

## MKT 6321 Simulation Comments- A. Edsel

The class average was 87, while higher than in past semesters; there were also some lower-than-average scores on the lower tier. The simulation changes variables every semester and there are so many possible variables that it is hard to make any general observation (which is exactly what happens in the real-world).

Why feedback doesn't happen in the "real world" scenario: One challenging issue with the simulation (and real-world campaigns) is that there is no one correct answer (unlike accounting or math). You can arrive at a very good score (or business outcome) by optimizing your segments, timing, media types, and regions in slightly different ways-there are an exponential number of combinations that are possible. See this excerpt at the bottom of this page, which I wrote about a few years ago on this challenging issue many are not fully aware about.\* Especially if you felt the need for more feedback.

However, there are definitely less-than-optimal choices, such as allocating budgets evenly by month for tourism when some months (e.g., June/July – a hint was provided of a tennis tournament) are better than other months (e.g., Sept/Oct when younger people are back in school). The media types (e.g., billboard vs. digital) should also vary by generational cohort and region.

Below you will see some charts and tables with a summary of the 5<sup>th</sup>-round OPI results. The average satisfaction with the simulation was 7.7/10 which is a good score, very few assignments get that consensus. The individual number of hours estimate was broken down as follows.

Hours	# of students who responded to survey
Less than 5 hours	2
5 to 8 hours	17
9 to 11 hours	16
More than 12 hours	7

Many students got the hang of the simulation and mentioned that attention to detail in different places made the difference. Other observations from the survey mentioned that "It would have been better if it provided actual feedback" was provided. In a world scenario, there is no "feedback" from campaign to campaign when doing something for the first time. You have to dig down and review the data-some teams did very well, based on their comments in the peer survey and emails to me, that made the difference. The fact is that most marketing campaigns fail or underperform. In digital, if you don't leverage web analytics and split testing, you are at a major disadvantage. However, that is not always enough or applies to nondigital media—for that, you need to develop better analytical skills and techniques.

I highly recommend this book to **Improve your Analysis Skills**—[Head First Data Analysis is an excellent book that is an easy and \(almost\) fun read](#)

For those wanting to dig down more, see the charts below-compare yourself to the top-performing groups--you can do some additional digging into your results. Identify one or two benchmark teams, e.g., Team 4. Then, using the table, compare your team vs. the benchmark team—use the color ranges appropriately since colors are relative- see what the benchmark did, if they are in green and your team in light green to deep red -these are areas for improvement. Sometimes as I show below, the reverse is true with color codes. Most teams did well with their funnel objectives, but the media budget allocations were an area of improvement for all teams



