

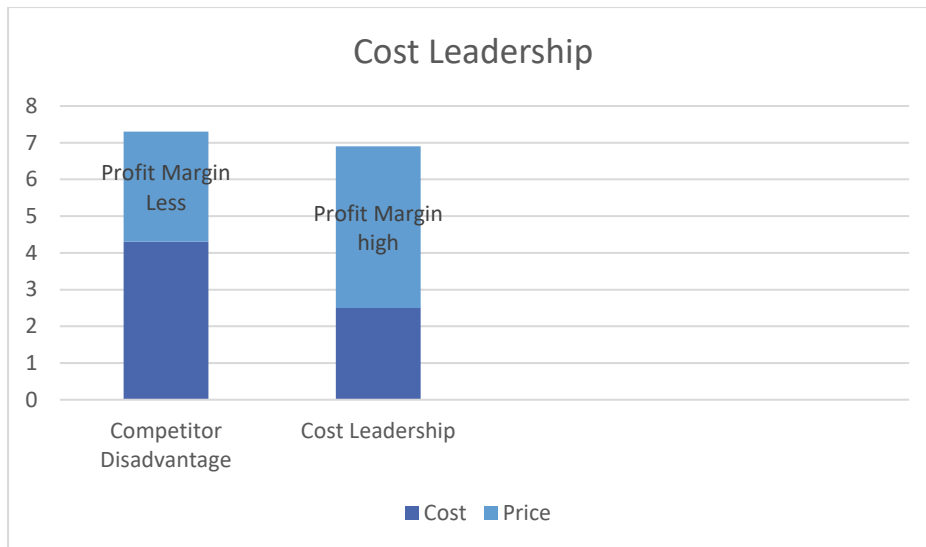


Figure 3: Cost Leadership by Reduction in cost of production and offering competitive price.

According to Bowman's strategy clock, the excellent way to become cost leaders is by increasing production and reducing the product's price (Fig 3). This strategy will lower the profit margins, but this strategy is very effective in the long term where consumers must trust the quality and low price resulting in loyalty-building (Bowman and Ambrosini, 2000). Productivity improvement program plays a crucial role in becoming cost leadership. According to Kharub, Mor and Sharma (2019), production management strategy can contribute well to cost leadership if the cost of production is lowered by taking competitive measures of switching to waste reduction, lightweight construction and substitute material and increasing the production line. This will effectively help a firm to make a mark in existing competition.

Marketing and promotions are practical tools to attract consumers. Even in the absence of dysfunctional competition (which is not the case here), competent marketing and customer appealing methods show to be considerably more successful in cost leadership than product difference (Liu and Atuahene-Gima, 2018). As per the Hubro records, all the central competitors are spending on marketing. Thus, to compete in this area will require a good amount of capital.

Although R&D costs are snubbed in a cost leadership strategy, if the same product with variation within cost limit to serve customer's requirements, this will give an edge over the competitors (Guo, B., et.al., 2018). The Tata Group, for instance, has been recognized for its ability to create innovative items fast and at a low cost. Instead of pushing the technological boundary, they have used local cost advantages and their

extensive market understanding to provide clients with far more for significantly less. The resultant product options have attractive pricing and good performance, meeting the low-price expectations of developing market clients while threatening prospective aggressive rivals (Markides, 2012). This will help create value.

Porter's Five Forces:

Porter's five forces analyses the competitive forces shaping a marketplace. It is good to understand Porter's five forces. This is a valuable business strategy tool created by Michael Porter (Dobbs, M.E., 2014). Five elements that analyse if the strategy is relevant are as follows



Fig 4: Porter's Five Forces

BARGAINING POWER OF SUPPLIER:

Being a manufacturer of jetpack, the suppliers for Falcon are electricity, raw material like light weight metal and developers for control system etc will be required. As the Jetpack is emerging product, thus the potential suppliers are the ones associated with aviation industry. Supplier participation in the manufacturing process is connected to product performance, and the usage of knowledge management systems is related to financial performance (Lakshman, C. and Parente, R.C., 2008). Bargaining Power of suppliers is directly proportional to buyers switching cost: Example Blackboard in 1997, educational institute became dependant that it is part of training and thus

supplier has gained more power. As aviation is dominated by few sellers: oligopolies (Marburger, 2016); thus, the supplier in aviation and thus bargaining power is higher.

BARGAINING POWER OF BUYER

The bargaining power of buyers depends on buyers' competition threat, buyers switching power, concentrated buyers and buyers' profits as basic jetpacks have more competition which provides buyers with plenty of options, thus increasing buyers switching power (David and David, 2017). A firm can gain buyers' interest by providing variation and satisfying customer needs within the cost restraints not to increase the commodity's price (Marburger, 2012). Henceforth the buyers' bargain could be tipped in favour of the firm. The sources of buyer negotiating power apply to both end-user consumers and business-to-business clients on the front end.

THREAT OF SUBSTITUTE

Jetpack is a continuously developing industry jet motorcycle has already been in R&D (Morris, 2022). The threat of substitutes is prevalent and measures to product enhancement and its availability, can rescue this situation. In Hubro platform sporty, green and safe jetpacks are better version of the same product are available.

THREAT OF NEW ENTRANT

In the emerging new industry threat of new entrants is high (Clemons, Croson and Weber, 1996). The laws and regulations towards the industry development that may restrict new entrants could be limiting factors. Other factors like limited suppliers, and the segmented markets could be significant barriers for the new entrants in the jetpack industry. On the other hand, product diversification gives space for new entrants. Thus, price leadership may bring fewer profits but help retain companies' positions.

