



by



Conquer the World® Participant's Booklet



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1.INTRODUCTION TO CONQUER THE WORLD®

1.1.Prelude

Conquer The World®

An interactive, competitive, multi-stage, gamified, algorithm-based marketing department simulation derived from real-life scenarios.



Spirit Brothers and Modew, energy drink firms which operate globally, currently offer eight different energy drinks in four different segments. You have recently resigned from your job at Spirit Brothers and undertook the Global Chief Marketing Officer position at a newly established firm operating in the energy drinks market. Your new firm plans to introduce a new energy drink to the market where Spirit Brothers, Modew and other participants (if there are any) in this simulation will be the competition. As your firm's Global CMO, you will be responsible for all new product development marketing stages. The entire process has to be completed within the specified time and budget constraints. Based on your decisions, the simulation algorithm will calculate the new product's profit/loss and market share as well as your company's share price after the product launch.

Based on how the session is formed, this simulation runs between one and twelve years. There are seven decision-making stages per year, and each stage affects the following stages based on your decisions. There is more than one correct and wrong answer, and therefore, two participants may reach similar results despite making very different decisions.

Conquer The World® is an algorithm-based simulation, the results of which are calculated by computer using a statistical algorithm. Theoretically, there are an infinite amount of results. A wrong decision in the simulation's early stages may be compensated later by making the right decisions in the following stages and vice versa. Therefore, there are several chances/risks for increasing/decreasing your firm's share price. There are no predetermined outcomes in Conquer The World® where one decision sequence trumps others. All your decisions have a cumulative effect on your firm's share price. Results will be calculated by the algorithm.

In this simulation, all participants compete in the same market. Your decisions will affect other participants' results and vice versa (if you are the only participant in this simulation, Conquer The World® artificial intelligence will make decisions to counter your strategy). Therefore, before you make your decisions, you should consider how other participants may shape their strategies. At the end of the simulation, your aim is to achieve the highest share price for your company among all participants.

All the necessary information and explanations can be found in the [Conquer the World® Participant's Booklet](#). It is essential that you read the booklet from start to finish at least once, and you should also consult it as frequently as you need during your decision-making process.

Should you encounter an unknown term or feel unfamiliar with the jargon, please refer to the [Dictionary](#) part of the booklet.

Please read the data and the information given in the simulation and the booklet carefully. Using phones, calculators, and books is **allowed and encouraged**. Please do not hesitate to consult academic books and articles. Carefully reading the information in the simulation and the booklet can dramatically increase the possibility of making better decisions.

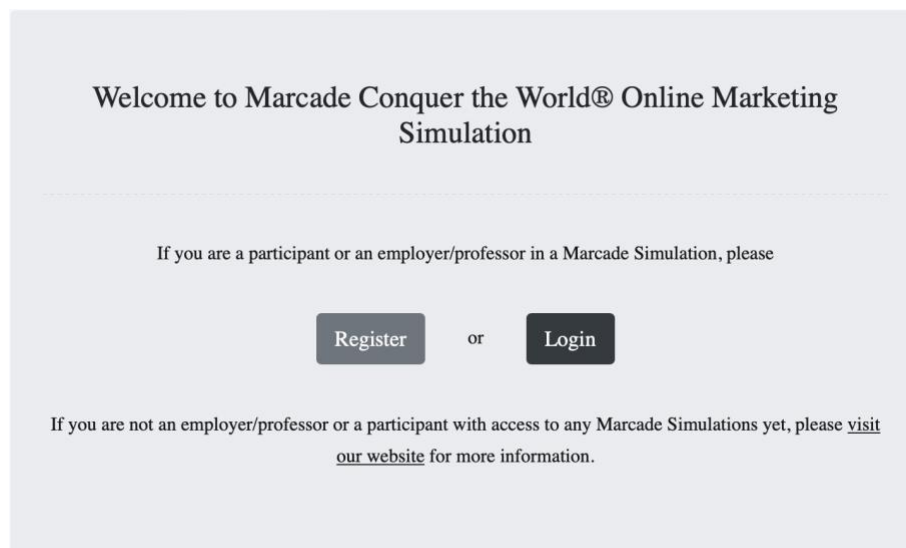
Information and explanations given throughout the simulation are important and employable at all stages, not only for the stage in which they are given. In the later stages of the simulation, you may and very possibly will have to use some of the information provided in the previous stages.

1.2.How to Log in

To log in to the simulation, please go to www.marcadesimulations.com, and then click on the “Conquer the World®” logo, as shown below:



After you click on the logo, you will see the login page. Please click on the “Login” button and enter the username and password assigned to your group. Please note that your username and password are case-sensitive.



Marcade Online Simulations Login

Username:

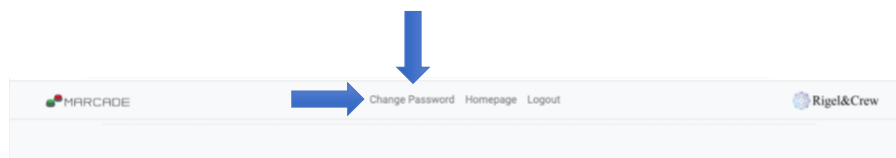
Password:

If you forgot your username or password please [click here to contact us.](#)

Username and passwords for all groups will be shared with you by your professor/employer. Please note that all group members will use the same username and password assigned to their group.

Different group members can log in simultaneously using the same username and password.

If you would like to change your password, please click on the “Change Password” link in the top menu after logging in to your account.



1.3.Interface

The first page you see after logging in to the simulation shows the details of the session, direct links to the “Prelude” part and the next unsubmitted stage, and the dates between which the simulation will stay active.

Welcome to Conquer the World® Online Marketing Simulation


Dear marcade, please find below the list of your sessions. Please click on the link of an active session you would like to join. If you think there is a mistake, please [visit our website](#) and contact us.


If you would like to change your password, please click on the "Change Password" link in the top menu.


Active Sessions				
Session Name	Prelude	Next Unsubmitted Stage	Starts	Ends
Conquer the World Demonstration (5 participants)	Go to Prelude	Results - Year One	May 1, 2022, 9 a.m. (CET/CEST)	June 1, 2022, 9 a.m. (CET/CEST)


As you proceed to the first stage, you can see a sidebar on the left side of the screen. The sidebar includes all the necessary links.


Marcade Online Simulations - Conquer The World®


 Go to Year ▼

 Stages ▼

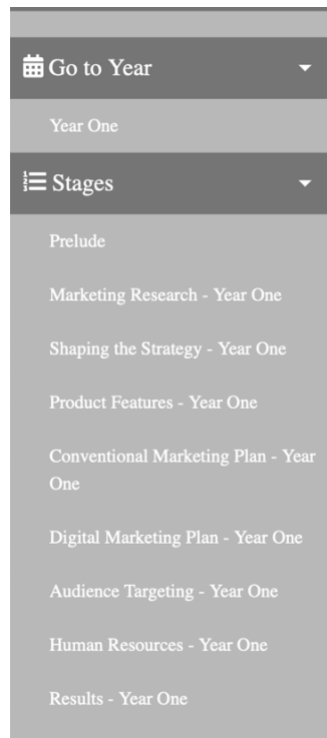
 Participant Progress

 Help

 Session: Conquer the World Demonstration (5 participants)

 Participant: Jennifer_R ▼

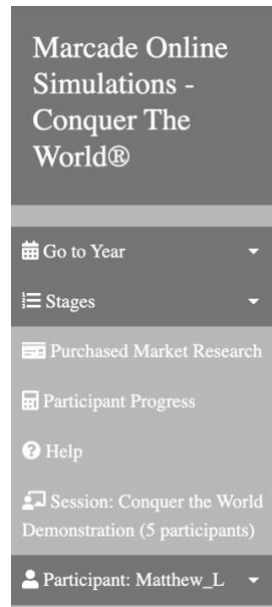
You can click on the “Go to Year” link to expand the menu and click on the year of your preference to go directly to that year’s decisions. Also, to directly access another stage, you can click on the “Stages” link and then the stage you would like to go to.



The “Participant Progress” link on the sidebar takes you to the page which shows the latest progress of the participants in your session.

Participant	Remaining time	Remaining budget	Last submitted stage for Year 2	Next unsubmitted stage	Current year	Stock price - Year 2
marcade	26 weeks	509,900 BTP	Human Resources	Marketing Research - Year 3	Year 3	10.99 BTP
John_D	44 weeks	9,982,500 BTP	Human Resources	Marketing Research - Year 3	Year 3	18.69 BTP
Jennifer_R	33 weeks	1,441,644 BTP	Human Resources	Marketing Research - Year 3	Year 3	99.98 BTP
Jane_O	44 weeks	4,841,010 BTP	Human Resources	Marketing Research - Year 3	Year 3	17.14 BTP
Matthew_L	36 weeks	6,731,626 BTP	Human Resources	Marketing Research - Year 3	Year 3	19.28 BTP

As soon as you proceed to the second stage, a new link named “Purchased Market Research” appears on the sidebar. You can see the results of all the marketing research you have purchased throughout the simulation by clicking on this link.



You can click on the “Toggle Sidebar” button if you would like to close the sidebar and expand the contents of the current stage to full page.



Many of your decisions require different amounts of time and budget. The time and the funding needed for your choices will be deducted from the total amounts given to you at the beginning of each year, and you do not need to keep track of them manually. The simulation will calculate your remaining time and budget automatically and continuously as you make selections. You can see your remaining time and budget in the box placed on the right-hand side of the screen.

Remaining Time
49 weeks

Remaining Budget
31,400,000 BTP

Three new links appear on the sidebar after you finish your first-year decisions. The “Stock Market” link takes you to the stock market page, where you can see the latest share prices of all the participants’ companies in your session. The “Company Dashboard” link takes you to the company dashboard, where you can find detailed information and metrics about your company. The contents of the company dashboard page are explained [here](#) in detail. The “Feedback” link opens the Feedback page where you can share your thoughts about Conquer the World® with us.

Marcade Online
Simulations -
Conquer The
World®

Go to Year

Stages

Stock Market

Company Dashboard

Feedback

Purchased Market Research

Participant Progress

Help

Session: Conquer the World
Demonstration (5 participants)

Participant: Matthew_L

1.4.Support

Please do not hesitate to contact us if you cannot find what you are looking for in this booklet. We will do our best to clarify any question marks you may have in your mind.

Please remember that we cannot assist you with your decisions or strategy.

However, if you need further explanations about the contents of the simulation or if you encounter a technical issue, please send an e-mail to support@marcade.games. Please write the name of your group/username and the session to the subject of your e-mail.

Alternatively, you can click on the “Help” link, which can be found on the sidebar after logging in to the simulation.