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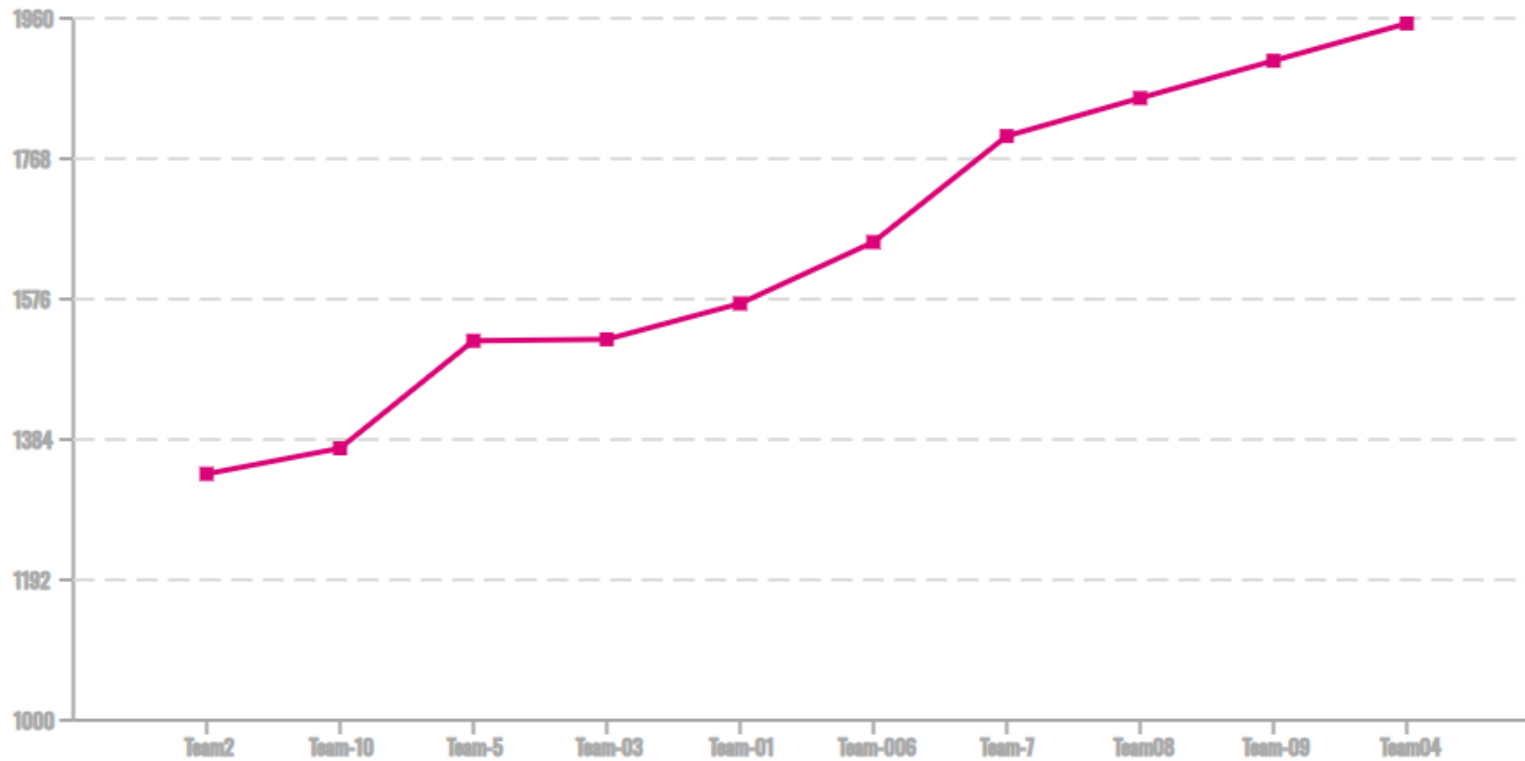
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Team-01 (1)

Year 5

## OVERALL PERFORMANCE INDEX - DISTRIBUTION

CURVE SHOWING THE OVERALL PERFORMANCE INDICES OF ALL TEAMS





Dashboard

Stop Decisions

Debriefing Charts

Grade Teams

Coaching Sheet

OPI Ditsribution (C)

OPI Ditsribution (T)

OPI Top Firm

OPI Sampling

Firm KPIs

Firm KPIs By Region

Team Data (Selected)