COMPETITIVE RIVALRY

In Hubro simulation factor for an increase in the competitive rivalry is particularly low differentiation. Therefore, the company's growth rate will increase at the expense of its competitors. Also, competitors will be at equal threat as the firm itself (Johnson, 2017). They were considering Hubro as the prime concern hence towering competition prevailed that lead to extreme competitive rivalries resulting in a price wars and lower profit margins.

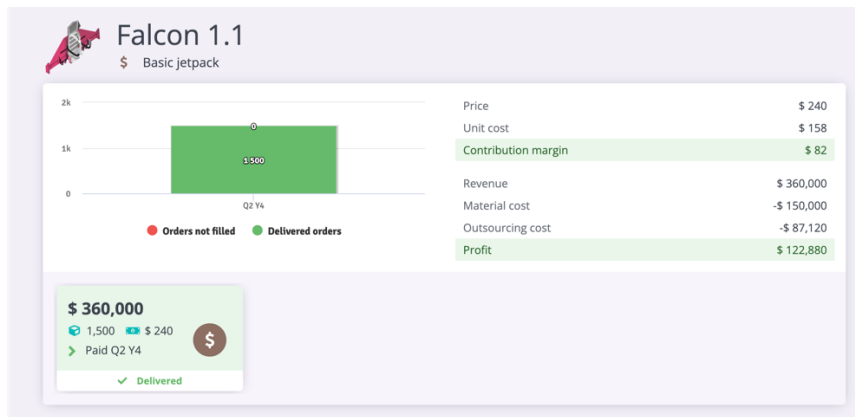


Fig 5: Profit margins for Basic Jetpack

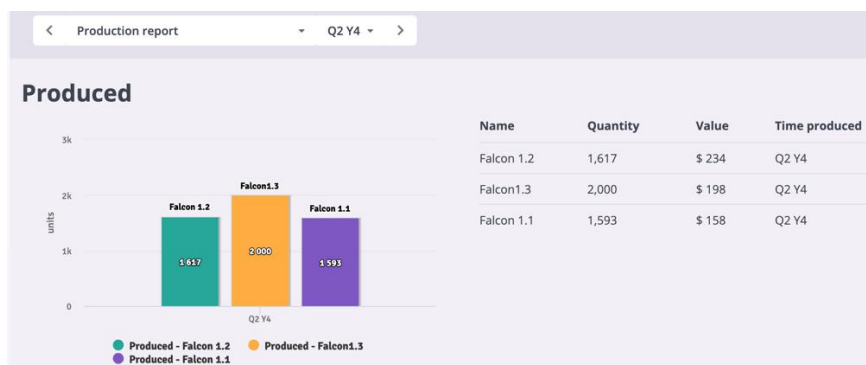


Fig 6: Cost of Production

Survival of the fittest is best adjusted to the environment. Thus, to survive the competition, the cost leadership firm must achieve the highest efficiency. Competitive rivalry could be a positive contributor to the growth of a firm (Coad and Teruel, 2013). It has also been seen that emergent technology can coexist, but the limiting factor is the recourse pool (Mustafin and Kantarbayeva, 2021). Hence to gain a competitive advantage firm must focus on substituting resources within cost restraints.

Ansoff's Growth Matrix:

This tool will help design Falcon's successful business road map to flourish as cost leaders in a basic jetpack. Market Penetration, product development, then Market development is a two-step growth plan. According to Ansoff, MPS is a strategy that aims to increase a company's sales without abandoning the existing product in the present market to compete with existing rival goods in the same market (Ansoff, 1965). According to (Alkasim et al., 2018), Market penetration and market development provide a compelling competitive advantage and improve companies' performance when aligned with cost leadership. For gaining market share in high competition,

investment is required for product promotion. As the cost of production falls, more cash is available for marketing. Therefore, improving the company's production performance is required.

Afterwards, a Market development strategy can support the firm in gaining market share of the new market. After market penetration, product development may be challenging, but Market Development is an easily achievable goal for a firm (Johnson, 2017). New Geographies can be explored for product promotion. For example, emerging economies could become significant markets (Hirakawa and Aung, 2015). This can prove to be a significant investment in the market, as with effective relation-building and promotional strategy at low production prices. Profits could be gained.

Product development and diversification for the businesses in the higher competition are risky strategies to follow. Whereas, investing in Product development, Value-adding activities such as providing central servicing resources and coaching could be more fruitful (Johnson, 2017). Therefore, once a firm enters market-leading place next step would be product development, which will attract more businesses. This growth map will be different from Tesla (Sharma, S., 2016), where product development followed market penetration; since this will be beneficial Prior to product creation, market development in developing nations would give a stable market in which products may be produced based on customer needs. (Barhat, V.,2018). Market penetration in the recreational industry with a cost leadership strategy will attract more businesses (Hilmiana, Astina and Wibowo, 2020). The marketing objective of the firm is to approach more and more international recreational businesses. This limitation is due to Jetpack being a segmented product. As a Hubro product, a contract-winning plan should be implemented by increasing marketing cost-effectively over competitors. As discussed in the competitor analysis, our target sector would be recreational industry as this will allow the product to reach different nations through movies, tourism, sports etc. So publicising basic Jetpack with lesser cost to this industry will become a platform for Market Development.

