

DISSECTING THE ANATOMY OF AN INTERCOLLEGIATE BUSINESS COMPETITION

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ABSTRACT

The management of a national or international marketing competition is a relatively complex undertaking requiring a great deal of planning on a wide variety of issues. The University of Manitoba Marketing Students Association (UMMSA) has successfully run such a competition for the past 5 years. This paper outlines a number of issues faced by the University of Manitoba Marketing Competition (MMC) and the procedures used to deal with them. This discussion should be valuable to any school considering organizing or competing in a inter-school competition.

INTRODUCTION

Marketing simulation games were first introduced in the early 1960's with the appearance of Marksim and the first edition of Ness and Day's - Marketing in Action. These games offered students the opportunity to experience, first-hand, many important business management concepts and tasks such as, (1) developing a strategy for their firm, (2) working with their peers to reach consensus on that strategy, (3) making the necessary operating decisions, and (4) observing the results of these decisions made under conditions of uncertainty. Such experiences were difficult, if not impossible, to duplicate in lecture or discussion formats and potentially very costly if attempted in the real world.

At present, there are about 10-12 marketing simulations available from the major publishers, each with somewhat differentiated/unique learning objectives. There are an even larger number of management and general business simulations.

The development of these challenging simulations has also increased the opportunities for national and international University-based competitions. Decisions and results can be efficiently compiled and delivered by telephone and computer so that such events can be held at a reasonable cost. The interaction and "friendly" competition between students of diverse backgrounds from various parts of North America provides for an exciting, enjoyable and valuable learning experience for all who take part. It was with such a spirit that the Manitoba Marketing Competition (MMC) was born.

The MMC is by no means the only inter-collegiate business game competition. What, to the best of our knowledge, were the pioneer marketing games held during the mid-to-late sixties at Michigan State University. At the present time, Georgia Southern College, Emory University, The University of Nevada-Reno, Queen's University, and Manhattan College (New York) all sponsor

similar competitions, and there may be a number of others. However, the MMC is the only competition which focusses exclusively on marketing. The others use general business simulations such as The Business Management Laboratory, the Executive Simulation and The Business Policy Game as the basis for their competition.

Like the Phoenix, the MMC rose from the ashes of the Milwaukee Intercollegiate Business Game Competition sponsored by Marquette University and the University of Wisconsin-Milwaukee. The University of Manitoba had competed in the Milwaukee Game for many years and always regarded the competition as a very positive learning experience for the group of participating students. Faculty advisors also enjoyed going along to sample a few of the principal things that have made Milwaukee famous.

With the suspension or termination of the Milwaukee Game in 1982 we started to give serious consideration to launching a similar competition to enable a larger number of our students to participate in this positive experience. As a result, the MMC was initiated in the fall of 1983.

MANAGING THE COMPETITION

Selection of Game

The selection of an appropriate simulation is a critical factor in the success of any "game-based" competition. The MMC considered a number of criteria or essential qualities that a simulation should possess to meet its needs. Among the most important attributes were:

1. that the simulation not be subject to easily duplicated strategies (steep learning curve) from play to play, since many participants may have played the game previously;
2. a decision could be made in a reasonable period of time;
3. the game would be challenging and operate in a manner consistent with accepted marketing concepts and principles and;
4. performance must be relatively simple to measure and evaluate.

Markstrat, one of the most popular marketing simulations currently in use has successfully met all of the requirements of the MMC. The game provides a comprehensive and fair challenge to the participants, is easily managed by the competition organizers and can be generally evaluated by people with business backgrounds who are not intimately familiar with all the details of

evaluation. Judges select a "winner" from each industry by evaluating each firm's financial performance (50% weighting) and a presentation of their marketing strategy and plans made to the judges who act as an independent Board of Directors (50% weighting). All teams within an industry present to the same Board which is typically composed of five people.

For the second phase each of the industry winners formally present their marketing strategy again the following day. A different Board of Directors judges this presentation and has the opportunity to question each team about their performance and the rationale for their strategy. This final presentation and questioning is the sole basis for determining the overall competition winner.

A second issue concerning the judging involves the selection of judges. Should they be academics, business people or some combination of the two? The MMC requires a total of approximately 30 judges; teams of 4-5 for each of the industry evaluations and a panel of 10-12 for the finals.

Most of the judges are representatives of organizations who have sponsored the competition or senior business executives from the community. One member of the Faculty of Management is on each of the five person judging panels. In addition, a faculty member and the Dean of the Faculty sit on the Board for the final presentations. While some participants have expressed concern on occasion with some aspects of the judging - notably that financial performance tends to be discounted in the finals - most find the system of evaluation quite equitable.

All participating students receive a certificate of participation for competing in the simulation. Members of the winning team in each industry also receive individual plaques, while the overall winning team receives a travelling trophy which it retains for a year, a large plaque which the school gets to keep and special prizes for each team member and the faculty advisor - Cross pen sets, Eskimo soapstone carvings or leather briefcases.

Funding/Sponsors

Each competing team pays a registration fee of \$150 to partially offset some of the expenses in administering the game. In addition they are responsible for their own transportation to Winnipeg and their accommodation during the finals' weekend. All other expenses are covered by the competition and its sponsors.