Compare Teams

Team Decisions

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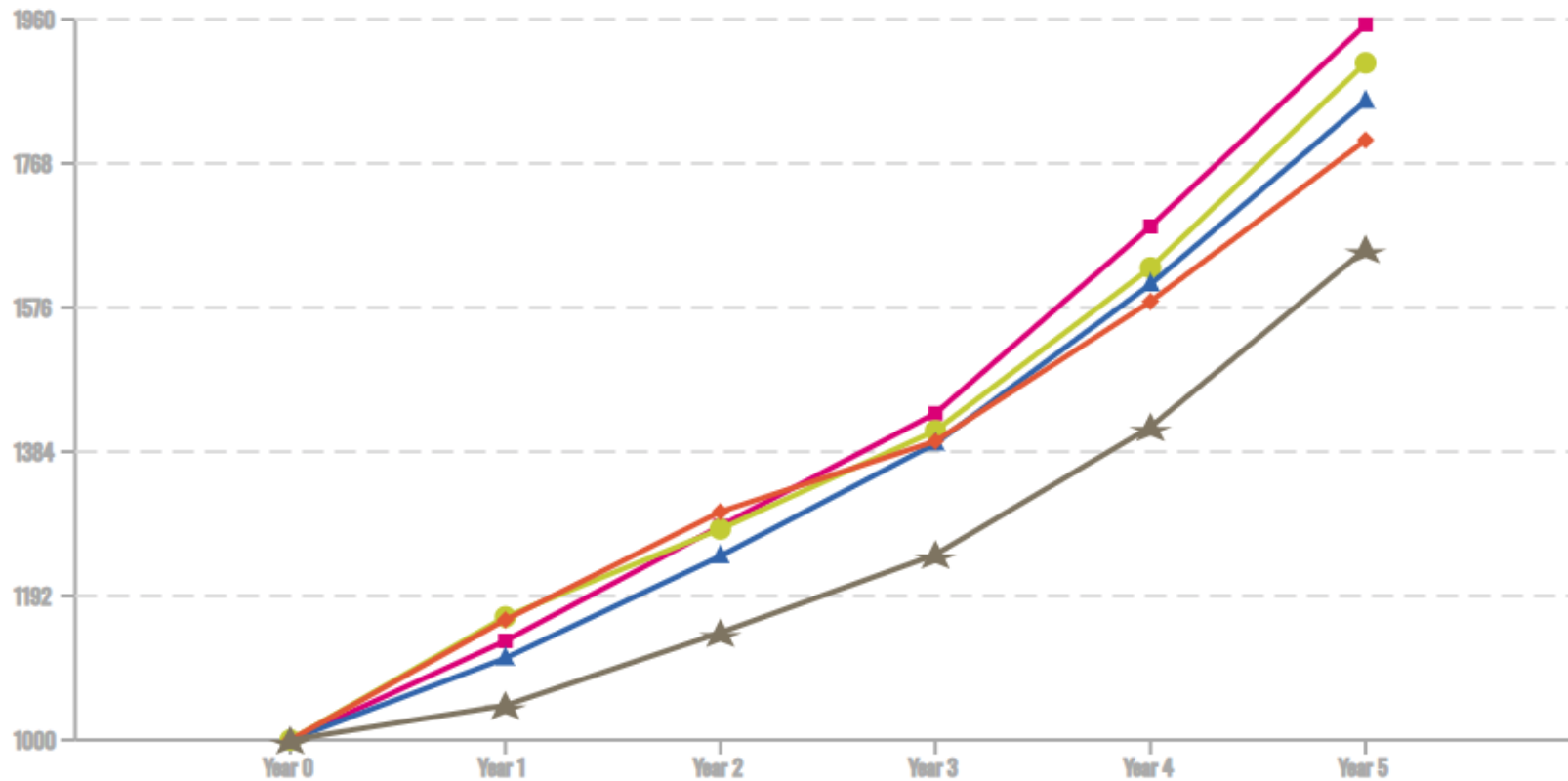
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Team-01 (1)