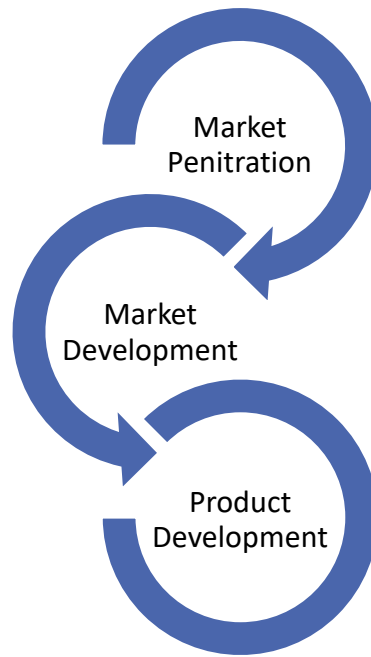


Fig 7: Business Growth Plan Based on Ansoff Matrix

Recommendation:

Based on the above-provided analysis, there are recommendations for Hubro and the Real-world Jetpack industry.

Hubro: To become cost leader in Basic Jetpack is challenging but can be achieved by using the following steps:

1. Capital investment should focus on rigours marketing(Voola and O'Cass, 2010) and production efficiency(Duica and Duica, 2014). Marketing will provide stable brand value to compete in the fragmented market. Production efficiency could be achieved by using efficient automated equipment to minimize hiking labour rates. Using waste reduction and substitute material (substituting aluminium with some cheaper but better quality alloy).[Time line: 2 years]
2. Once production cost is reduced and surplus stock is at disposal, the price reduction can help earn significant profits (Smyth, 2016).[Time line: 3 year]
3. The business growth Road map will look like this: Market penetration is stepping one up till the return on investment is achieved. [Time line: 3 year]

4. Then moving on to step two of market development in new regions. This step will lead to making Falcon cost leaders in an un-fragmented market. [Time line: 3 year]
5. Consumers' feedback and requirements could help develop the new product to keep the wheel rolling. [Time line: 5 year]

For Real-world Jetpack: Most of the jetpack innovation is still in progress, and places of implementation are Defence, recreational areas, and paramedic delivery (Morrison. M,(2020). Falcon can choose to follow cost- a focus strategy focusing on providing basic jetpacks to recreational places like Disney(Andrew J. Huebner, 2009) and the Indian film industry (Gravity Industry,2020). Also, many tourists place like the Maldives, where jetpack sports can take place(Gravity Industry, 2021). Thus, providing a jetpack in such a b2b environment will bring profit and promotion for the product.

Conclusion:

This report has presented the possible business roadmap for Falcon in becoming the cost leader by providing analysis in Hubro and actual implementation as a jetpack manufacturing industry. PESTLE has given situational analysis about the possible impact on the cost of production by the price of crude oil and aluminium can be eliminated by substituting them with electric fuel and lightweight alloy, respectively. SWOT and competitor analysis has helped to analyse the weakness in the marketing strategy, and improvement in marketing strategy will be an essential step for becoming cost leaders. Porter's five forces have drawn a clear picture of how competition can affect the bargaining power of suppliers and consumers.

Based on these analytical tools, recommendations regarding the business development plan for implementing cost leadership have been made. This report has suggested that Falcon follow cost leadership by using extensive marketing and improving company performance.

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Appendix

Appendix 1- Market Reports

07/03/2022, 11:27

Hubro Simulations



BUSINESS SIMULATION

Chat

Info

0

\$ 49,169

Q1 Y5

My group

Menu



All tasks finished

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts



R & D



Production



These products are not being produced:
Falcon 1.3

Contracts



No marketing budget set for Falcon 1.3.

Insufficient Safe Jetpack available to deliver all contracts.

Insufficient Sporty Jetpack available to deliver all contracts.

Financing



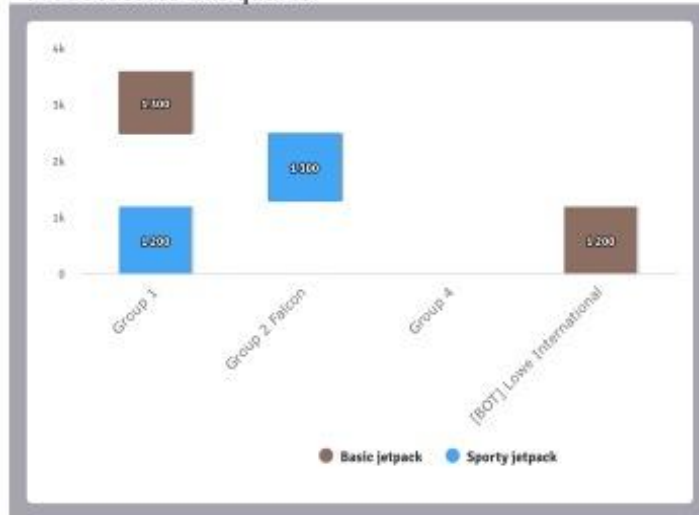
Budgeting



Market report

Q1 Y2

Product sales this quarter



Market share (% of total revenue) in segments



Basic jetpack

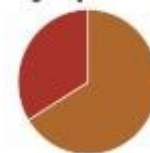


Market share

MIKMRs Jetpack by Group 1
Practicalboost by [BOT] Lowe Internat
GRAITY by Platinum LTD



