

Capsim—GlobalDNA™

Bringing Real-World International-Business Experience into Large-Enrollment Classrooms

ADVANTAGES OF USING SIMULATION

- › Hands-on, in-depth, real-world application of concepts learned in course
- › Team element improves communication and professional skills; competition builds excitement
- › Simulation can be paired with TeamMate, powerful peer-evaluation and peer-improvement tool
- › Although student work is substantive, grading is simple, easily done in Excel

CHALLENGES OF USING SIMULATION

› Intimidating interface/data

- Excellent Capsim Support
- Provide overabundance of info: step-by-step instructions on paper and in video demos (done by TAs, for example)

› Navigating team dynamics

- Choose teams for students
- Group students according to ability, major, other categories
- Encourage immediate mindfulness of team problems; allow process to kick off underperforming teammates

› Student worry about “competing” for grade

- Make most points participation/completion
- Students compete for only a small number of total points

THE SIMULATION

Medical Genetic Testing Devices Option to Sell in 3 Regions:

- › Americas
- › Europe
- › Asia-Pacific

Preferences, Market Characteristics, Policies Differ Across Regions:

- › Varying market and segment (hi-, low-tech) sizes and preferences
- › Exchange-rate fluctuations, tariffs, shipping costs
- › Trade agreements
- › Regional customization
- › Outsourcing
- › These change over time



TEAM COMPANY STRUCTURE



Research & Development

- › DNA medical tests
- › Develop up to 4 products
- › Segment Perceptual Map
- › Iterative product updates
- › Region kits



Marketing

- › Regional Sales and Promotion Budgets
- › Forecasting ranges
- › Fluctuating currency exchange rates
- › Local pricing



Production

- › One manufacturing plant
- › Outsourcing
- › Instant plant upgrades
- › Shipping and tariffs



Finance

- › Pro forma financial statements
- › Summary dashboard and key statistics
- › International reporting

TEAM COMPANY HOME PAGE

Industry ID: G68584
Mark Dalga

Round 4 Jan 1st 2018
Dan Smith

Mapping Your Customers

How Perceptual Maps are helping companies focus their product design

Department Quick Links

- Research & Development
- Marketing
- Production
- Finance

Tools

The Globe

Industry Paper

Getting Started Video

Learn the basics

Annual Reports

Company Financial Reports

Market Conditions

Industry conditions, analysis and data over the next two years

Newsstand

[Go to](#)

- Mapping Your Customers
- Production Monthly
- Financial Statements
- Product Development
- Accessibility and Awareness
- Making Money Well
- Forecasting
- Debt or No Debt

Key Performance Indicators (KPIs)

Key Financials (\$000)		Market Share		Region Overview		
Team	Stock Price	Sales	Profits	Cumulative Profits	Contribution Margin	Emergency Loans
Andrews	\$16.14	\$96,554	\$74	\$8,617	34%	\$0
Baldwin	\$32.30	\$211,969	\$9,940	\$24,476	31%	\$0
Chester	\$15.97	\$48,912	\$-479	\$8,873	40%	\$0
Digby	\$11.89	\$66,340	\$-529	\$1,996	46%	\$0
Erie	\$34.13	\$60,228	\$8,767	\$22,673	48%	\$0
Ferris	\$23.67	\$112,587	\$1,534	\$14,675	26%	\$0