Year 5

## OVERALL PERFORMANCE INDEX - TOP OF 5 TEAMS

Team04 Team-09 Team08 Team-7 Team-006





## Dashboard

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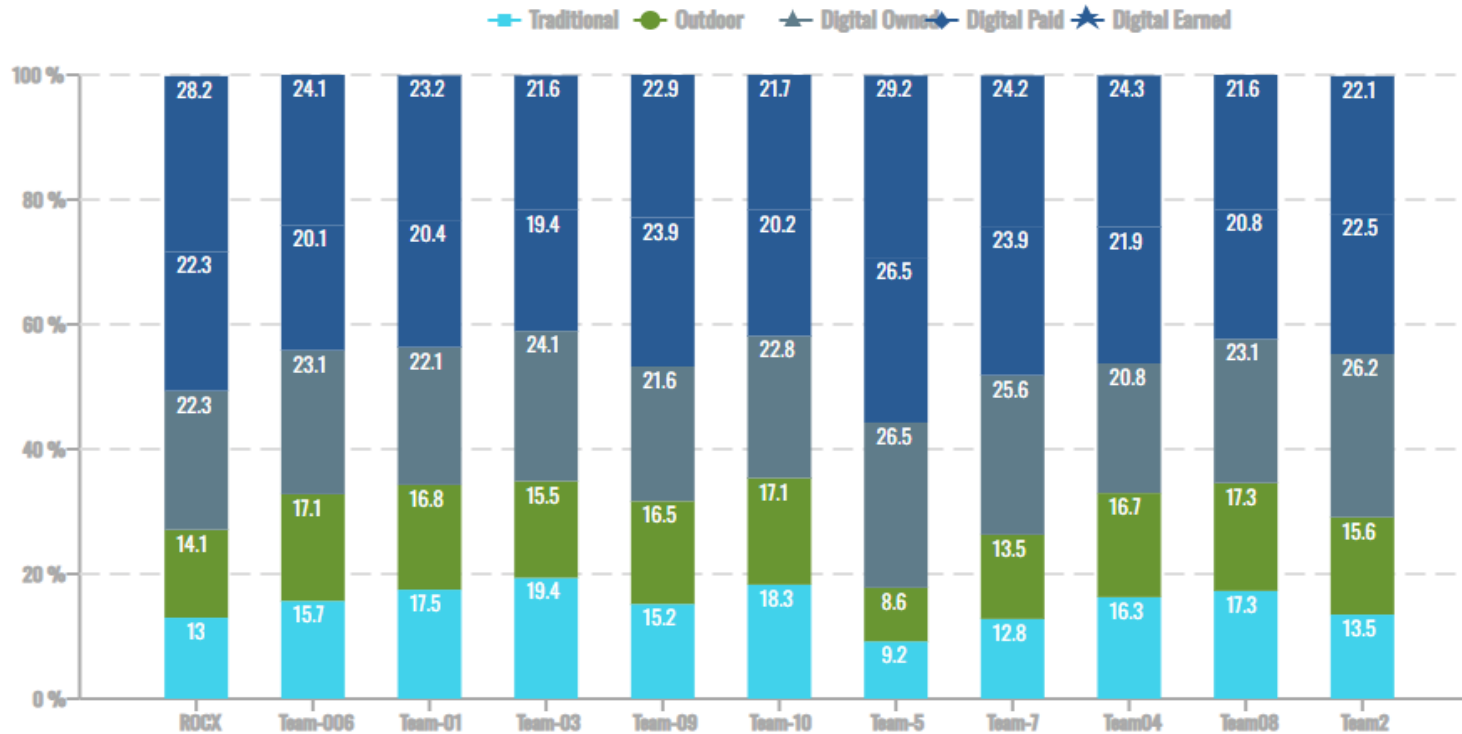
Team-01 (1)