Sporty jetpack



Market share

Falcon 1.2 by Group 2 Falcon
zing zing by Group 1

<https://play.hubro.education/game/reports/global?quarternum=21011>

1/1



BUSINESS SIMULATION

Chat

Info

0

\$ 49,169

Q1 Y5

My group

Menu

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

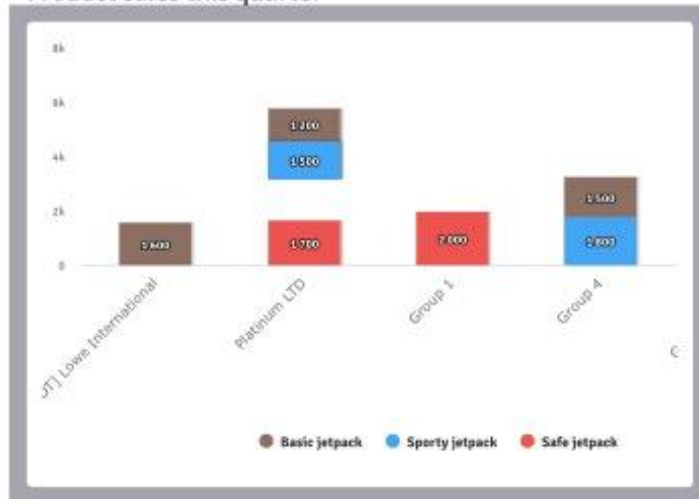
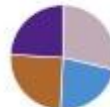
- Quarterly report
- Sales report
- Market report
- Production report
- Financial report
- Exercise report

Repeating tasks

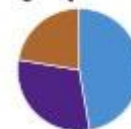
- Market forecasts ✓
- R & D ✓
- Production ✓
- ⚠ These products are not being produced: Falcon1.3
- Contracts ✓
 - ✗ No marketing budget set for Falcon1.3.
 - ✗ Insufficient Safe jetpack available to deliver all contracts.
 - ✗ Insufficient Sporty jetpack available to deliver all contracts.
- Financing ✓
- Budgeting ✓

Market report

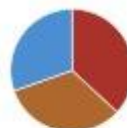
Q2 Y3

Product sales this quarter**Market share (% of total revenue) in segments****\$ Basic jetpack****Market share**

- Practicalboost by [BOT] Lowe Internat
- GRAITY by Platinum LTD
- Falcon 1.1 by Group 2 Falcon
- Flash by Group 4

**Sporty jetpack****Market share**

- Skyfie by Platinum LTD
- Smallpack by Group 4
- Falcon 1.2 by Group 2 Falcon

**Safe jetpack****Market share**

- FLY.... by Group 1
- Falcon1.3 by Group 2 Falcon
- SJ.2.1.2 by Platinum LTD



BUSINESS SIMULATION

Chat

Info

0

\$ 49,169

Q1 Y5

My group

Menu

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

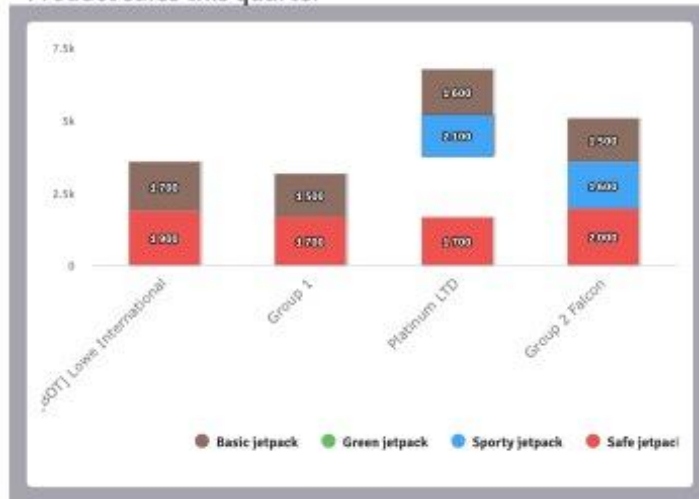
- Quarterly report
- Sales report
- Market report
- Production report
- Financial report
- Exercise report

Repeating tasks

- Market forecasts ✓
- R & D ✓
- Production ✓
- ⚠ These products are not being produced:
Falcon1.3
- Contracts ✓
 - ✗ No marketing budget set for Falcon1.3.
 - ✗ Insufficient Safe jetpack available to deliver all contracts.
 - ✗ Insufficient Sporty jetpack available to deliver all contracts.
- Financing ✓
- Budgeting ✓

Market report

Q3 Y3

Product sales this quarter**Market share (% of total revenue) in segments****Basic jetpack****Green jetpack****Market share**

- Practicalboost by [BOT] Lowe Internat
- GRAITY by Platinum LTD
- MKMRs Jetpack by Group 1
- Falcon 1.1 by Group 2 Falcon
- Flash by Group 4

**Sporty jetpack****Safe jetpack****Market share**

- Skyfie by Platinum LTD
- Smallpack by Group 4
- Falcon 1.2 by Group 2 Falcon

Market share

- FLY... by Group 1
- Falcon1.3 by Group 2 Falcon
- Sleekmovement by [BOT] Lowe Interna
- SJ.2.1.2 by Platinum LTD



BUSINESS SIMULATION

Chat

Info

0

\$ 49,169

Q1 Y5

My group

Menu

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

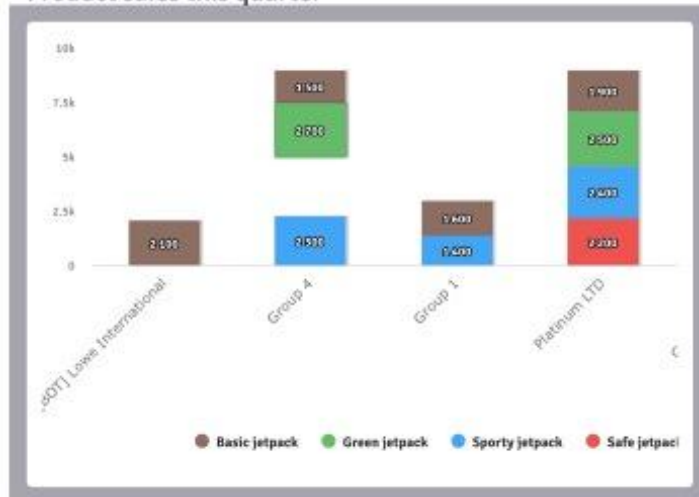
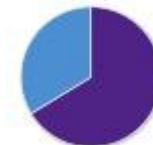
- Quarterly report
- Sales report
- Market report
- Production report
- Financial report
- Exercise report