2.OVERVIEW OF CONQUER THE WORLD®

2.1.Overview of the Countries

There are three continents and nine countries in Conquer the World®. Bentola and Mulmato are in the continent called Trocaaia. Yawlomisia, Vuhtuksturm and Aglomia are in Burmope, and Kurbayanda, Togulia, U.S.S.O, and Jurmob are in Ossomilo. Each of these continents and countries has different characteristics.

Form of government, population, [HDI \(Human Development Index\)](#), growth rate, GDP per capita, average disposable income per capita, [Gini index](#), average life expectancy for citizens, seasons, education levels of citizens, segment sizes, devices and operating systems used by citizens, the currency of the country, numbers and types of outlets and various other attributes are different in every country.

Please find below different figures which include various details about the countries in Conquer the World®. Some figures contain essential information you should consider

before shaping your strategy and marketing plan. On the other hand, some of the data given in the figures will not help you at all. It is up to you to distinguish which parts are relevant and which are not.

In the [Dictionary](#) part, you can find the explanations of the consumer segments and any other terms which may be unfamiliar to you.

Figure 1 – An Overview of the Countries

Country	Form of Government	Population	Human Development Index (HDI)	Last 10 Years Average Growth Rate	Mean GDP Per Capita	Average Disposable Income (Last Year)	Gini Index	Average Life Expectancy
 Bentola	Constitutional Monarchy	82.3 million	0.942	6%	74,239 BTP	24%	60.7	87 years
 Mulmato	Constitutional Republic	326.7 million	0.918	4.1%	83,505 MKW	29%	26.1	88 years
 Yawlomisia	Democratic Republic	84.2 million	0.989	3.7%	75,754 YAN	33%	31.6	89 years
 Vuhtuksturm	Civilian Dictatorship	21.7 million	0.412	0.1%	255,672 VPM	N/A	64.1	79 years
 Aglomia	Constitutional Republic	17.8 million	0.866	1.1%	51,219 ALR	47%	43.4	83 years
 Kurbayanda	Elective Monarchy	4.1 million	0.651	0.3%	109,129 KBD	5%	66.2	68 years
 Togulia	Absolute Monarchy	5.2 million	0.653	0.4%	117,206 TGF	4%	67.4	67 years
 U.S.S.O	Federal Republic	6.5 million	0.925	2.1%	60,701 SDR	28%	29.7	78 years
 Jurmob	Theocracy	1.9 million	0.387	-5.6%	71,244 JZF	N/A	71.6	64 years

Figure 2 – Distributions of Populations by Age

Country	0-18	19-24	25-30	31-40	41-54	55-65	65+
 Bentola	31.12%	7.82%	7.65%	15.61%	18.89%	12.07%	6.84%
 Mulmato	29.82%	7.64%	8.69%	13.22%	19.21%	15.68%	5.74%
 Yawlomisia	28.54%	8.28%	7.96%	14.51%	19.57%	16.54%	4.60%
 Vuhtuksturm	8.00%	27.65%	14.64%	18.65%	24.56%	2.85%	3.65%
 Aglomia	9.37%	31.25%	11.04%	13.57%	26.54%	5.71%	2.52%
 Kurbayanda	24.72%	23.86%	18.56%	14.62%	9.71%	7.01%	1.52%
 Togulia	23.64%	24.56%	17.51%	16.59%	9.54%	6.91%	1.25%
 U.S.S.O	18.67%	18.51%	19.68%	20.56%	14.63%	5.39%	2.56%
 Jurmob	27.53%	9.67%	12.57%	13.62%	28.57%	7.24%	%0.8

Figure 3 – Education Levels by Country










Country	No Schooling	Primary	Secondary	Bachelor's	Master's	Doctoral
 Bentola	0%	0.40%	21.20%	65.82%	9.16%	3.42%
 Mulmato	0%	0.38%	21.56%	63.28%	9.10%	5.68%
 Yawlomisia	0.05%	0.56%	24.66%	60.32%	12.58%	1.83%
 Vuhtuksturm	6.13%	34.71%	26.65%	28.42%	3.21%	0.88%
 Aglomia	0.54%	2.59%	27.65%	40.51%	19.93%	8.78%
 Kurbayanda	4.38%	11.74%	17.54%	46.70%	16.71%	2.93%
 Togulia	4.86%	24.79%	58.63%	10.76%	0.85%	0.11%
 U.S.S.O	0.01%	0.27%	14.77%	67.46%	13.65%	3.84%
 Jurmob	56.75%	30.92%	9.86%	2.46%	0.01%	0%

Figure 4 – Seasons by Country

















Country	Spring	Average Temperature (°C)	Summer	Average Temperature (°C)	Fall	Average Temperature (°C)	Winter	Average Temperature (°C)
 Bentola	March-May	19	June-August	39	September-November	19	December-February	6
 Mulmato	March-May	20	June-August	36	September-November	20	December-February	5
 Yawlomisia	June-October	28	November-March	42	April	10	May	-7
 Vuhtuksturm	June-October	30	November-March	41	April	8	May	-1
 Aglomia	June-October	28	November-March	32	April	20	May	-10
 Kurbayanda	October-January	19	February-May	25	June-July	16	August-September	3
 Togulia	October-January	18	February-May	20	June-July	14	August-September	7
 U.S.S.O	October-January	21	February-May	24	June-July	20	August-September	18
 Jurmob	October-January	22	February-May	34	June-July	21	August-September	14

Figure 5 - Distributions of Segment Populations by Country

Country	Hardworkers	DINK	Ambitious Achievers	<u>The Spoiled</u>
 Bentola	16%	58%	18%	8%
 Mulumato	24%	38%	21%	17%
 Yawlomisia	17%	31%	26%	26%
 Vuhtuksturm	52%	37%	7%	4%
 Aglomia	31%	34%	19%	16%
 Kurbayanda	55%	37%	5%	3%
 Togulia	56%	34%	7%	3%
 U.S.S.O	18%	38%	24%	20%
 Jurmob	41%	44%	8%	7%

One of the most critical problems in the world is environmental pollution, as people and companies have been indifferent to environmental and social issues for many decades, and governments have been inactive towards the problem until today.

World leaders have taken the first step to address the problem and signed an agreement to pass new laws in all countries to reduce environmental pollution. According to the agreement, companies that start to use environmentally friendly and biodegradable materials in the next ten years will have a 3% tax relief. Citizens also have begun to prefer ecologically friendly products after the governments had launched awareness campaigns, and all media channels have started broadcasting informative commercials. In addition, governments have recently begun to support incorporating new technologies in the packaging designs of soft drinks.

2.2.Information About the Companies

Spirit Brothers was established in 1963 as a family company. The company started exporting its products in 1985 after operating only in Bentola and only in the non-alcoholic carbonated beverage market until 1984. In 1985, Spirit Brothers began to ship to 7

countries. In a short period, its exports grew exponentially, and as of 1996, the company had all countries in the world on the list of its export destinations. In 1998, Spirit Brothers entered the energy drinks market. However, because the company had taken many wrong steps and failed at institutionalisation, despite its strong presence and high image in the market, it declared a loss in its year-end financial statements for many years. As a result, in 2007, 51% of the company was sold to a foreign company named JBP Drinks. JBP Drinks' first action was to implement institutionalisation and corporate governance successfully. Also, in 2009, JBP Drinks opted out of the non-alcoholic carbonated beverage market, which was the main reason for the financial downfall. They focused entirely on the energy drinks sector after shutting down their non-alcoholic carbonated beverage plants.

As of 2025, Spirit Brothers is a well-known company in the energy drinks market with a prestigious image. Its primary objective is to clarify its path by conducting necessary marketing research, which were ignored before the company was institutionalised.

Spirit Brothers and Modew are the two main energy drink market actors, and their total market share stands at 97%.

Modew is the current market leader in the energy drinks market. The founding family owns 92% of the company shares. Although, on the outside, it seems as if Modew is an institutionalised company, the founding family members are not accustomed to corporate governance, and they try to micromanage employees. They go as far as interfering with their daily decisions. This continuous interference results in a very high employee turnover rate. The owner makes all financial decisions of the company, and chief officers do not have any say in financial matters. Even when the chief officers strongly suggest against a financial decision, their suggestions are not taken into consideration by the company owner.

Modew has the most comprehensive distribution network and penetration rate globally, and the company can distribute all of its products efficiently and on time. According to the latest consumer research, Modew had a significantly higher awareness and dependability rate than Spirit Brothers among consumers until 2017; however, this difference has rapidly decreased.

2.3. Overview of the Energy Drinks Market

The energy drinks market in the world has been expanding since 2004. Although small decreases in the total market volume were seen in some years, the general trend has been upwards. In 2024, total market volume reached an all-time high of 613,598 hectoliters. The total market volume is expected to go further up in the following years. Two of the best-selling products in the market, Spirit Brothers' Grex and Modew's Driqs, have an 8 BTP price tag. All products in the market, including these two, are dearomatised and non-flavoured. VAT for energy drinks in all countries has been 18% for the last 48 years.

Due to some consumers' health problems related to mixing energy drinks with alcoholic beverages, all countries passed laws that prohibited mixing energy drinks in cocktails and banned energy drink commercials showing energy drinks in cocktails. Also, according to the new regulations, companies must add statements to their products' labels warning consumers not to mix energy drinks with their cocktails. As the governments' attitudes towards energy drinks are negative, sectoral experts believe that more limitations may be imposed on the sector.

The rapid growth of the energy drinks market caught the attention of packaging and glass companies. To increase their market share and stand out against the fierce competition, they put more emphasis on innovation and invested more in R&D. These efforts resulted in new packaging technologies such as biodegradable organic cans, glass bottles and cans which can preserve temperature, glass bottles and cans which keep their brim clean from germs, and other technological developments. These packages are in very high demand from all kinds of drink manufacturers from all around the world. The inventors of these technologies are still negotiating with various companies. No company has purchased the rights to use these technologies yet.

Spirit Brothers, one of the two actors in the energy drinks oligopoly, has increased its market share steadily for the last five years. After the acquisition by JBP Drinks, it strengthened its financial foundations thanks to correct institutionalisation steps. The company stands firm against any possible regulation changes and financial crises.










Qualified professionals tend to have significantly favourable views towards Spirit Brothers because of its dynamic culture, salaries higher than the competition, and its welcoming and embracing attitude towards employees. Many projects of the company's marketing department won prestigious international awards in 2020.

On the other hand, Spirit Brothers' distribution network efficiency and penetrated outlet numbers are behind Modew, resulting in some setbacks in reaching the consumers of some regions.