Year 5

MOJO

Rural

### MEDIA MIX - RURAL REGION





# Dashboard

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Team-01 (1) ▼

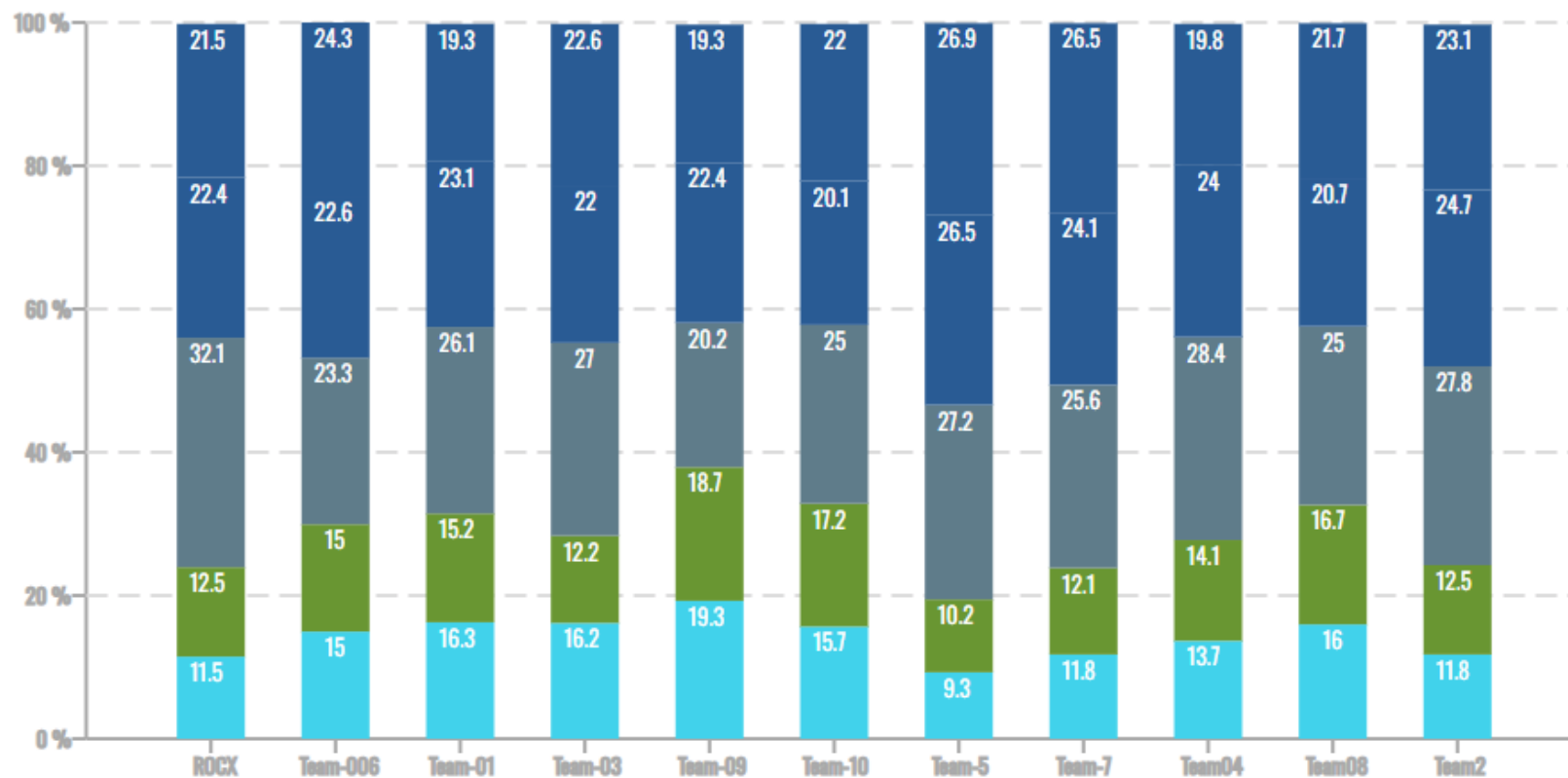
Year 5 ▼

MOJO ▼

Urban ▼