Executive Development Program

Manager's Guide

1 ARTICLE SLIDER

2 DEPARTMENT QUICK LINKS

3 TOOLS

4 NEWSSTAND

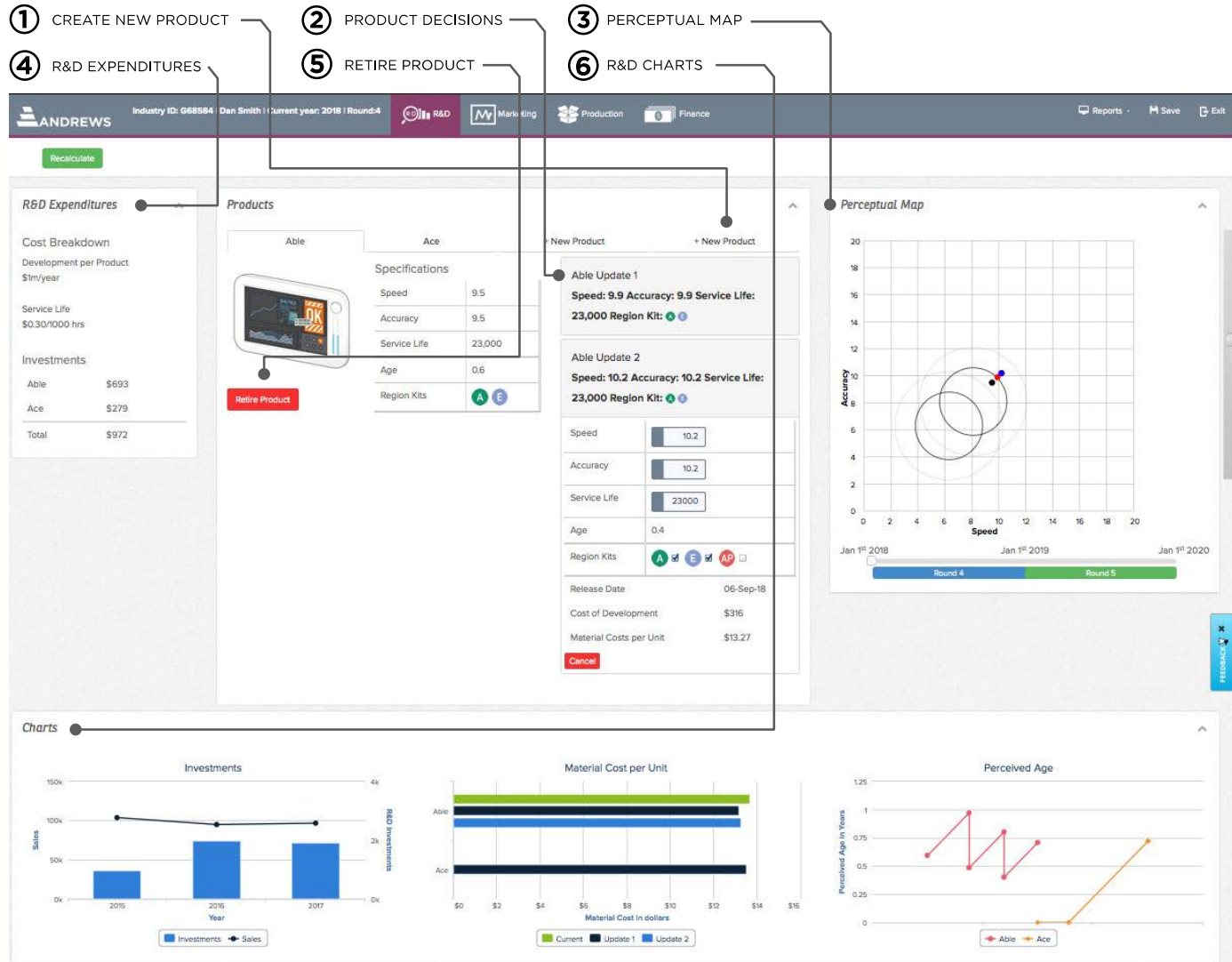
5 KEY PERFORMANCE INDICATORS

6 EXECUTIVE DEVELOPMENT PROGRAM

7 MANAGER'S GUIDE



RESEARCH & DEVELOPMENT





MARKETING

1 REGIONAL OPTIONS 2 REGION MAP 3 PRODUCT DECISIONS

4 REGION TABS 5 MARKETING CHARTS

The screenshot displays the ANDREWS Marketing interface. At the top, a navigation bar includes 'Industry ID: 00 R&D | Dan Smith | Current year: 2018 | Round: 4' and tabs for 'Marketing', 'Production', and 'Finance'. Below this, a 'Selected Region' dropdown is set to 'Americas', with 'Europe' and 'Asia Pacific' as other options. A 'Recalculate' button is visible.

Regional Details

2017 Market Size
Budget/Performance: 6953 / 4610

2017 Total Units Sold
Budget/Performance: 6 / 1755

Exchange Rate: \$1.00 = \$1.00
Tariff: 0.0%
Shipping: \$0.00

Regional Expenditures

Regional Promo: \$ 1500
Regional Sales: \$ 3000
Regional Marketing Total: \$4,500

Americas

Summary of Products Sold in Region

	Price (USD)	Worst Case	Best Case	Awareness
Able	\$38.00	1,600	1,800	98%
Ace	\$38.00	600	800	61%

Products

Able

Selling product in this region: YES

Price: 2017 \$38.00, 2018 \$38.00
Local Price: \$38.00

Ace

Cust.Satisfaction: 57.8

Forecasts

	2017	2018
Worst Case	1,600	1,500
Best Case	1,800	1,800
Actual	1,761	
Total	\$12,198	\$19,661

Awareness and Accessibility

Promotion: \$ 1500
Total Awareness*: 98%
Sales: \$ 3000
Total Accessibility*: 88%
*Includes Regional and Product promotional impacts

Accessability

	Accessability	Product Expenditures	Regional Expenditures (per Product)
Able	88%	\$4,500	\$2,250
Ace	88%	\$4,500	\$2,250

Charts

Marketing Expenditures

	Americas	Europe	Asia Pacific
Promotion	\$4,500	\$4,500	\$0
Sales	\$9,000	\$9,000	\$0
Total	\$13,500	\$13,500	\$0
Promo Total			\$9,000
Sales Total			\$18,000
Total Expenditures			\$27,000