2.4.Currencies and Exchange Rates

Please find below the currencies of the countries and the exchange rates. Please note that the exchange rates will stay the same throughout the simulation.

Although the countries in the simulation have their own currencies, you will execute your marketing campaign using Bentola Pound (BTP) as it is the reserve currency in Conquer the World®.

Figure 6 - Currencies and Exchange Rates			
Country	Currency	Exchange Rate	
 Bentola	Bentola Pound (BTP)	1 BTP	
 Mulmato	Mulmato Kwone (MKW)	0.97 BTP	
 Yawlomisia	Yawlomisia Ando (YAN)	1.23 BTP	
 Vuhtuksturm	Vuhtuksturm Pemkira (VPM)	0.11 BTP	
 Aglomia	Aglomia Lorint (ALR)	0.82 BTP	
 Kurbayanda	Kurbayanda Dinar (KBD)	0.17 BTP	
 Togulia	Togulia Franc (TGF)	0.15 BTP	
 U.S.S.O	U.S.S.O Dollar (SDR)	1.12 BTP	
 Jurmob	Jurmob Zufima (JZF)	0.09 BTP	

2.5.Important Notes

- The stages in the simulation follow a sequential logic. In other words, you need to submit your decisions for a stage before proceeding to the next one.
- There will be unexpected negative outcomes if you do not complete your annual decisions within time and budget constraints.
- All members of a group can access the simulation at the same time. However, **only one group member should submit group decisions.** The group member responsible for submitting the group decisions should ensure that all group members agree on the findings.
- **You will not be able to change your decisions once they are submitted.**
- All the tables in the simulation are dynamic. You can move the cursor over the tables for additional information, click on the pictures/data to view them in isolation, and click on the menu on the top right for other options.
- More than 70% discrepancy between your annual sales forecasts and realisations will negatively affect your overall performance.
- Your company's annual performance will affect your total marketing budget for the following year.
- **The results of various market research are given free of charge in this booklet under [section 3 \(Market Research & Figures\)](#). In addition to the marketing research you will purchase in the simulation, please take into consideration the market research results in this booklet.**
- If you employ marketing analytics professionals in your company, at the end of the year, the results of the calculations of detailed marketing metrics will be revealed, as well as additional marketing research such as brand awareness research and brand association research. Please evaluate these metrics and the marketing research carefully, as they will benefit your decisions for the following years.
- If you employ brand management professionals in your company, at the end of the year, a competitive intelligence report which includes essential information about your competitors will be revealed. Please analyse this

report carefully so that you can gather insights into your competitors' strategies. Therefore you will be able to counter their strategies and improve suboptimal parts of your strategy for the following year.

Please find below the minimum and maximum amounts of budget and time that can be spent in each decision-making stage and the industry averages. **Please note that these estimates are only for the simulation's first year.** Generally, participants tend to spend less budget and time on marketing research starting from year two and more on other marketing activities based on their first-year results.

Please also note that the estimates given below are not definitive. You may shape your strategy differently and spend more or less than the industry averages.

Figure 7 – Average Marketing Expenditures per Stage			
Name of the Stage	Minimum Spending	Industry Average Range	Maximum Spending
Marketing Research	0 BTP	4,000,000 – 8,500,000 BTP	13,600,000 BTP
Shaping the Strategy	945,000 BTP	945,000 – 7,548,400 BTP	7,548,400 BTP
Product Features	0 BTP	875,000 – 2,750,000 BTP	7,550,000 BTP
Conventional Marketing Plan	0 BTP	15,000,000 – 22,000,000 BTP	Unlimited
Digital Marketing Plan	0 BTP	1,500,000 – 3,000,000 BTP	Unlimited
Audience Targeting	0 BTP	0 BTP	0 BTP
Human Resources	0 BTP	3,750,000 – 6,000,000 BTP	Unlimited

Figure 7b – Average Number of Weeks Needed per Stage			
Name of the Stage	Minimum	Industry Average Range	Maximum
Marketing Research	0 weeks	20 – 32 weeks	52 weeks
Shaping the Strategy	0 weeks	0 weeks	0 weeks
Product Features	0 weeks	0 weeks	0 weeks
Conventional Marketing Plan	0 weeks	18 – 26 weeks	48 weeks
Digital Marketing Plan	0 weeks	0 weeks	0 weeks
Audience Targeting	0 weeks	0 weeks	0 weeks
Human Resources	0 weeks	4 – 10 weeks	Unlimited

3.MARKET RESEARCH AND FIGURES

The results of various market research and important figures that will help you craft your marketing strategy are given to you free of charge under this section. In addition to the marketing research you will purchase in the simulation, please consider the market research results under this section. Also, please evaluate the information given in the figures.

3.1.Devices and Operating Systems









Please find below the distribution of devices and operating systems different consumer segments prefer to use.

Figure 8 – Devices and Operating Systems										
Segment	Android Tablet	iPadOS Tablet	Other Tablet	Android Phone	iOs Phone	Other Phone	Windows PC	Mac OS	Linux	Other
Hardworkers	19.3%	8.6%	0.2%	39.4%	20.1%	1.2%	6.8%	3.3%	0.7%	0.4%
DINK	3.4%	4.2%	0.1%	15.3%	35.4%	0.1%	21.2%	20.1%	0.1%	0.1%
Ambitious Achievers	2.5%	24.3%	0.1%	49.2%	10.3%	0.1%	10.2%	3.1%	0.1%	0.1%
The Spoiled	1.4%	28.9%	0.1%	1.5%	54.7%	0.1%	2.6%	10.7%	0%	0%

3.2.Current Products in the Market

Currently, there are eight products in the energy drinks market. Please find their prices, price indexes and market shares by volume on the next page.

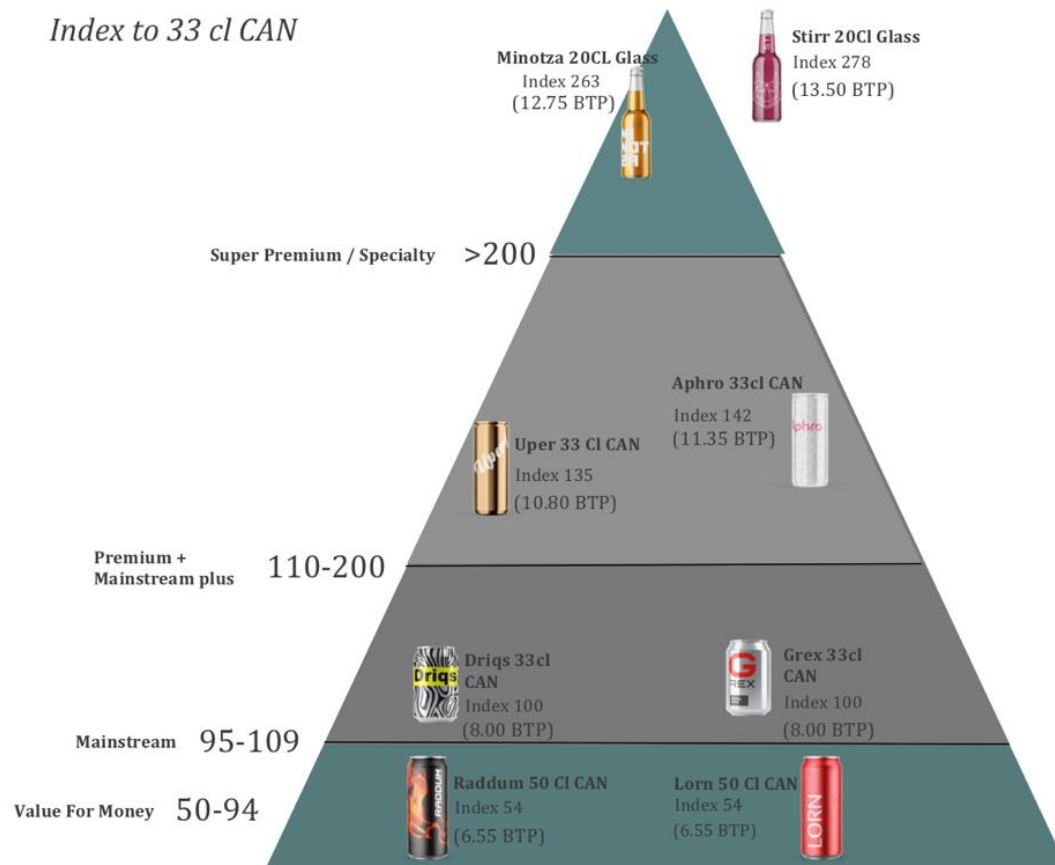
Figure 9 – Current Products in the Market

Product	Firm	Price	Price Index	Market Share
 Lorn	Spirit Brothers	6.55 BTP	54	6.7%
 Raddum	Modew	6.55 BTP	54	6.8%
 Grex	Spirit Brothers	8 BTP	100	31.4%
 Driqs	Modew	8 BTP	100	40.3%
 Uper	Modew	10.8 BTP	135	3.1%
 Aphro	Spirit Brothers	11.35 BTP	142	4.8%
 Minotza	Spirit Brothers	12.75 BTP	263	1.7%
 Stirr	Modew	13.5 BTP	278	2.2%

3.3.Pricing in Segments

The figure below demonstrates how the current products in the market are categorised based on their target markets and price indexes.

FIGURE 10 – PRICING IN SEGMENTS



3.4.Pricing Analyses

Analysing the pricing tables will be extremely helpful in creating your strategy. As the price of your product is the most critical decision in the entire simulation, please inspect the figures on the next page carefully.

The costs pertaining to the production of an energy drink change based on its packaging type (20-33-50Cl, Glass-Can). Therefore, the production costs will be different based on the packaging type you choose for your product.

As the price of your new product will be unknown before you fill in the pricing tables in the Conventional Marketing Plan stage, the price analysis figures below do not include the calculations to determine the product's net price and profit margin. You will see automatically calculated pricing analysis results in the Conventional Marketing Plan stage once you write your product's consumer selling price in the pricing table's relevant box.

Please find below the complete price analysis for Grex as an example:

Figure 11 – Grex Pricing Analysis			
	BTP/33 Cl	BTP/per HL	%
Consumer price incl. VAT	8 BTP	2,424 BTP	
Consumer price excl. VAT	6.78 BTP	2,054 BTP	18%
Retailer buying price excl. VAT	5.9 BTP	1,786 BTP	15%
After discount	5.17 BTP	1,567 BTP	14%
Net Price	5.17 BTP	1,567 BTP	
Energy drink + packaging	2.13 BTP	646 BTP	
Trans.& band.& hand. cost	0.22 BTP	68 BTP	
COGS	2.35 BTP	714 BTP	
After COGS	2.82 BTP	854 BTP	
Transportation & sales and distribution	0.29 BTP	88 BTP	
Sales force	0.38 BTP	115 BTP	
Marketing	0.49 BTP	148 BTP	
Non-sales fixed cost	0.45 BTP	136 BTP	
Spirit Brothers Margin	1.21 BTP	366 BTP	

The figures on the next page are given so you can have an idea about the production costs of the different packaging types available.