Repeating tasks

- Market forecasts ✓
- R & D ✓
- Production ✓
- ⚠ These products are not being produced:
Falcon1.3
- Contracts ✓
 - ✗ No marketing budget set for Falcon1.3.
 - ✗ Insufficient Safe jetpack available to deliver all contracts.
 - ✗ Insufficient Sporty jetpack available to deliver all contracts.
- Financing ✓
- Budgeting ✓

Market report

Q2 Y4

Product sales this quarter**Market share (% of total revenue) in segments****Basic jetpack****Green jetpack****Sporty jetpack****Safe jetpack**

< Market report

Q3 Y4 >

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts ✓

R & D ✓

Production ✓

These products are not being produced:
Falcon1.3

Contracts ✓

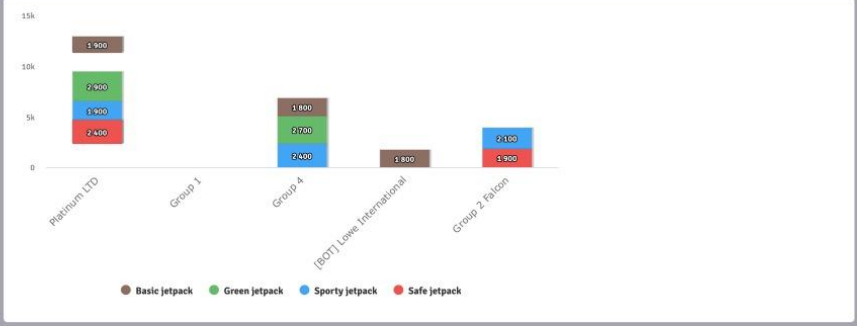
No marketing budget set for Falcon1.3.

Insufficient Safe jetpack available to deliver all contracts.

Insufficient Sporty jetpack available to deliver all contracts.

Financing ✓

Budgeting ✓

Product sales this quarter**Market share (% of total revenue) in segments****\$ Basic jetpack****Market share**

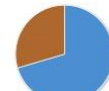
GRAITY by Platinum LTD
Practicalboost by [BOT] Lowe International
Flash by Group 4

Green jetpack**Market share**

Flykit by Platinum LTD
EVERGREEN by Group 4

⚡ Sporty jetpack**Market share**

Smallpack by Group 4
Skyfie by Platinum LTD
Falcon 1.2 by Group 2 Falcon

🛡 Safe jetpack**Market share**

SJ.2.1.2 by Platinum LTD
Falcon1.3 by Group 2 Falcon

Appendix2- Sales Report

07/03/2022, 11:26

Hubro Simulations



BUSINESS SIMULATION

Chat

Info

0

\$ 49,169

Q1 Y5

My group

Menu



All tasks finished

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts



R & D



Production



These products are not being produced:
Falcon 1.3

Contracts



No marketing budget set for Falcon 1.3.

Insufficient Safe jetpack available to deliver all contracts.

Insufficient Sporty jetpack available to deliver all contracts.

Financing



Budgeting



Sales report

Q1 Y2

\$ 692
600
Revenue

\$ 623
713
Cost of goods sold

2 500
Products sold

\$ 28
Contribution margin



Falcon 1.1

\$ Basic jetpack



Falcon 1.2

⚡ Sporty jetpack



Price	\$ 277
Unit cost	\$ 249
Contribution margin	\$ 28
Revenue	\$ 692,500
Material cost	-\$ 400,000
Labor cost	-\$ 223,713
Profit	\$ 68,787

\$ 361,400

1,300 \$ 278

Paid Q1 Y2

Delivered

\$ 331,200

1,200 \$ 276

Paid Q1 Y2

Delivered

\$ 261,000

1,000 \$ 261

Paid Q1 Y-77

Failed

<https://play.hubro.education/game/reports/sales?quarternum=21011>

1/1

< Sales report

Q2 Y3 >

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced:
Falcon1.3

Contracts

No marketing budget set for Falcon1.3.

Insufficient Safe jetpack available to deliver all contracts.

Insufficient Sporty jetpack available to deliver all contracts.

Financing

Budgeting

\$ 1 252 400

Revenue

\$ 980 336

Cost of goods sold

4 700

Products sold

\$ 58

Contribution margin

**Falcon1.3**

Safe jetpack



\$ 509,400
 1,800 \$ 283
 Paid Q3 Y3
 Delivered

Price	\$ 283
Unit cost	\$ 198
Contribution margin	\$ 85
Revenue	\$ 509,400
Material cost	-\$ 252,000
Outsourcing cost	-\$ 104,544
Profit	\$ 152,856

**Falcon 1.1**

Basic jetpack



\$ 351,000
 1,500 \$ 234
 Paid Q4 Y3
 Delivered

Price	\$ 234
Unit cost	\$ 158
Contribution margin	\$ 76
Revenue	\$ 351,000
Material cost	-\$ 150,000
Labor cost	-\$ 1,210
Outsourcing cost	-\$ 85,958
Profit	\$ 113,832

**Falcon 1.2**

Sporty jetpack



\$ 392,000
 1,400 \$ 280
 Paid Q3 Y3
 Delivered

Price	\$ 280
Unit cost	\$ 276
Contribution margin	\$ 4
Revenue	\$ 392,000
Material cost	-\$ 224,000
Labor cost	-\$ 162,624
Profit	\$ 5,376

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced:
Falcon1.3

Contracts

No marketing budget set for Falcon1.3.
Insufficient Safe jetpack available to deliver all contracts.
Insufficient Sporty jetpack available to deliver all contracts.