Forecasts

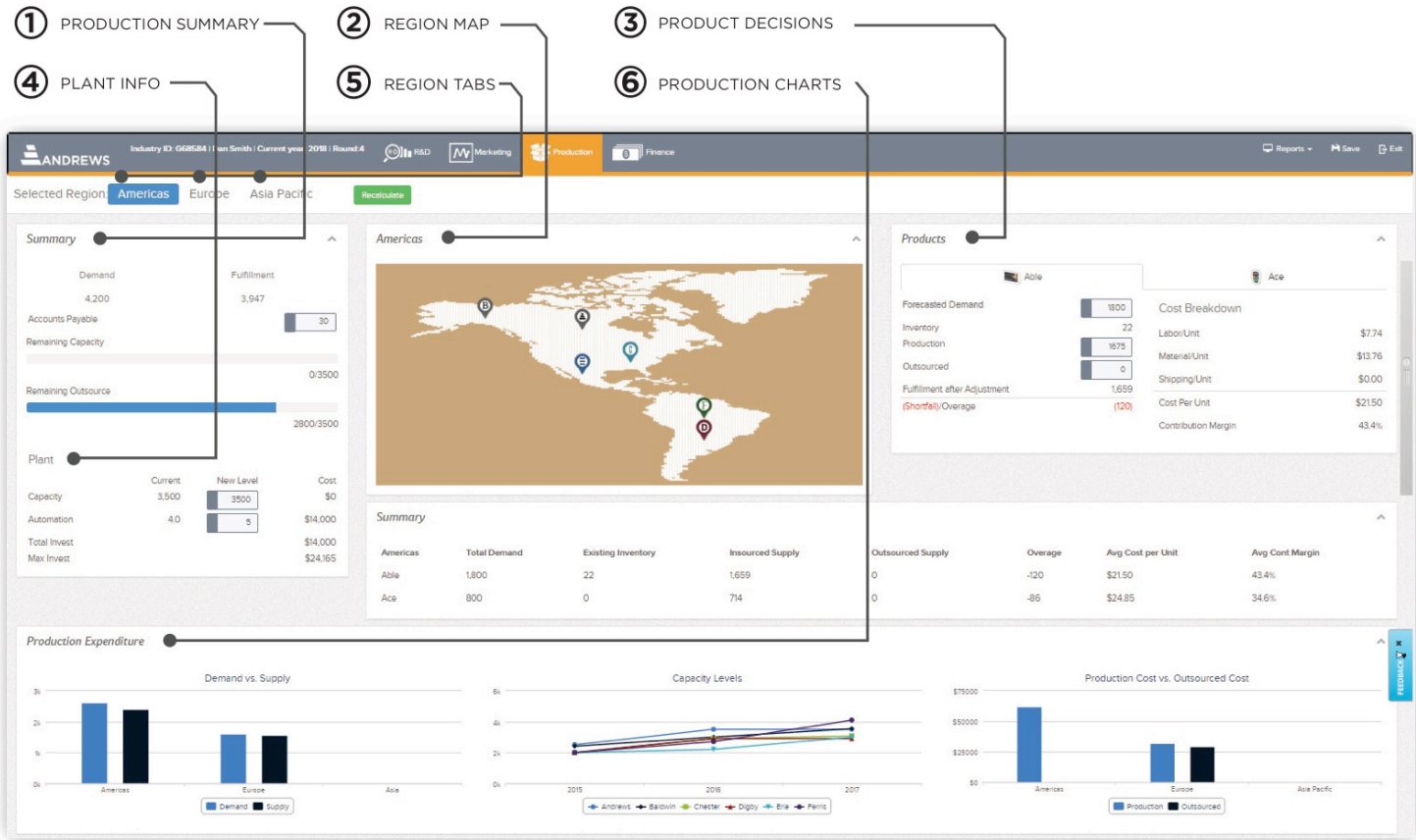
	Americas	Europe	Asia Pacific	Total
Best Case	2,800	1,800	0	4,600
Worst Case	2,200	1,400	0	3,600
Gross Revenue	\$83,600	\$53,200	\$0	\$136,800
Variable Costs	\$49,299	\$26,408	\$0	\$75,707
Contribution Margin	\$34,301	\$26,792	\$0	\$61,093
CM Less Promo/Sales/Tariffs	\$20,801	\$13,292	\$0	\$34,093

Gross Revenue

Bar chart showing Gross Revenue by Region: Americas (\$136,800), Europe (\$53,200), Asia (\$0).