Figure 12 – 33 cl Can Pricing Analysis			Figure 13 – 33 cl Sleek Can Pricing Analysis		
	BTP/33 Cl	BTP/per HL		BTP/33 Cl	BTP/per HL
Energy drink + packaging	1.92 BTP	581.82 BTP	Energy drink + packaging	2.81 BTP	851.52 BTP
Trans.& band.& hand. cost	0.22 BTP	66.67BTP	Trans.& band.& hand. cost	0.25 BTP	75.76 BTP
COGS	2.14 BTP	648.48 BTP	COGS	3.06 BTP	927.27 BTP
Transportation & sales and distribution	0.33 BTP	100 BTP	Transportation & sales and distribution	0.50 BTP	151.52 BTP
Sales force	0.34 BTP	103.03BTP	Sales force	0.57 BTP	172.73 BTP
Marketing	0.52 BTP	157.58 BTP	Marketing	0.83 BTP	251.52 BTP
Non-sales fixed cost	0.44 BTP	133.33 BTP	Non-sales fixed cost	0.75 BTP	227.27 BTP

Figure 14 – 50 cl Can Pricing Analysis			Figure 15 – 20 cl Glass Pricing Analysis		
	BTP/50 Cl	BTP/per HL		BTP/20 Cl	BTP/per HL
Energy drink + packaging	0.37 BTP	74 BTP	Energy drink + packaging	3.35 BTP	1,675 BTP
Trans.& band.& hand. cost	0.12 BTP	24 BTP	Trans.& band.& hand. cost	0.50 BTP	250 BTP
COGS	0.49 BTP	98 BTP	COGS	3.85 BTP	1,925 BTP
Transportation & sales and distribution	0.11 BTP	22 BTP	Transportation & sales and distribution	0.43 BTP	215 BTP
Sales force	0.01 BTP	2 BTP	Sales force	0.77 BTP	385 BTP
Marketing	0.02 BTP	4 BTP	Marketing	1.11 BTP	555 BTP
Non-sales fixed cost	0.03 BTP	6 BTP	Non-sales fixed cost	0.81 BTP	405 BTP

Very Important Note: As it is impossible to calculate variable costs per unit/HL without access to actual sales or accurate forecast data, the pricing table in the Conventional Marketing Plan stage includes only fixed marketing costs. It does not include variable marketing costs, which change based on how much of your budget you spend annually. Therefore, your company’s overall net profit will be calculated after you submit your annual decisions. You can reach your company’s annual financial data in the [P&L](#) section of the “[Company Dashboard](#)” page.

Explanations of the numbers in the pricing analyses:

All energy drinks in the world have a VAT of 18%, and outlets have a 15% profit margin excluding VAT. Your company makes a 14% discount to outlets for the products they purchase.

1 hectoliter = 100 liters.

All other numbers you may need are given in the price analysis tables.

3.5. Penetration Data

Every country has three types of outlets to which energy drinks can be penetrated: **Horeca**, **Key Account**, and **Traditional**. Please find their explanations in the [Dictionary](#) part.

The figures below show the market penetration data for the current Spirit Brothers products.


























































Figure 16 – Grex Current Penetration Data			Figure 17 – Aphro Current Penetration Data		
Country	Total Number of Outlets		Country	Total Number of Outlets	
 Bentola	8,163		 Bentola	5,652	
 Mulmato	31,047		 Mulmato	10,799	
 Trocaia	39,210		 Trocaia	16,451	
 Yawlomisia	8,505		 Yawlomisia	6,424	
 Vuhtuksturm	1,850		 Vuhtuksturm	1,408	
 Aglomia	1,357		 Aglomia	1,342	
 Burmope	11,712		 Burmope	9,174	
 Kurbayanda	258		 Kurbayanda	6	
 Togulia	281		 Togulia	3	
 U.S.S.O	527		 U.S.S.O	402	
 Jurmob	98		 Jurmob	84	
 Ossomilo	1,164		 Ossomilo	495	

Figure 18 – Minotza Current Penetration Data			Figure 19 – Lorn Current Penetration Data		
Country		Total Number of Outlets	Country		Total Number of Outlets
	Bentola	5,113		Bentola	6,638
	Mulmato	9,449		Mulmato	29,630
	Trocaia	14,562		Trocaia	36,268
	Yawlomisia	5,791		Yawlomisia	5,157
	Vuhtuksturm	1,548		Vuhtuksturm	20
	Aglomia	1,010		Aglomia	1,342
	Burmope	8,349		Burmope	6,519
	Kurbayanda	3		Kurbayanda	244
	Togulia	6		Togulia	259
	U.S.S.O	358		U.S.S.O	337
	Jurmob	88		Jurmob	2
	Ossomilo	455		Ossomilo	842

The figure on the next page shows the total number of outlets per country. You may penetrate your product to all of these outlets, some or none of them. However, we strongly recommend that, **for each continent**, you penetrate your product to **at least 70%** of the number of the outlets of the current Spirit Brothers product (GreX, Minotza, Aphro, Lorn) in the segment that you plan to aim as your primary target market is penetrated to. You may decide not to sell your product in some countries; however, please keep in mind that meeting the minimum required penetration numbers for each continent is essential. If your product fails to meet the minimum expected penetration, its sales volume will suffer greatly.

Figure 20 – Total Number of Outlets per Country		
	Country	Total Number of Outlets
	Bentola	8,791
	Mulmato	33,072
	Trocaaia	41,863
	Yawlomisia	8,867
	Vuhtuksturm	1,971
	Aglomia	1,463
	Burmope	12,301
	Kurbayanda	281
	Togulia	305
	U.S.S.O	527
	Jurmob	98
	Ossomilo	1,211

In all countries, 22% of all outlets are Horeca outlets, 2% are key accounts, and the remaining ones are traditional outlets.

3.6.Distribution of POP Materials

All materials, including promotional materials given to outlets, servicing materials for the product, or material gifts given to consumers, dealers, or outlets, are POP materials.

Glasses, coasters, bottle openers used to serve the product, keychains, pencils, and USB sticks given as gifts, are all POP materials.

When the distribution amount is high enough, POP materials increase the brand awareness of a product and assist its consumers in forming favourable brand associations.

If you do not distribute any POP materials, the sales volume of your product will not decrease. POP materials generally do not directly correlate with sales volume.








The only exception to this is the number of glasses distributed. It directly affects the sales volume, brand awareness, brand associations and brand equity. Why?

Think about any place (restaurants, bars, cafes and other on-trade outlets) which serves drinks. And think about a particular brand of drink that you frequently order. What kind of glass do they use for that product? If the marketing is done right, the product will be served only with the glass designed for that particular product. If you do not distribute enough glasses, your product will most probably be served without a glass, and worst case scenario, with the glass of a competing product. That is one of the worst things that could happen. It destroys your product's brand equity very quickly in the eyes of the consumer.

Therefore, it is crucial that you distribute at least 12 glasses per penetrated Horeca outlet.

Example: Let's assume you decided to penetrate your product to 8,000 outlets in Bentola and 1,000 outlets in Vuhtuksturn. Therefore, the total number of penetrated outlets would be 9,000. Considering that 22% of all outlets are Horeca outlets, your horeca penetration would be: $9,000 * 0.22 = 1,980$ outlets. Since you need at least 12 glasses per horeca outlet, you would need to distribute at least: $1,980 * 12 = 23,760$ glasses in total.

Please find on the next page five year mean average distribution amounts of different POP materials.

Figure 21 – POP Materials Average Distribution		
POPM	Outlet Type	Average Distribution
 Glass	Horeca	Total # of penetrated horeca outlets * 12
 Pencil	All	70 to 100% of total # of penetrated outlets
 Hat	All	70 to 100% of total # of penetrated outlets
 Menu Holder	Horeca	70 to 100% of total # of penetrated horeca outlets
 Product Display	Key Account	70 to 100% of total # of penetrated key accounts
 Umbrella	Traditional	70 to 100% of total # of penetrated traditional outlets
 Product Display	Traditional	70 to 100% of total # of penetrated traditional outlets

3.7.Frequency Response Functions

Frequency response functions make assumptions about the effects of advertising. They help marketers assess how the reaction of consumers changes with advertising frequency.

Example: The first three times an advertisement is shown, consumers in a particular segment are not interested in the ad. After five times an advertisement is offered, 18% of the target segment becomes interested; after seven times, 54%, after ten times, 92%, and so on.

Please find below the frequency response functions for different advertisement channels.

