
Marketing Decisions in The Mini Sims Game

Through an interactive on-line gaming module, the Mini Sims game allowed me to take on the role of a marketing decision maker. I had the opportunity to virtually make decisions to create a backpack that would be practical for a virtual backpack manufacturing company's target market. Our target market varied but included; commuters, luxury, outdoors, school children, and university students. To attract consumers from each segment, we had to utilize different channels such as print, internet, tv, radio, and posters. Special attention was paid to what features each consumer was looking for in a backpack and what they were willing to pay for the product. Consideration to our competitors was important to keep us relevant in the market as well. It was important to make sure we did not lose money while we continued to incorporate the features demanded by our consumers. At the conclusion of this game I gained simulated, hands on experience with the many principles of marketing.

Since it is impossible for a business to target everyone, they need to decide who their target market will consist of. The target market was dependent upon the product you were selling. Some of the games indicated who your target market was and other games just explained what people were looking for in a backpack. An example our team would receive would be, "outdoors enthusiasts" indicated that they were looking for a backpack that was waterproof, durable, and had a bigger capacity than other backpacks. After looking at all the segments we could pursue, we had to decide which segment was most interested in a product like ours. Once we have decided, that became the market we would make ourselves known to, or in other words, they became our target market.

"The process of dividing the market into groups of customers with different needs, wants, or characteristics is called market segmentation" (Grewal & Levy 2018 40). To segment the market my team and I had to interpret what we were told our target market was looking for in a backpack along with their interests. Each game was tailored to different segments such as outdoor enthusiasts, urban commuters, schoolchildren, etc. When the manufactures were looking at the commuters, the segmentation method used was geographic. Our team looked at the area they lived in and wanted to design a backpack that would match their everyday life. Geographic segmentation was the most prevalent form of segmentation.

The positioning strategy used was to focus on the products salient attributes. This is a "common positioning strategy that focuses on the products attributes that are most important to the target market" (Grewal & Levy 2018 290). Before each game, they explained what features the buyers were looking for in a backpack. An example would be that the consumers would be looking for maximum amount of capacity in their ideal backpack, comfort was being sought by the commuters, while the outdoor enthusiasts would have liked the GPS features included. Our team would take these features our target market expressed they wanted and try our best to incorporate them in our design without going over budget. This showed a salient attribute positioning strategy.

The greatest impact for making the marketing decision was a functional need by the consumer. "Functional needs pertain to the performance of a product or service." I would regularly look back at the customer feedback to alter the product to better suite their needs. Examples might

be, in one of the games, I created a backpack that did not reach the desirability mark that the school children segmentation indicated, so I went back and read feedback from the consumers and altered my original design to meet those needs. After I had altered the product to please the consumers, I met my goal for that round.

I have narrowed down the product type to these two: specialty product and shopping product. I believe some products could be considered specialty products because our consumers had “such a strong preference that they would expect considerable effort to search for the best suppliers” (Grewal & Levy 2018 341). In one simulation the consumers were willing to pay a larger amount of money for a backpack design that “stood out” from our competitors which made me, as the designer, want to put in as many special features they indicated they wanted to go above and beyond our competitors. I also believe certain backpacks could fall under shopping products since the shoppers were not looking for the backpack to be perfect but were willing to shop around to compare our bag with our competitors to see which backpack contained the most of what they were looking for.

When coming out with a new product and deciding how to price it, it is very important to keep in mind the five C's which are; company objectives, costs, customers, competition, and channel members (Grewal & Levy 2018 467). There are typically two new product pricing strategies called penetration pricing and price skimming (Grewal & Levy 2018 466). Price penetration is when “a firm sets the initial price low for the new product or service” (Grewal & Levy 2018 466). The reason firms partake in this strategy is because its objective is to deter competition, build sales and profits quickly, and increase market share (Grewal & Levy 2018 466). On the other hand, you have price skimming which is when a firm asks the highest price they know their consumers will pay for their new item (Grewal & Levy 2018 466). For example, Apple knows there will be customers lined up outside stores all over the world to get their hands on their new and exciting products. Because of this, they know that they can set their price high. After the hype of the new product dies down companies typically choose to lower their prices to keep sales up.

My pricing objective varied game to game. In some of the games you would have to reach a goal of a profit they had set. Some of the games would express that if you were to have made the “almost perfect backpack” you'd be able to sell the backpack for a higher price. This would be an example of a customer-oriented pricing objective (Grewal & Levy 2018 435).

Pricing strategies are there for long term usage while pricing tactics are used for short term price changes. The pricing tactic used was “Status Quo pricing.” In many of the games if they did not already set a price for you, they would make it clear to look at the preferences of the segmented market. There was information on what that consumer for each segment would willingly spend on a backpack. Status Quo pricing tends to copy competitor pricing, or what is the typical price level of similar products (Grewal & Levy 2018 435). If I was informed that our competitors would most likely lower their prices my team would inform me to do the same to mine.

Integrated marketing communications has to do with communicating your product to your target market. Our team would use “channels” to do this. To decide what distribution channel we would use to promote our product, our team needed to decide our target market first. We had different channels we were able to choose from such as print, internet, tv, radio, and posters. It was up to us to look at each different target channel and calculate if it would be exposed most

to the market we were after. Another decision was how long we would keep the advertisement going and how much distribution was needed of each ad. As you increased these two factors pricing would go up which is something we had to keep in mind. If the target market was school children, we would use print in a comic book for example or an ad in a gaming site to reach them. If your target market was teenagers you would most likely take advantage of social media to catch their attention and spread the word of your product.

It was very important for us to monitor and keep track of our marketing plan. Each game we were given a different goal that we needed to achieve which helped my team and I stay on track. The metrics we used to make sure we were not falling behind were our unit sales and our total market sales. We were to reach a Market Share for children of at least 70%. To find our Market Share % we took our unit sales and divided it by our total market unit sales. Things we had to keep in mind were our backpack design, competitors, and our pricing since they all contribute to our Market Share %. Since there are a ton of factors that can alter our market shares, it was useful to have these metrics to check up on whenever my team and I weren't hitting our goals.

Mini Sims allowed me to understand that every marketing decision made effects many other moving parts in the market place. Identifying your target segment is critical to begin a successful launch of your product.

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