PRODUCTION





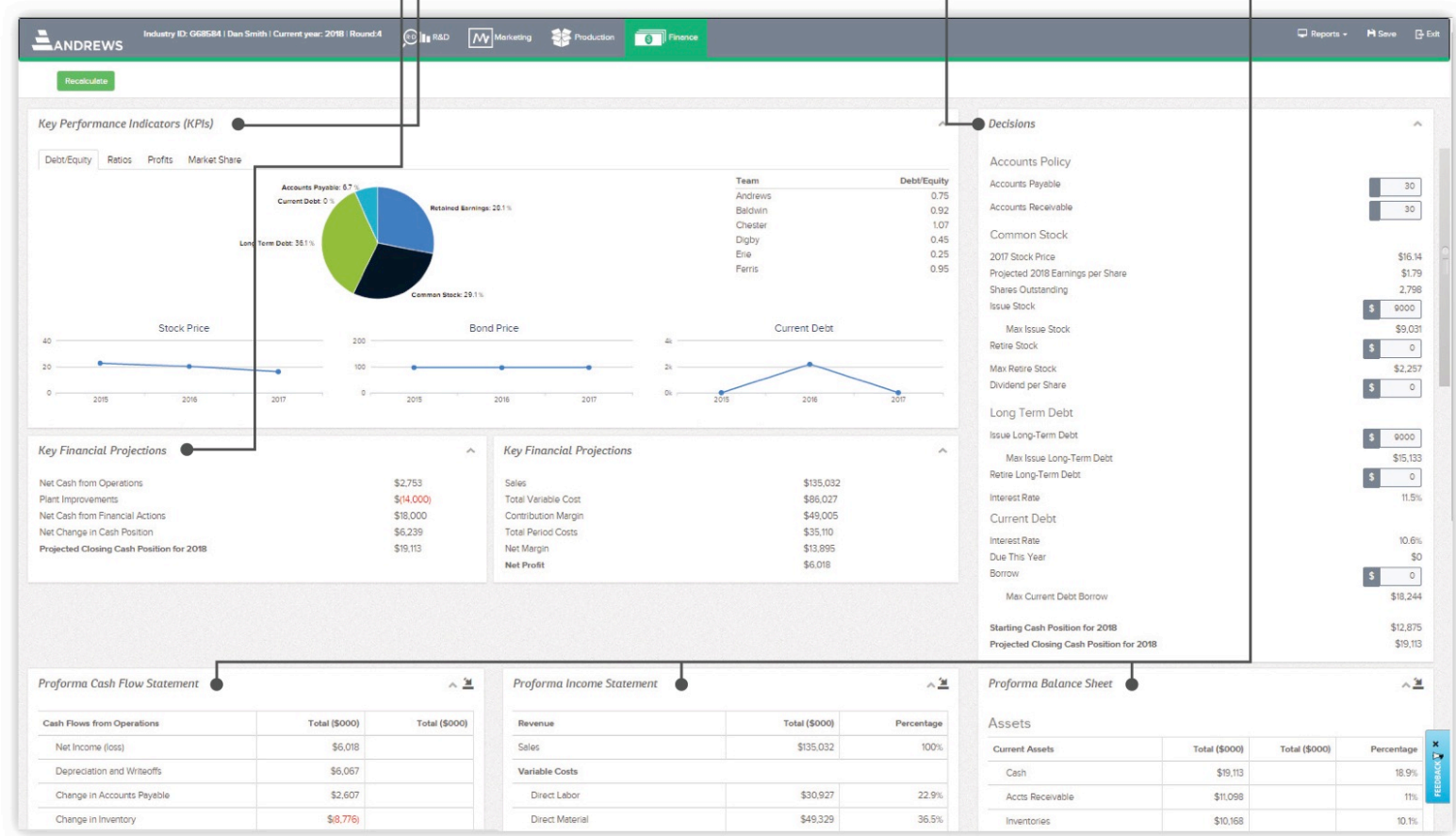
FINANCE

① KEY PERFORMANCE INDICATORS (KPIs)

② FINANCE DECISIONS

③ KEY FINANCIAL PROJECTIONS

④ PROFORMA FINANCIAL STATEMENTS





RESULTS

Overview



The Good

- You lead the industry in contribution margin across your product line, which shows an ability to minimize your labor, material and inventory carrying costs. Keep up the great work!
- Your stockholders will be happy to see such a huge increase in your stock price!
- Your company outpaced your competitors, and the industry average, with regards to profits. Keep it up!

The Bad

- Watch your outsourcing levels. Outsourcing typically costs more than producing in-house due to the fixed automation level of 2.0 at the outsourced plant.
- One of your products was stuck with very high inventory levels in Asia Pacific. To correct this, reduce your forecasts to a more realistic number, improve your product offering to meet customer demands and increase your marketing expenditures.
- Your company invested the least amount in the industry in your plant and equipment. Consider growing your internal plant's capacity and increasing automation to create long-term cost savings.