Figure 22 – Chameleoeye Frequency Response Function

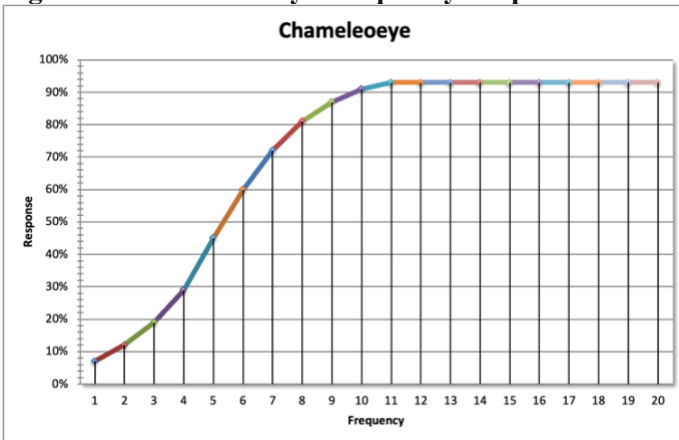


Figure 23 – E-Mail Frequency Response Function

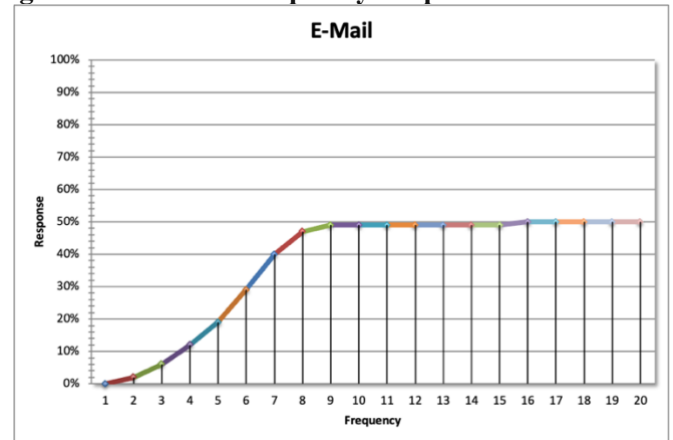


Figure 24 – Gamstorn Frequency Response Function

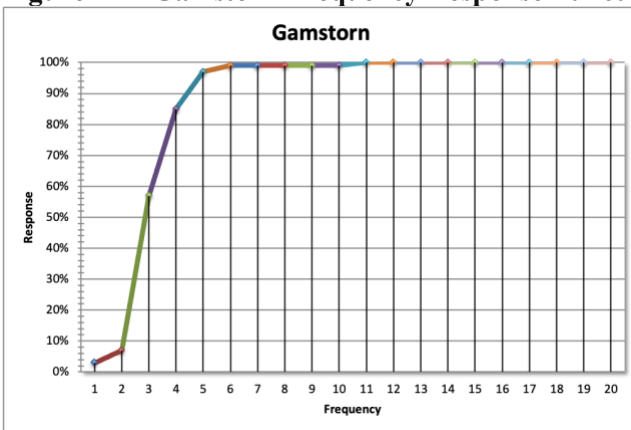


Figure 25 – Vidvidu Frequency Response Function

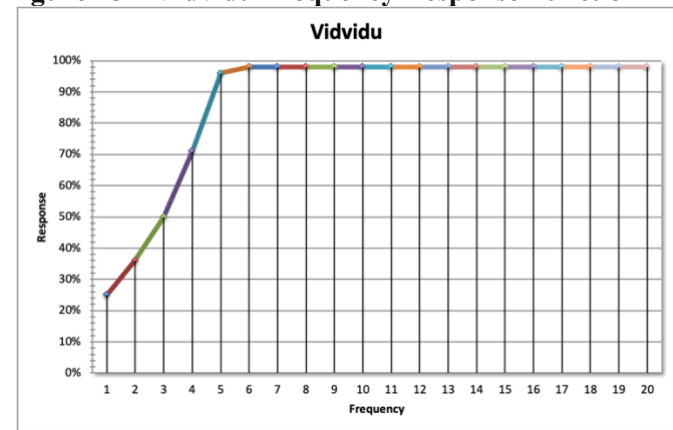


Figure 26 – Yomindu Frequency Response Function

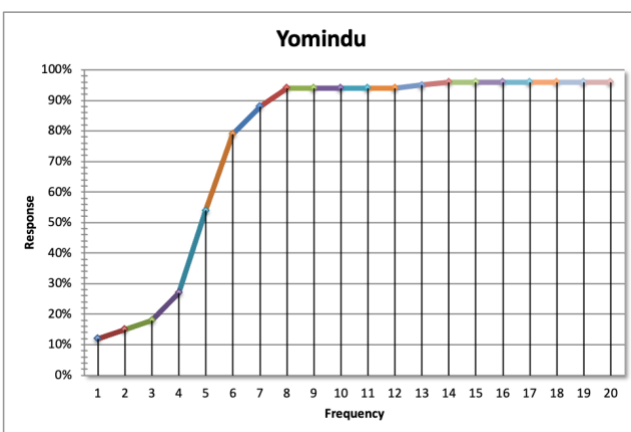


Figure 27 – Radio and TV Frequency Response Function

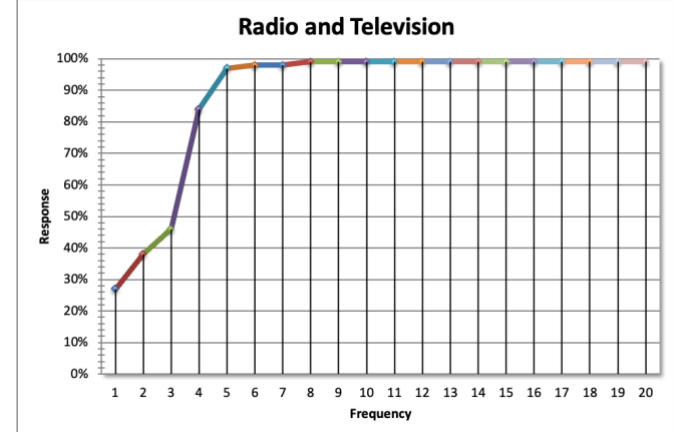


Figure 28 – Newspaper Frequency Response Function

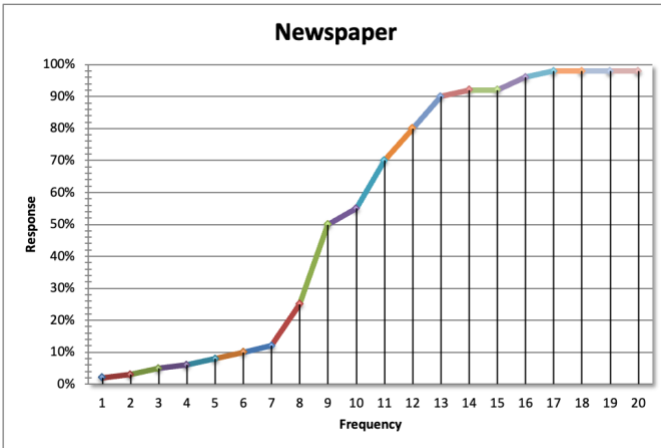
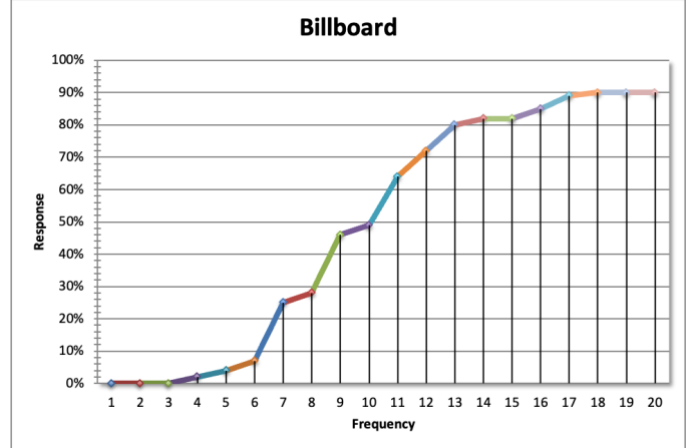


Figure 29 – Billboard Frequency Response Function



3.8.Industry Report and Market Forecast

As stated previously, the energy drinks market in the world has been expanding since 2004. Although small decreases in the total market volume were seen in some years, the general trend has been upwards. In 2024, the total market volume reached an all-time high of **613,598 hectoliters**. The total market volume is expected to go further up in the following years.

Please find below the past and current data and the 12-year forecast for the total market volume.

Figure 30 – Total Sales Volume Data - Past		
Year	Total Sales Volume (HL)	Change
2020	543,225	N/A
2021	584,321	↑ 7.6%
2022	556,331	↓ -4.8%
2023	578,124	↑ 3.9%
2024	613,598	↑ 6.1%

Figure 31 – Total Sales Volume 12 Year Forecast		
Year	Expected Total Sales Volume (HL)	Change
2025	618,510	↑ 0.8%
2026	631,986	↑ 2.2%
2027	646,664	↑ 2.3%
2028	667,512	↑ 3.2%
2029	682,552	↑ 2.2%
2030	673,590	↓ -1.3%
2031	678,663	↑ 0.8%
2032	676,904	↓ -0.2%
2033	682,819	↑ 0.9%
2034	685,860	↑ 0.4%
2035	686,091	↑ 0.03%
2036	690,002	↑ 0.6%

Please find the past sales volume figures (5 years) of the current products in the market on the next page.

Figure 32 – Modew Current Products Sales Volume Data – Last 5 Years

BRAND	SALES VOLUME (HL)												TOTAL	SHARE IN COMPANY	TOTAL MARKET SHARE	MODEW TOTAL MARKET SHARE
	Jan.20	Feb.20	Mar.20	Apr.20	May.20	Jun.20	Jul.20	Aug.20	Sep.20	Oct.20	Nov.20	Dec.20				
Driqs	11,320	12,648	14,946	17,762	28,091	31,190	33,971	35,740	28,383	18,968	11,174	10,799	254,992	79.98%	46.94%	58.69%
Uper	1,173	1,433	1,174	1,347	1,575	1,408	1,220	1,726	1,207	1,397	1,617	1,637	16,914	5.31%	3.11%	
Stirr	429	461	468	1,275	1,365	2,070	2,384	2,562	1,312	656	475	449	13,906	4.36%	2.56%	
Raddum	4,657	4,459	4,385	2,011	858	840	844	924	2,011	3,629	4,003	4,369	32,990	10.35%	6.07%	
	Jan.21	Feb.21	Mar.21	Apr.21	May.21	Jun.21	Jul.21	Aug.21	Sep.21	Oct.21	Nov.21	Dec.21				
Driqs	11,693	13,065	15,438	18,347	29,016	32,218	35,090	36,918	29,318	19,593	11,542	11,155	263,393	79.22%	45.08%	56.90%
Uper	1,269	1,551	1,271	1,457	1,705	1,524	1,320	1,868	1,306	1,512	1,750	1,772	18,305	5.51%	3.31%	
Stirr	446	480	487	1,325	1,419	2,153	2,478	2,664	1,364	682	493	467	14,459	4.35%	2.47%	
Raddum	5,129	4,911	4,830	2,215	945	925	929	1,018	2,215	3,998	4,409	4,812	36,336	10.93%	6.22%	
	Jan.22	Feb.22	Mar.22	Apr.22	May.22	Jun.22	Jul.22	Aug.22	Sep.22	Oct.22	Nov.22	Dec.22				
Driqs	10,858	12,133	14,337	17,039	26,946	29,920	32,587	34,284	27,227	18,195	10,719	10,360	244,605	78.53%	43.97%	55.99%
Uper	1,205	1,472	1,206	1,383	1,618	1,447	1,253	1,773	1,240	1,435	1,661	1,682	17,375	5.58%	3.12%	
Stirr	412	443	449	1,223	1,310	1,987	2,288	2,460	1,259	630	456	431	13,349	4.29%	2.4%	
Raddum	5,103	4,886	4,806	2,204	940	920	925	1,013	2,204	3,978	4,387	4,788	36,154	11.61%	6.5%	
	Jan.23	Feb.23	Mar.23	Apr.23	May.23	Jun.23	Jul.23	Aug.23	Sep.23	Oct.23	Nov.23	Dec.23				
Driqs	10,987	12,277	14,507	17,241	27,266	30,274	32,973	34,691	27,550	18,411	10,846	10,482	247,506	77.89%	42.81%	54.96%
Uper	1,240	1,516	1,242	1,424	1,666	1,489	1,290	1,825	1,277	1,477	1,710	1,732	17,889	5.63%	3.09%	
Stirr	420	451	458	1,247	1,335	2,025	2,332	2,507	1,283	642	464	439	13,603	4.28%	2.35%	
Raddum	5,470	5,237	5,151	2,362	1,008	986	991	1,086	2,362	4,263	4,702	5,132	38,749	12.2%	6.7%	
	Jan.24	Feb.24	Mar.24	Apr.24	May.24	Jun.24	Jul.24	Aug.24	Sep.24	Oct.24	Nov.24	Dec.24				
Driqs	10,977	12,266	14,494	17,225	27,241	30,247	32,943	34,659	27,525	18,394	10,836	10,473	247,280	76.91%	40.3%	52.40%
Uper	1,319	1,612	1,321	1,515	1,772	1,584	1,372	1,941	1,358	1,571	1,818	1,841	19,022	5.92%	3.1%	
Stirr	417	448	454	1,237	1,325	2,010	2,314	2,487	1,273	637	461	436	13,499	4.2%	2.2%	
Raddum	5,747	5,502	5,412	2,481	1,124	1,258	1,544	1,245	2,521	4,567	4,940	5,391	41,731	12.98%	6.8%	