Financing

Budgeting

\$ 1 345 900
Revenue

\$ 1 075 136
Cost of goods sold

5 100
Products sold

\$ 53
Contribution margin

**Falcon1.3**

Safe jetpack



\$ 566,000

2,000 \$ 283

Paid Q4 Y3

Delivered

Price	\$ 283
Unit cost	\$ 198
Contribution margin	\$ 85
Revenue	\$ 566,000
Material cost	-\$ 280,000
Outsourcing cost	-\$ 116,160
Profit	\$ 169,840

**Falcon 1.1**

Basic jetpack



\$ 349,500

1,500 \$ 233

Paid Q4 Y3

Delivered

Price	\$ 233
Unit cost	\$ 158
Contribution margin	\$ 75
Revenue	\$ 349,500
Material cost	-\$ 150,000
Outsourcing cost	-\$ 87,120
Profit	\$ 112,380

**Falcon 1.2**

Sporty jetpack



\$ 430,400

1,600 \$ 269

Paid Q4 Y3

Delivered

Price	\$ 269
Unit cost	\$ 276
Contribution margin	-\$ 7
Revenue	\$ 430,400
Material cost	-\$ 256,000
Labor cost	-\$ 185,856
Profit	-\$ 11,456

< Sales report

Q2 Y4 >

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced:
Falcon1.3

Contracts

No marketing budget set for Falcon1.3.
Insufficient Safe jetpack available to deliver all contracts.
Insufficient Sporty jetpack available to deliver all contracts.

Financing

Budgeting

\$ 1 409 300
Revenue

\$ 1 051 704
Cost of goods sold

5 300
Products sold

\$ 67
Contribution margin
**Falcon1.3**

Safe jetpack

**\$ 609,000**

2,100 \$ 290

Paid Q2 Y4

Delivered

Price	\$ 290
Unit cost	\$ 198
Contribution margin	\$ 92
Revenue	\$ 609,000
Material cost	-\$ 294,000
Outsourcing cost	-\$ 121,968
Profit	\$ 193,032

**Falcon 1.1**

Basic jetpack

**\$ 360,000**

1,500 \$ 240

Paid Q2 Y4

Delivered

Price	\$ 240
Unit cost	\$ 158
Contribution margin	\$ 82
Revenue	\$ 360,000
Material cost	-\$ 150,000
Outsourcing cost	-\$ 87,120
Profit	\$ 122,880

**Falcon 1.2**

Sporty jetpack

**\$ 440,300**

1,700 \$ 259

Paid Q3 Y4

Delivered

Price	\$ 259
Unit cost	\$ 234
Contribution margin	\$ 25
Revenue	\$ 440,300
Material cost	-\$ 272,000
Labor cost	-\$ 126,617
Profit	\$ 41,683

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced:
Falcon1.3

Contracts

No marketing budget set for Falcon1.3.

Insufficient Safe jetpack available to deliver all contracts.

Insufficient Sporty jetpack available to deliver all contracts.

Financing

Budgeting

< Sales report

Q3 Y4 >

\$ 1 117 700

Revenue

\$ 949 328

Cost of goods sold

4 000

Products sold

\$ 42

Contribution margin

**Falcon1.3**

Safe jetpack

**\$ 573,800**

1,900 \$ 302

Paid Q3 Y4

Delivered

Price	\$ 302
Unit cost	\$ 198
Contribution margin	\$ 104
Revenue	\$ 573,800
Material cost	-\$ 266,000
Outsourcing cost	-\$ 110,352
Profit	\$ 197,448

**Falcon 1.1**

Basic jetpack

**Falcon 1.2**

Sporty jetpack

**\$ 543,900**

2,100 \$ 259

Paid Q4 Y4

Delivered

Price	\$ 259
Unit cost	\$ 273
Contribution margin	-\$ 14
Revenue	\$ 543,900
Material cost	-\$ 336,000
Labor cost	-\$ 236,976
Profit	-\$ 29,076

Appendix 3- Production Report

07/03/2022, 11:27

Hubro Simulations



BUSINESS SIMULATION

Chat

Info

0

\$ 49,169

Q1 Y5

My group

Menu



All tasks finished

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced:
Falcon 1.3

Contracts

No marketing budget set for Falcon 1.3.

Insufficient Safe jetpack available to deliver all contracts.

Insufficient Sporty jetpack available to deliver all contracts.