## MEDIA MIX - URBAN REGION

Traditional Outdoor Digital Owned Digital Paid Digital Earned





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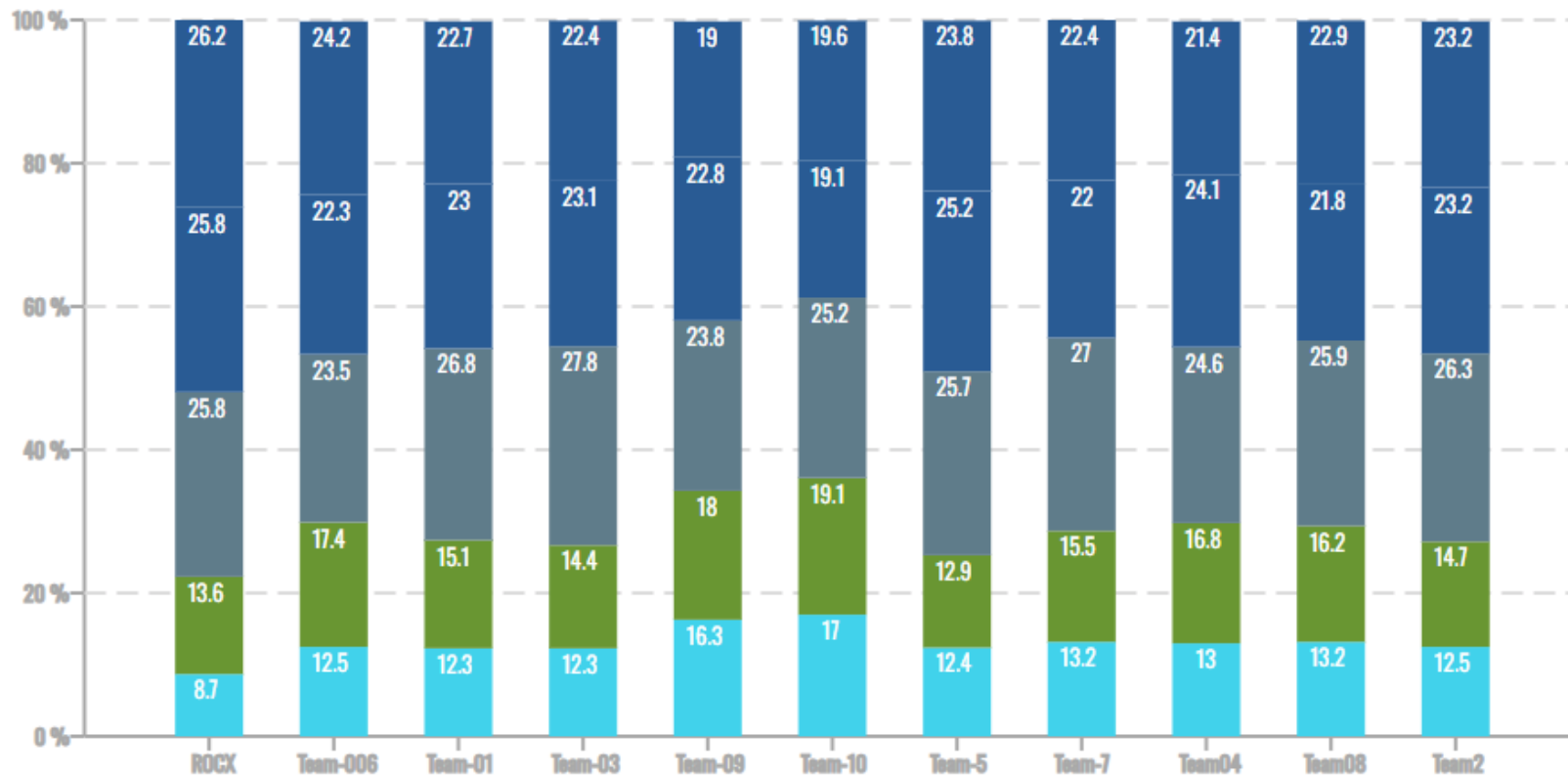
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Tourism