Figure 33 – Spirit Brothers Current Products Sales Volume Data – Last 5 Years

BRAND	SALES VOLUME (HL)												TOTAL	SHARE IN COMPAN Y	TOTAL MARKET SHARE	SPIRIT BROTHERS TOTAL
	Jan.20	Feb.20	Mar.20	Apr.20	May.20	Jun.20	Jul.20	Aug.20	Sep.20	Oct.20	Nov.20	Dec.20				
GreX	5,971	6,672	7,883	9,369	14,817	16,452	17,918	18,852	14,971	10,005	5,894	5,696	134,500	64.62%	24.76%	38.31%
Aphro	1,803	2,203	1,805	2,070	2,422	2,165	1,875	2,653	1,856	2,147	2,485	2,517	26,001	12.49%	4.79%	
Minotza	225	241	245	667	715	1,084	1,248	1,341	687	343	248	235	7,279	3.5%	1.34%	
Lorn	5,696	5,454	5,364	2,460	1,049	1,027	1,032	1,131	2,460	4,439	4,896	5,344	40,352	19.39%	7.43%	
	Jan.21	Feb.21	Mar.21	Apr.21	May.21	Jun.21	Jul.21	Aug.21	Sep.21	Oct.21	Nov.21	Dec.21				
GreX	6,906	7,716	9,118	10,836	17,137	19,028	20,725	21,804	17,316	11,572	6,817	6,589	155,565	66.39%	26.62%	40.10%
Aphro	1,931	2,361	1,934	2,218	2,594	2,319	2,009	2,842	1,988	2,300	2,662	2,697	27,856	11.89%	4.77%	
Minotza	257	276	280	763	818	1,240	1,428	1,535	786	393	284	269	8,330	3.56%	1.43%	
Lorn	6,007	5,751	5,657	2,594	1,107	1,083	1,088	1,192	2,594	4,682	5,163	5,635	42,553	18.16%	7.28%	
	Jan.22	Feb.22	Mar.22	Apr.22	May.22	Jun.22	Jul.22	Aug.22	Sep.22	Oct.22	Nov.22	Dec.22				
GreX	6,849	7,653	9,043	10,747	16,996	18,872	20,554	21,625	17,173	11,477	6,761	6,534	154,285	67.62%	27.73%	41.01%
Aphro	1,843	2,252	1,845	2,116	2,475	2,212	1,917	2,711	1,897	2,194	2,540	2,572	26,575	11.65%	4.78%	
Minotza	258	277	281	765	820	1,243	1,431	1,538	788	394	285	270	8,348	3.66%	1.5%	
Lorn	5,499	5,265	5,179	2,375	1,013	992	996	1,092	2,375	4,286	4,727	5,159	38,957	17.07%	7.0%	
	Jan.23	Feb.23	Mar.23	Apr.23	May.23	Jun.23	Jul.23	Aug.23	Sep.23	Oct.23	Nov.23	Dec.23				
GreX	7,414	8,284	9,789	11,633	18,398	20,428	22,249	23,408	18,590	12,423	7,318	7,073	167,009	68.72%	28.89%	42.04%
Aphro	1,926	2,355	1,929	2,212	2,588	2,313	2,004	2,835	1,983	2,294	2,655	2,689	27,783	11.43%	4.81%	
Minotza	276	297	301	820	878	1,332	1,533	1,648	844	422	305	289	8,943	3.68%	1.55%	
Lorn	5,548	5,312	5,225	2,396	1,022	1,000	1,005	1,101	2,396	4,324	4,769	5,205	39,304	16.17%	6.8%	
	Jan.24	Feb.24	Mar.24	Apr.24	May.24	Jun.24	Jul.24	Aug.24	Sep.24	Oct.24	Nov.24	Dec.24				
GreX	8,553	9,557	11,293	13,421	21,225	23,567	25,668	27,005	21,446	14,332	8,443	8,160	192,670	70.66%	31.4%	44.60%
Aphro	2,042	2,496	2,045	2,345	2,743	2,452	2,124	3,005	2,102	2,432	2,815	2,851	29,452	10.8%	4.8%	
Minotza	322	346	351	956	1,024	1,553	1,788	1,922	984	492	356	337	10,431	3.83%	1.7%	
Lorn	5,662	5,421	5,332	2,445	1,043	1,021	1,026	1,124	2,445	4,413	4,867	5,312	40,111	14.71%	6.7%	

Please find below the current products' distributions of sales volumes by country.

Figure 33a – Current Products' Distributions of Sales Volumes by Country								
Country	GreX	Driqs	Aphro	Uper	Minotza	Stirr	Lorn	Raddum
 Bentola	26.88%	26.43%	16.28%	16.25%	16.62%	16.52%	18.43%	18.31%
 Mulmato	25.84%	24.93%	17.07%	17.00%	16.57%	16.67%	18.41%	18.22%
 Yawlomisia	13.11%	13.51%	11.01%	10.99%	11.04%	11.01%	12.26%	12.21%
 Vuhtuksturm	3.39%	3.53%	13.81%	13.87%	13.76%	13.73%	0.65%	0.76%
 Aglomia	6.78%	6.71%	10.95%	10.92%	10.91%	10.97%	12.23%	12.24%
 Kurbayanda	2.68%	2.95%	4.37%	4.21%	4.52%	4.45%	18.61%	18.65%
 Togulia	2.66%	2.79%	4.62%	4.73%	4.41%	4.38%	18.19%	18.19%
 U.S.S.O	14.42%	14.89%	11.19%	11.25%	11.05%	11.11%	0.68%	0.73%
 Jurmob	4.24%	4.26%	10.70%	10.78%	11.12%	11.16%	0.54%	0.69%

Please find below the population change forecasts by country.

Figure 34 – Population Change Forecasts by Country												
Country	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
 Bentola	0.2%	0.1%	0.2%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
 Mulmato	0.1%	0%	0.1%	0%	0%	0%	0.2%	0.3%	0.3%	0.2%	0.1%	0.2%
 Yawlomisia	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.2%	0.1%
 Vuhtuksturm	1.3%	1.4%	1.5%	2.1%	2%	2%	2.4%	2.6%	3.1%	3.5%	4%	4.7%
 Aglomia	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%	0.2%	0%	0%	0%
 Kurbayanda	1.6%	1.3%	1.5%	1.6%	1.3%	1.6%	1.2%	1.6%	1.6%	1.7%	1.8%	1.7%
 Togulia	0.4%	0.5%	0.5%	0.6%	0.8%	0.7%	0.4%	0.5%	0.8%	0.9%	1%	1.1%
 U.S.S.O	0.1%	0%	0.1%	0%	0%	0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
 Jurmob	0.9%	1.1%	1.1%	1.4%	1.6%	1.9%	2.2%	2.4%	2.6%	2.8%	3.1%	3.2%

4.STAGES

4.1.Prelude

“Prelude” is the page where the copyright notice, the list of the compatible devices and the software, all the explanations about the simulation, and the rules can be found. It is vital that you read and understand the Prelude part before you start the simulation.

4.2.Marketing Research

Please find on the next page the current products in the market, their market shares, profit margins and price indexes. Publicly available information about the competition can also be found in the tables. Your former company Spirit Brothers’ 2024 year-end EBIT figure was **98.1 million**. At your new firm, the management decided to spare a budget of **32 million BTP** for all marketing activities for the new product launch at the beginning of 2026. All marketing department processes have to be completed in **52 weeks**.

In this stage, you are expected to select the marketing research options which you believe are necessary to launch the new product successfully. Please evaluate all the information given until now ([Market Research and Figures](#)), and then decide which marketing research options would be more helpful in creating the optimum strategy for your new product.

Each marketing research option has a different cost and time requirement. Detailed explanations of all marketing research options are written below their respective categories. You may purchase some of the marketing research, all of them, or none, based on how you would like to shape your strategy and how you would like to distribute your marketing budget. It is entirely up to you to decide on the number of marketing research to purchase. You may refer to the “[Hints](#)” section to get some assistance.

There are question marks instead of numbers in some of the cells in the figures below. The reason for that is, as stated in the Prelude part, you have recently resigned from your job at Spirit Brothers. Therefore you have access to all of their latest data. However, as you have not worked at any of the other companies in the energy drinks market, you have access to only their publicly announced data. So, there are question marks in the parts about which you do not have any information.





Figure 35 – Spirit Brothers Current Products				
Product	Market Share (Volume)	Profit per Unit (%)	EBIT 2024	Price Index
 Grex	31.4%	23.4%	70.52 M BTP	100
 Aphro	4.8%	20.43%	13.37 M BTP	142
 Minotza	1.7%	16.38%	7 M BTP	263
 Lorn	6.7%	21.28%	7.2 M BTP	54
TOTAL	44.6%		98.1 M BTP	





Figure 36 – Modew Current Products				
Product	Market Share (Volume)	Profit per Unit (%)	EBIT 2024	Price Index
 Driqs	40.3%	?	?	100
 Uper	3.1%	?	?	135
 Stirr	2.2%	?	?	278
 Raddum	6.8%	?	?	54
TOTAL	52.4%		72.6 M BTP	

Figure 37 – Other Products			
Product Category	Market Share (Volume)	Profit per Unit (%)	EBIT 2024
Premium Products	0.9%	?	?
Superpremium Products	2.1%	?	?
TOTAL	3%		?