The total budget for the competition is something in excess of \$17,000, over half of which is incurred for the Awards Banquet and other activities of the finals weekend. Other significant expenses include postage, telephone and courier charges, and awards for the judges and competitors. Most of these funds are raised from local sponsoring firms who contribute from \$100 to \$3,000. each to the cause. Last year 18 organizations supported the competition. In addition, we were also able to obtain a commitment from the President of the University's Academic Develop-

ment Fund for a significant level of support over a three year period. This actually enabled the competition to generate a surplus which is carried over to the following year.

The teams obtain their support in several ways. In some cases they have been able to obtain private sponsors. For the most part, however, their expenses are covered by their Department or School. Obtaining the money to participate does not seem to have been a problem.

THE RESULTS

Eighteen teams from fifteen different colleges and universities competed in the 1986/87 competition. They included Acadia University and the University of Moncton from Eastern Canada, the Universities of Saskatchewan and Alberta from Western Canada and Florida Atlantic University and St. Leo College of Florida from the Southern United States. In the final presentations Bowling Green State University came out on top for the second consecutive year while the University of New Brunswick captured second place. Teams from the University of Manitoba and Acadia University were also among the finalists.

CONCLUSION

Since its inception, the competition has provided a number of benefits to the U of M Marketing Students Association (UMMA), the participating team members, the local business community and the U of M.

The MMC has grown to become the keystone event in UMMA's annual program and the competition's popularity has contributed a great deal to the overall success of the organization. Managing the MMC gives the marketing students an opportunity to put into practice many of the skills they learn in the classroom. Some, like developing and implementing strategic plans cannot be effectively dealt with in a traditional lecture or discussion format.

The MMC offers a rich learning opportunity for local and out-of-town game participants. The process of developing, implementing and presenting marketing strategies within a competitive environment as well as the business related seminars contribute to the educational aspect of the competition. There is also a strong social component to the MMC. Competitors are given a chance to meet and socialize with fellow students who come from a variety of backgrounds and geographic locations. This is especially valuable to students whose schools are physically isolated from other business schools.

The local business community which participates by sponsoring and judging the competition are also "winners." They get to meet and observe students in an atmosphere far removed from the job interview environment. This allows them to get a better grasp of the character and capabilities of today's marketing students as well as simply enjoy the presentations.

Finally, the U of M, and more specifically the Faculty of Management, enhances its reputation and the quality of its programs by hosting an event which, to date, has been extremely successful.

EXHIBIT I

Information on Computerized Marketing Simulations

Commercially Published

1. Markstrat: A Marketing Strategy Game
Jean Claude Larreche and Hubert Gatignon
The Scientific Press
The Stanford Barn
Palo Alto, CA
94304

- this is the address for the Participant's Manual and the computer program for the mainframe version of the simulation.

- a micro computer based version is also available under license from:

STRAT*X S.A.
73 Rue Victor Hugo
77250 Veneux Les Sablons
France
2. Marketing Simulation: Analysis for Decision Making
Bob Brobst and Ronald F. Eush
Harper and Row Publishers, Inc.
10 East 53rd Street
New York, New York
10022
3. Marketing in Action: A Decision Game
Thomas E. Ness and Ralph L. Day
Richard D. Irwin, Inc.
Homewood, Illinois

- both a mainframe and a micro computer version are available.
4. Compete: A Dynamic Marketing Simulation
A.J. Faria, R.O. Nulsen, Jr., and D.S. Roussos
Business Publications, Inc.
Plano, Texas

- a micro computer version is available as:

Micro-Compete
D.S. Roussos
Business Publications, Inc.
Plano, Texas
5. The Marketing Game!
Charlotte H. Mason and Wm. D. Perrault, Jr.
Richard D. Irwin, Inc.
Homewood, Illinois
6. Paintco: A Computerized Marketing Simulation
J.C. Galloway Jr., J.R. Evans and E. Berman
Macmillan & Co.
New York, New York

7. BRANDMAPS: The Competitive Marketing Strategy Game
Randall G. Chapman
Prentice Hall
Englewood Cliffs, N.J.
07632
8. INDUSTRIAT: The Strategic Industrial Marketing Simulation
Jean-Claude Larrech and David Weinstein
Prentice Hall
Englewood Cliffs, N.J.
07632
9. Laptop: A Marketing Simulation
A.J. Faria and John R. Dickinson
Business Publications, Inc.
Plano, Texas
75075
10. Marketing Dynamics: Decision and Control
Charles L. Hinkle and Russell C. Koza
McGraw-Hill, Inc.
New York, New York

- may be out of print
11. Operation Encounter: Marketing Decision Making in a Changing Environment
Ben F. Doddridge and J. Rodney Howard
Goodyear Publishing Co., Inc.
Pacific Palisades, California

- may be out of print
12. Marketing Strategy: A Marketing Decision Game
Louis E. Boone and Edwin C. Hackleman, Jr.
Charles E. Merrill Publishing Co.
Columbus, Ohio

- may be out of print

Not Commercially Published

1. COMPUTYPE: A Strategic Marketing Game
Peter W. Pasold
Faculty of Commerce and Administration
Concordia University
1455 De Maisonneuve Blvd., West
Montreal, Quebec
H3G 1M8
2. The Market Place
Ernest R. Cadoote
College of Business
University of Tennessee
Knoxville, Tennessee