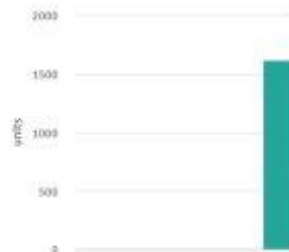
Financing

Budgeting

Production report

Q1 Y2

Produced



Name	Quantity	Value	Time produced
Falcon 1.2	1,617	\$ 234	Q1 Y2

Total inventory

\$ 185

Storage cost

37

Total quantity

\$ 7,196

Total value

Falcon 1.1

20

Total quantity

\$ 3,210

Total value

Quantity	Value	Time produced
20	\$ 160	Q3 Y1

Falcon 1.2

17

Total quantity

\$ 3,986

Total value

Quantity	Value	Time produced
17	\$ 234	Q1 Y2

<https://play.hubro.education/game/reports/production?quarternum=21011>

1/1

All tasks finished

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

- Reports**
- Quarterly report
 - Sales report
 - Market report
 - Production report
 - Financial report
 - Exercise report

- Repeating tasks**
- Market forecasts
 - R & D
 - Production
 - These products are not being produced: Falcon 1.3
 - Contracts
 - No marketing budget set for Falcon 1.3
 - Insufficient Sale jetpack available to deliver all contracts
 - Insufficient Sporty jetpack available to deliver all contracts
 - Financing
 - Budgeting

Production report Q2 Y3

Produced



Materials	\$ 160
Labor	\$ 116
Outsourcing fee	\$ 0

Name	Quantity	Value	Time produced
Falcon 1.2	2,000	\$ 276	Q2 Y3
Falcon 1.3	2,000	\$ 198	Q2 Y3
Falcon 1.1	2,000	\$ 158	Q2 Y3

Total inventory

\$ 11,340

Storage cost

2,268

Total quantity

\$ 502,465

Total value

Falcon 1.1

520
Total quantity

\$ 82,202
Total value

Quantity	Value	Time produced
520	\$ 158	Q2 Y3

Falcon 1.2

948
Total quantity

\$ 261,800
Total value

Quantity	Value	Time produced
948	\$ 276	Q2 Y3

Falcon 1.3

800
Total quantity

\$ 158,464
Total value

Quantity	Value	Time produced
800	\$ 198	Q2 Y3

All tasks finished

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

- Reports**
- Quarterly report
 - Sales report
 - Market report
 - Production report
 - Financial report
 - Exercise report

- Repeating tasks**
- Market forecasts
 - R & D
 - Production
 - These products are not being produced: Falcon 1.3
 - Contracts
 - No marketing budget set for Falcon 1.3
 - Insufficient Sale jetpack available to deliver all contracts
 - Insufficient Sporty jetpack available to deliver all contracts
 - Financing
 - Budgeting

Production report Q3 Y3

Produced



Name	Quantity	Value	Time produced
Falcon 1.2	2,000	\$ 276	Q3 Y3
Falcon 1.3	2,000	\$ 198	Q3 Y3
Falcon 1.1	2,000	\$ 158	Q3 Y3

Total inventory

\$ 15,840

Storage cost

3,168

Total quantity

\$ 691,969

Total value

Falcon 1.1

1,020
Total quantity

\$ 161,242
Total value

Quantity	Value	Time produced
1,020	\$ 158	Q3 Y3

Falcon 1.2

1,348
Total quantity

\$ 372,264
Total value

Quantity	Value	Time produced
1,348	\$ 276	Q3 Y3

Falcon 1.3

800
Total quantity

\$ 158,464
Total value

Quantity	Value	Time produced
800	\$ 198	Q3 Y3



BUSINESS SIMULATION

Chat

Info

0

\$ 49,169

Q1 Y5

My group

Menu

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced:
Falcon1.3

Contracts

No marketing budget set for Falcon1.3.

Insufficient Safe jetpack available to deliver all contracts.

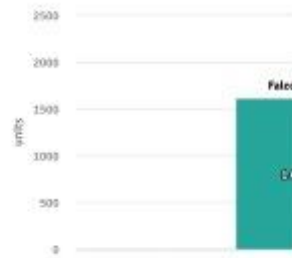
Insufficient Sporty jetpack available to deliver all contracts.

Financing

Budgeting

Production report

Q2 Y4

Produced

Name	Quantity	Value	Time produced
Falcon 1.2	1,617	\$ 234	Q2 Y4
Falcon1.3	2,000	\$ 198	Q2 Y4
Falcon 1.1	1,593	\$ 158	Q2 Y4

Produced - Falcon 1

Total inventory**\$ 1,815**

Storage cost

363

Total quantity

\$ 72,262

Total value

Falcon 1.1**143**

Total quantity

\$ 22,605

Total value

Quantity	Value	Time produced
143	\$ 158	Q2 Y4

Falcon 1.2**167**

Total quantity

\$ 39,158

Total value

Quantity	Value	Time produced
167	\$ 234	Q2 Y4

Falcon1.3**53**

Total quantity

\$ 10,498

Total value

Quantity	Value	Time produced
53	\$ 198	Q2 Y4



BUSINESS SIMULATION

Chat

Info

0

\$ 49,169

Q1 Y5

My group

Menu

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced:
Falcon1.3

Contracts

No marketing budget set for Falcon1.3.

Insufficient Safe jetpack available to deliver all contracts.

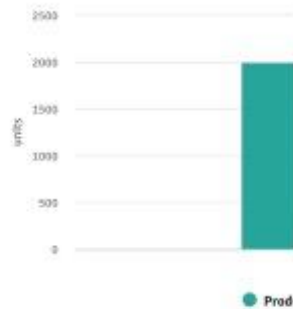
Insufficient Sporty jetpack available to deliver all contracts.