Very Important Note: Please do not make any decisions about the details of your new product before finishing this stage. Our experience shows that some participants may be inclined to fix their strategy before purchasing any marketing research. We strongly advise against this tendency. Marketing research purchased in the first stage will provide crucial guidance in the following stages.

Below are the explanations of the marketing research options given in the first stage.

Consumer/Segmentation Research: Your company currently does not have any knowledge about the expectations of the different consumer segments. Profiles of consumers in different segments can be drawn using consumer/segmentation research.

Example: Between 35-41 years old, male, blue-collar, strong family ties, has 1 to 3 kids, middle-income level, likes reading newspapers, high school graduate, listens to Bentola folk music.

Consumer Feedback: Consumer feedback research helps you understand what consumers think about your product and gives you information consumers provide about their experience with it.

Example: The price of your product is too high! I would never buy an energy drink at this price. In addition, I don't like the smell of it. It's too strong. However, the bitterness and water hardness levels are suitable for my palate.

Important Note: Please remember that if you purchase consumer feedback before your new product is launched (in the first year), the feedback will not be about your product because it will not have been launched by then. Consumers will explain their expectations from an energy drink in the first year.

First-year example: I don't like the green colour in energy drink packaging. Also, any price over 5 BTP is too much for my budget. I like energy drinks with a strong smell and low bitterness.

Conjoint Analysis: Conjoint analysis is a type of statistical analysis used by businesses to understand how customers value different aspects of their products or services. The principle behind this system is that each product or service can be broken down into specific attributes that affect its users' perceived value. Conjoint analysis is typically conducted by asking consumers to rank the importance of specific features. Using the results, the firm can assign a value to each one.

For more information on conjoint analysis, you may refer to the materials below:

Rao, V. R. (2014). *Applied conjoint analysis*. Springer Science & Business Media.

Gustafsson, A., Herrmann, A., & Huber, F. (2013). *Conjoint measurement: Methods and applications*. Springer Science & Business Media.

- The conjoint analyses in this simulation are conducted using the full profile approach.
- **Attributes in the Conjoint Analyses:** Price, Smell, Bitterness, Carb. Level, Water Hardness

Tasting: Tasting research shows the preferences of consumers between different products based on their taste. There are two tasting types. First, the product's label, style and varietal are hidden from the taster to avoid bias or opinion (blind tasting). Second, the product's label, style and varietal are shown to the taster so that the brand of the product is known (branded tasting).

Dollar Metric by Income: Dollar Metric is a research type which measures consumers' choices between two products when the price of one product stays the same, whereas the other product's price changes.

Example: Product A and Product B are in the same segment. When the price index of Product A and Product B is 100, 512 consumers out of 1,000 select Product B over Product A. When the price index of Product B is raised to 110, 462 out of 1,000 consumers select Product B, when the price index of Product B is increased to 120, 410 out of 1,000 consumers select Product B, when the price index of Product B is increased to 130, 352 consumers select Product B.

(Dollar metric research will give you results for price indexes between 90-170)

The results of the research will be sorted into three different income groups (Low-Medium-High).

Please note that the dollar metric comparisons are made between Spirit Brothers and Modew products currently available in the market. For example, if you select dollar metric by income research for superpremium and low-cost segments, the comparisons will be made between Stirr & Minotza and Lorn & Raddum. To see the segmentation of the products by their prices, please refer to [Figure 10 \(Pricing in Segments\)](#).

Van Westendorp Pricing Sensitivity Meter: Van Westendorp PSM is a survey-based research technique used to determine a range of prices considered acceptable to customers. Respondents are asked to evaluate four specific price points in the Van

Westendorp pricing model. After the results are analysed, price curves and a range of acceptable product prices can be determined.

The results are plotted onto a price map that shows high/low price thresholds, the price point considered optimal and revenue maximising price level.

In Conquer the World®, Newton Miller Smith extension is included in the Van Westendorp PSM.

Important Note: In our simulation, you should take the results of the Van Westendorp analysis with a pinch of salt because the optimal prices given in the analysis results or the revenue maximising prices may not always represent the best pricing option for your product.

In Conquer the World®, the Van Westendorp PSM assumes that the product regarding which the analysis is conducted is an exact match with the consumers' preferences and expectations. Therefore, if you cannot create a product that meets every single expectation of the segment for which you conduct the Van Westendorp PSM, the price ranges and recommendations shown in the analysis results may not always overlap with actual market results.

Important Notes:

- All analyses and research in Conquer the World® are taken from real life. You will be presented with their simplified versions. In real life, even a single marketing research result is generally presented in a report which takes no less than 200 pages. So, in our simulation, no raw data is given, and all marketing research results are simplified for convenience.
- Some of the research options in the first stage yield overlapping results. Two different research options may give you information about similar fields or subjects. As the methods used by different research types may not always be the same, their results in overlapping areas and topics may or may not differ from each other. It is up to you to decide which of them would be more beneficial to craft the optimum

strategy. Alternatively, you may purchase similar marketing research together for more detailed information.

- Some marketing research options are more valuable than others during the new product launch process, whereas some give you more useful information after a product has been launched. Please refer to the academic materials in the field of marketing research for more details.
- **Very Important Note:** The results of Consumer/Segmentation Research, Conjoint Analysis, Dollar Metric by Income Research, and Van Westendorp PSM do not change over time. They yield the same results regardless of the year they are purchased in. So, you can buy them only once. For example, if you purchase Conjoint Analysis for the DINK segment in the first year, you will not see the option to purchase Conjoint Analysis for the DINK segment in the following years. The result of Conjoint Analysis for the DINK segment will be accessible and stay the same throughout the simulation. Conjoint Analyses for other segments will still be available in the following years unless you purchase them. On the other hand, Consumer Feedback and Tasting research yield different results every year; therefore, you may buy them multiple times in different years.

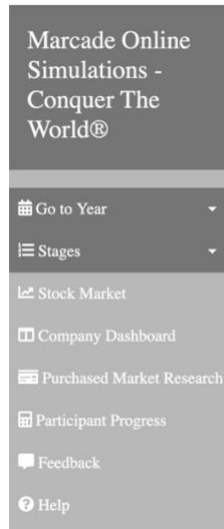
4.3. Shaping the Strategy

In this stage, you are expected to define the name of your company and your new product. Also, you will select the country in which the company headquarters will be built. You can change the name of the product as well as the location of the company headquarters in the following years.

Please read the explanation of the [Brand Relationship Spectrum](#) in the [Dictionary](#) part before deciding on the names of your company and your product. The name of your product can be changed in the following years, but you cannot change the name of your company.

Both Spirit Brothers and Modew use the [House of Brands](#) strategy for all of their current product portfolio. You may use the same or a different strategy for your product.

Important Note: Please do not forget to evaluate the marketing research you purchased in the first stage before you make your decisions in this stage. You can find the link to access them (Purchased Market Research) on the sidebar.



4.4.Product Features

In this stage, you are expected to select the packaging type, the colour, the flavour, the ingredients, the strength of the smell, the bitterness level, the carbonation level, and the water hardness level of your product. In addition, if you would like to purchase a 1-year licence for any of the new packaging technologies mentioned in the [Overview of the Countries](#) section and [Overview of the Energy Drinks Market](#), you may buy them at this stage.

Before making your decisions in this stage, you should think about the consumer segment to which you would like to sell your product primarily because this stage and the following stages are about tailoring your product and its marketing plan based on the expectations of your primary target segment. You may choose to appeal to multiple segments; however, please remember that specialised products that aim for a single segment are much more likely to succeed in this simulation.

It is entirely up to you to decide on the consumer segment(s) that you will target. To make a more informed decision, please read this booklet from start to finish, analyse the tables and figures, and evaluate the marketing research results you purchased in the simulation's first stage ([Marketing Research](#)).

The packaging type for your product is the most critical decision at this stage. There are two reasons why:

First, production costs change significantly based on the packaging type ([Figure 12 – 13 – 14 – 15](#)). Therefore the kind of packaging you choose will affect your product's price, ultimately affecting your net profit.

Second, consumers in different segments have clear packaging expectations from an energy drink. If the packaging type is not what they are looking for, it is unlikely that they will buy that product. Please find below the packaging type preferences by segment:

Figure 38 – Packaging Type Preferences by Segment	
Segment	Preferred Packaging Type
DINK	33Cl Can
Ambitious Achievers	33Cl Sleek Can
The Spoiled	20Cl Glass
Hardworkers	50Cl Can

Please note that it is possible to change the product features in the following years.

4.5. Conventional Marketing Plan

In this stage, you are expected to complete the global marketing plan for your new product. The explanations of the decisions are written under their categories in the simulation.

Please find below some further explanations which cannot be found in the simulation pages.

In this stage, among many other decisions, you are expected to distribute your advertisement, event/sponsorship, and POP materials budgets among countries. There are no limitations as to how you should allocate your budget. Please find below an example:

Bentola	Mulmato	Yawlomisia	Vuhtuksturm	Aglomia	Kurbayanda	Togulia	U.S.S.O	Jurmob	TOTAL
100	20	33	200	66	32	35	29	31	546

Let's assume that you allocate 1,000,000 BTP for event / sponsorships, 1,500,000 BTP for advertisements and 1,000,000 BTP for POP materials.. According to the example above, 183,150 BTP of the event/sponsorship budget will be used in Bentola ($1,000,000 / 546 * 100$), 60,440 BTP in Yawlomisia and so on. The distribution will also be the same for POP materials since the budget is the same. For advertisements, 79,670 BTP of your budget will be used in U.S.S.O ($1,500,000 / 546 * 29$).

To easily keep track of the budget distribution by country, we recommend that you try to keep the sum at 100. Please find below an example:

Bentola	Mulmato	Yawlomisia	Vuhtuksturm	Aglomia	Kurbayanda	Togulia	U.S.S.O	Jurmob	TOTAL
10	10	20	30	2	1	1	1	25	100

TV and Radio stations around the world broadcast different kinds of shows, documentaries and programs. Please find below the details:

ZHE TV and Radio Station: They broadcast many TV shows and soap operas that are big hits worldwide. The headquarters of this station is based in Bentola, but they operate globally. The radio station allocates most of its air time to jazz music.

Munbelor: They broadcast mainly car races, boat races and shows about romantic relationships. After midnight they start to stream 18+ programs.

Vargozul TV/Radio: They aim for affluent youth as their viewers, and the subjects of the programs they offer are generally based on luxury shopping and expensive cars.





DDHM Network: Reality shows about home cooking and shows about computer/mobile games take up the majority of this station's air time.

Kormura Station: They broadcast only documentaries and science programs non-stop.