## MEDIA MIX - TOURISM REGION

Traditional Outdoor Digital Owned Digital Paid Digital Earned





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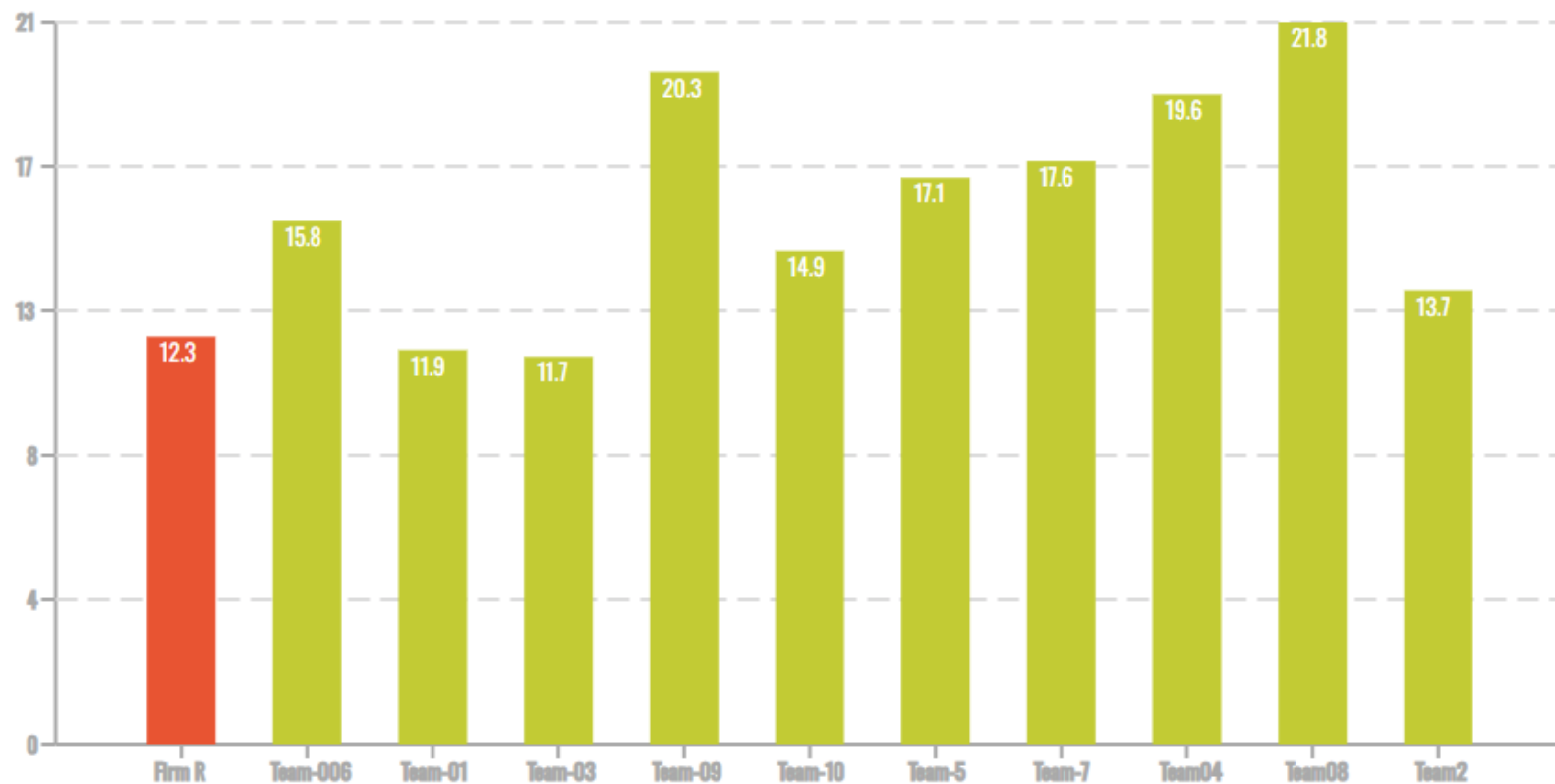
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Team-01 (1)