Financing

Budgeting

Production report

Q3 Y4

Produced

Name	Quantity	Value	Time produced
Falcon 1.2	2,000	\$ 276	Q3 Y4
Falcon1.3	2,000	\$ 198	Q3 Y4

Total inventory**\$ 1,815**

Storage cost

363

Total quantity

\$ 71,414

Total value

Falcon 1.1**143**

Total quantity

\$ 22,605

Total value

Quantity	Value	Time produced
143	\$ 158	Q2 Y4

Falcon 1.2**67**

Total quantity

\$ 18,503

Total value

Quantity	Value	Time produced
67	\$ 276	Q3 Y4

Falcon1.3**153**

Total quantity

\$ 30,306

Total value

Quantity	Value	Time produced
153	\$ 198	Q3 Y4

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced: Falcon1.3

No factory is being built

Contracts

No marketing budget set for Falcon1.3.

Financing

The company is short on cash.

Not taking on any new loans

Budgeting

The budget has 1 error(s)

Quarterly report

Q1 Y2

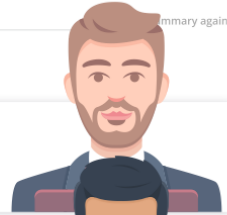
Advisers

Bizweek

Summary again

Comments from advisers about the last quarter**Financial adviser**

The company is not making a profit. This means that the revenue from sales can't cover the costs. Take a look at the Financial report to find out where all the money is going, and consider cutting some spending, or find a way to increase the revenue.

**Market adviser**

Everything seems to be running without issues. Well done!

**Production adviser**

You have products in inventory. You will have to pay a storage cost for this per item.



Ranking

Simulation leaderboard

History

☐ Toggle bots

Rank	Company	Total equity
# 1	Jet 5	\$ 5,816,212 ▲ 909175
# 2	Platinum LTD	\$ 3,876,975 ▲ 641901
# 3	Group 4	\$ 3,403,270 ▲ 494683
# 4	Group 2 Falcon Your company	\$ 1,169,438 ▼ 135148
...		

5
Total equity# 4
Net income# 2
Revenue from sales# 3
Units produced

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced: Falcon1.3

No factory is being built

Contracts

No marketing budget set for Falcon1.3.

Financing

The company is short on cash.

Not taking on any new loans

Budgeting

The budget has 1 error(s)

Quarterly report

Q2 Y3

Advisers**Comments from advisers about the last quarter**

Financial adviser

We are making a profit! Great work. Now all you need to do is to analyze the current situation to see how the profit can be increased even more.

Market adviser

Everything seems to be running without issues. Well done!

Production adviser

You have products in inventory. You will have to pay a storage cost for this per item.

Ranking

Simulation leaderboard

History

☐ Toggle bots

Rank	Company	Total equity
# 1	Jet 5	\$ 5,816,212 ▲ 909175
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# 3	Group 4	\$ 3,403,270 ▲ 494683
# 4	Group 2 Falcon Your company	\$ 1,169,438 ▼ 135148
...		

5
Total equity

3
Net income

2
Revenue from sales

1
Units produced

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced: Falcon1.3

No factory is being built

Contracts

No marketing budget set for Falcon1.3.

Financing

The company is short on cash.

Not taking on any new loans

Budgeting

The budget has 1 error(s)

Quarterly report

Q4 Y3

Advisers**Comments from advisers about the last quarter**

Financial adviser

We are making a profit! Great work. Now all you need to do is to analyze the current situation to see how the profit can be increased even more.

Market adviser

Everything seems to be running without issues. Well done!

Production adviser

You have products in inventory. You will have to pay a storage cost for this per item.

Ranking

Simulation leaderboard

History

☐ Toggle bots

Rank	Company	Total equity
# 1	Jet 5	\$ 5,816,212 ▲ 909175
# 2	Platinum LTD	\$ 3,876,975 ▲ 641901
# 3	Group 4	\$ 3,403,270 ▲ 494683
# 4	Group 2 Falcon Your company	\$ 1,169,438 ▼ 135148
...		

4
Total equity

3
Net income

2
Revenue from sales

3
Units produced

**All tasks finished**

You have completed all your tasks! You can go back and change them if you are not completely satisfied.

Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced: Falcon1.3

No factory is being built

Contracts

No marketing budget set for Falcon1.3.

Financing

The company is short on cash.

Not taking on any new loans

Budgeting

The budget has 1 error(s)

Quarterly report

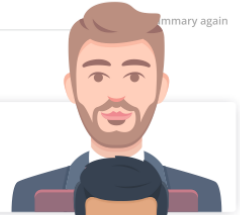
Q2 Y4

Advisers Bizweek

Comments from advisers about the last quarter

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Simulation leaderboard

History

☐ Toggle bots

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# 2	Platinum LTD	\$ 3,876,975 ▲ 641901
# 3	Group 4	\$ 3,403,270 ▲ 494683
# 4	Group 2 Falcon Your company	\$ 1,169,438 ▼ 135148
...		

3
Total equity

3
Net income

3
Revenue from sales

3
Units produced

**All tasks finished**

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Waiting for the simulation to move forward

Reports

Quarterly report

Sales report

Market report

Production report

Financial report

Exercise report

Repeating tasks

Market forecasts

R & D

Production

These products are not being produced: Falcon1.3

No factory is being built

Contracts

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Financing

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Not taking on any new loans

Budgeting

The budget has 1 error(s)

Quarterly report

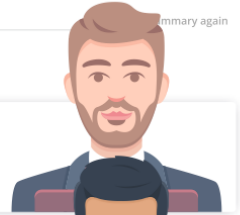
Q4 Y4

Advisers Bizweek

Comments from advisers about the last quarter

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...		

3
Total equity

5
Net income

5
Revenue from sales

5
Units produced