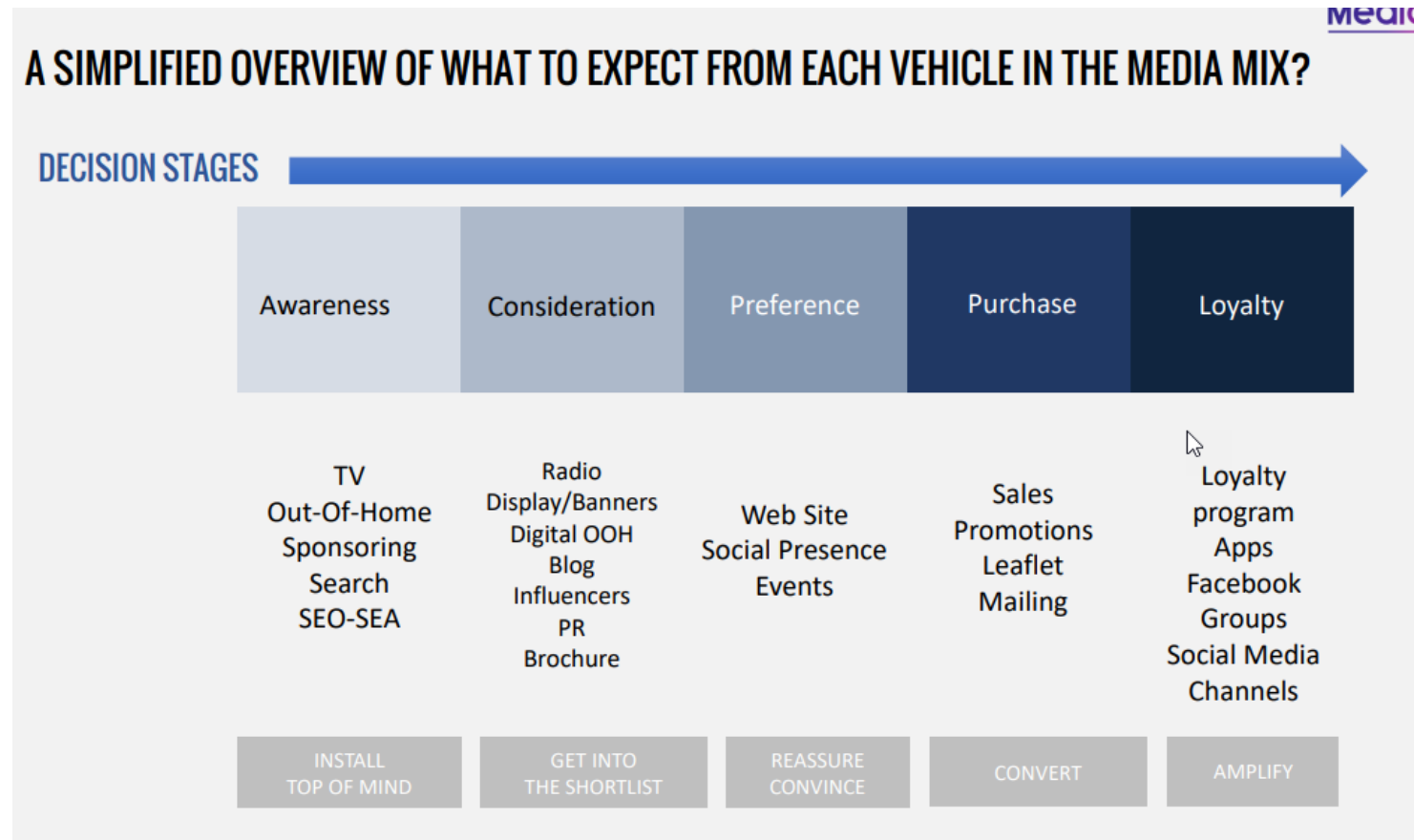
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## THE CONTENT POWERHOUSE EXPENDITURES



Purchase intent an area for improvement for many groups, in areas like loyalty/advocate teams within the average-big differentiator was getting top of funnel areas like awareness, consideration, and preference up-as discussed in the webinar, some media vehicles are better at that and media types vary by segment/region and funnel stage.

This form handout shows media that could help in that area-however also have to make sure your target audience/region aligns with those media, for example if TV low viewership in your target market/area TV wouldn't help much but maybe search etc would



\*Campaign failure and underperformance is actually the norm. A study by Copernicus Marketing (a subsidiary of the billion-dollar agency Aegis Dentsu) of more than 500 marketing programs revealed that 84 percent of those programs fail to have a positive return. Nielsen suggested, in a recent report, a failure and underperformance rate for new products approaching 85 percent. The underlying reason failure is so prevalent is launching, marketing, and selling a product or service is extremely complex, and the marketplace is increasingly competitive. There are potentially thousands of options from which to choose in a business, marketing, or sales plan, so finding the optimal combination is extremely difficult. Many think this is an exaggeration, but that is symptomatic of how unaccustomed managers are to evaluating more than two or three options, the following example illustrates this challenge:



### Example of Possible Media Mix Options

Marketing Variable	Number of Options
1. Target market (e.g., seniors, females 21-25 with incomes over \$30K)	3
2. Positioning	3
3. Advertising execution	3
4. Product packaging	3
5. Pricing	3
6. Distribution	3
7. Media mix	3
8. Promotion mix	3
Total number of possible combinations	Is it 24? (8 x 3)

The formula to find the total number of possible combinations is not  $3 \times 8$  (or 24) different marketing mix combinations, but rather 3 to the 8th power, resulting in 6,561 possible combinations. This example uses a bare minimum of variables and options. If one considered additional variables, the number of combinations would increase exponentially into the millions and billions! One can this appreciate how very difficult it is for a company to pick the optimal combination.