Yuhkor TV and Radio Station: Although they are a global station, their broadcast content is based entirely on U.S.S.O TV shows and U.S.S.O reality programs.

Newspapers around the world mostly publish world news, articles about finance and economics, in addition to political stories. On the other hand, The Oburgolow and Gahmalot Post devote a significant number of their pages to stories about scientific developments. They also distribute free of charge extras that include home cooking recipes.

In the advertisements part of the marketing plan, after you choose the types of media you would like to serve your ads in and their budgets, you will also define the frequency of those ads.

	Consumer Contact per 100,000 BTP	Budget	Time	Frequency
 Radio and Television	6,000,000 people	0 <input type="text"/> BTP	2 weeks	
ZHE TV and Radio Station				0 <input type="text"/>
Munbelor				0 <input type="text"/>
Vargozul TV/Radio				0 <input type="text"/>
DDHM Network				0 <input type="text"/>
Kormura Station				0 <input type="text"/>
Yuhkor TV and Radio Station				0 <input type="text"/>
 Newspaper	2,400,000 people	0 <input type="text"/> BTP	2 weeks	
The Oburgolow				0 <input type="text"/>
Hurtoga Daily				0 <input type="text"/>
Nubirata News				0 <input type="text"/>
Gahmalot Post				0 <input type="text"/>
Darmolat Press				0 <input type="text"/>
 Internet	N/A	0 <input type="text"/> BTP	2 weeks	N/A
 Billboard	1,200,000 people	0 <input type="text"/> BTP	2 weeks	
Airport Billboards				0 <input type="text"/>
Train Station Billboards				0 <input type="text"/>
Bus Terminal Billboards				0 <input type="text"/>
Yacht Club Billboards				0 <input type="text"/>

Please refer to the [Frequency Response Functions](#) part to analyse how changing frequencies can affect people's responses to advertisements based on the media type.

There are no limitations on how you should define the frequency of an advertisement. The average frequency for a medium changes between 1 – 20 in traditional media channels. If you would like to increase the frequency of your advertisement without increasing your budget, then your ad will be served in time slots/pages/spaces with less rating/reach.

For example, let's assume you allocate 1,000,000 BTP for TV ads. If you decide the frequency of Munbelor to be "2" and DDHM Network to be "8", your ads will be shown twice at Munbelor and eight times at DDHM Network in a given time frame. Therefore it implicitly means that your entire TV and Radio ads budget will be allocated to Munbelor and DDHM Network. 80% of your budget will be used for DDHM Network ads and 20% for Munbelor ads.

The logic is similar to the example above for newspaper and billboard ads.

If you increase the frequency of a medium without allocating any budget, it will have no effect. Please note that to place your advertisements in a medium, you have to spare some budget for that medium.

You may also skip the frequency decisions. If you leave all of the frequency selection boxes as they are (“0”), the frequency of the advertisements will be distributed equally among all options.




You may notice that you are not allowed to select a frequency for the “Internet” advertisements. The reason for that is that you are expected to create the entire digital marketing campaign for your product in a separate stage called “[Digital Marketing Plan](#)”. Therefore you are expected to specify the budget you plan to spend on search engine marketing, social networks marketing, and mobile marketing by filling in the budget box next to the "Internet" row in the advertisements table. Even if you decide not to spare any budget for internet advertisements, you are still going to create a digital marketing plan. However, its efficiency and effectiveness will likely be very limited in that case.

Important Note: You will not be able to execute any prelaunch activities after the first year because your product will have been launched by then. However, if you change your product's name and/or packaging type, the prelaunch activities will be executable again.

4.6.Digital Marketing Plan

You are expected to complete your product's global digital marketing plan at this stage.

The first decision you are expected to make in this stage is the distribution of your total digital marketing budget among different media. There are no limitations on how you should distribute your digital marketing budget. Please find below an example:

Digital Marketing Budget Distribution		
Search Engine Marketing	3	
Yomindu-Gamstorn-Vidvidu	3	
Mobile Marketing	1	

Let's assume you allocated 1,400,000 BTP for "Internet" advertisements in the Conventional Marketing Plan stage. According to the example on the previous page, 600,000 BTP of that budget will be used in SEM activities, another 600,000 BTP in social networks, and 200,000 BTP in mobile marketing ($1,400,000 / (3 + 3 + 1) * \text{Number in the relevant box}$).

If we write "3000" to the SEM box, "3000" to the Yomindu-Gamstorn-Vidvidu box, and "1000" to the Mobile Marketing box, the budget distribution between them will still be the same as the example above.

The most widely used search engine in Conquer the World® simulation is Chameleoeye. Therefore you are expected to run your SEM campaign using the paid SEM services of Chameleoeye.

In addition to SEM and E-Mail marketing, you can promote your product in forums and chat rooms. Being part of discussions in forums and chat rooms about your product constructively is integral to any digital marketing campaign. By employing netnographers, you can be active in online communities and engage in conversations. Actively engaging in discussions and explaining the features of your product to consumers assist you in building a solid and loyal consumer base.

In our simulation, netnographers are people who actively engage in product-related discussions and study the behaviours of consumers on online platforms.

You can also execute your digital marketing campaign on social networks.

Yomindu, Gamstorn and Vidvidu are the leading social networking applications in Conquer the World® simulation.

Yomindu is a website/application which allows users to connect with friends, work colleagues or people they don't know. Users can share pictures, music, and videos, join groups and discussions, and share their thoughts and opinions.

Gamstorn is an application where users can share pictures and short videos. Gamstorn is optimised mainly for cell phones; therefore, users experience Gamstorn mostly on their mobile devices. Gamstorn was acquired by Yomindu in 2012.

Vidvidu is a video-sharing service where users can watch, like, share, comment and upload their videos.

You can also endorse your advertisements by collaborating with celebrities. If you decide to use celebrity endorsement for your advertisement campaigns, celebrities will share posts about your product on Yomindu and Gamstorn, appear in promotional videos if you purchase any, and actively promote the product on all digital marketing media.

Another choice is to serve ads in mobile apps. Serving ads in mobile applications can positively impact a digital marketing campaign when appropriately managed. However, you should be careful about placing your ads in mobile apps. If an app is irrelevant to your product's aimed segment, placing an advertisement in that app may damage your product's brand associations and brand equity. Furthermore, placing a wrongly designed ad in an irrelevant app can result in even worse outcomes.

4.7.Audience Targeting

In this stage, you are expected to define your target audience clearly. If you skip this stage without making any selections, your target market will comprise the entire world population.

By the time you reach this stage, you should have already decided on the primary segment to which you would like your product to appeal. Therefore, it is strongly recommended that you make your decisions in this stage accordingly.

The people in the selected categories will have a higher chance of being exposed to your marketing activities. However, this does not mean the people in the unselected categories will be totally excluded.

All the decisions in this stage except the “Devices and OS” part will affect both your conventional and digital marketing campaigns. The “Devices and Operating Systems” part makes an audience prioritisation only for your digital marketing campaign.

4.8.Human Resources

You are expected to establish your company’s global marketing department at this stage. The people you employ will work in your company's global headquarters. Local marketing organisational structures will be established by local CMOs.

You need at least six marketing professionals for the department to keep functioning. If you do not employ at least six marketing professionals, the sales volume of your product will suffer greatly.

The number of employees also affects the employee turnover rate. If the number of employees in a function is too few, they may get overwhelmed with their workload and resign.

In addition, you should continuously offer training programs & activities to your employees if you would like to keep them loyal to the company. If you do not organise enough training programs & activities, the employee turnover rate will be higher.

If you let some of your employees go in the following years, there will be a layoff cost based on their job titles and seniority.

Each employee increases the efficiency and efficacy of their sub-department, and naturally, the metrics related to their sub-departments, as well as the total sales volume of your product.

Employing a marketing manager affects your entire marketing plan and results positively. ATL & BTL marketing managers help run their departments more effectively, and brand professionals increase the efficiency of brand marketing decisions. If you would like your

digital marketing campaign to be more successful, you should employ digital marketing professionals. Analytics professionals create detailed marketing metrics reports after conducting intense statistical analyses and help you document your marketing campaign's performance in numbers. BTL professionals, on the other hand, significantly improve the positive outputs of their respective sub-departments' trade marketing activities.

You must employ a digital marketing analytics specialist if you would like to reveal the digital marketing metrics for your annual marketing campaign on the "[Company Dashboard](#)" page.

Also, if you employ a marketing analytics manager and a marketing analytics specialist, you will have access to detailed marketing metrics for your annual marketing campaign on the "[Company Dashboard](#)" page. If you employ only one of the two, the metrics will be presented with less detail, and if you hire none, you will not have access to any marketing metrics.

You will have access to a full competitive intelligence report if you employ a brand manager and an assistant brand manager. If you employ only one of the two, the report will include fewer details. You will not have access to a competitive intelligence report if you do not hire brand management professionals.

5.RESULTS

5.1.Results Page

On the results page, you can see the performance of your annual marketing plan in detail. You can use the links on the sidebar to access your individual results, the details of your product, the competition results, the distribution of sales volume by segments, the distribution of sales volume by countries, and the overview of the competition.

Results - Year 2
Individual Results
The New Product
Competition Results
Segment Distribution
Country Distribution
Competition Overview
Next Year

In the “Individual Results” part, you can see the amount of time and budget spent and left, the total sales forecast and realisation, the share price of your company, the market share of your product, its EBIT per unit and EBIT per hectoliter as well its total EBIT (excluding the marketing spending).

Very Important Note: The EBIT figure on the “[Results](#)” page does not include the deduction of that year’s variable marketing expenditures from the gross revenue. Therefore it is not the final EBIT calculation. To see the [P&L](#) calculations for your company, where you can find the final EBIT figure, you should go to the “[Company Dashboard](#)” page.

Time Spent	Budget Spent	Share Price	
6 weeks	33,609,402 BTP	59.6 BTP	
Time Left	Budget Left		
46 weeks	-28,992 BTP		
Total Sales Forecast for Promkso	Total Sales Realisation for Promkso		
9,550 HL	3,676 HL		
Promkso Market Share	Promkso EBIT (Excluding Marketing Spending)	Promkso EBIT per Unit (Excluding Marketing Spending)	Promkso EBIT per HL (Excluding Marketing Spending)
0.56%	58,484,186 BTP	31.82 BTP	15,907.62 BTP

In the “The New Product” part, you can find the summary of your annual marketing decisions and product details.

In the “Competition Results” part, you can find the monthly sales data and the total market share of all the current products in the market so that you can compare the performance of your product with that of the competition.

Brand	Sales Volume (HL)												TOTAL	SHARE IN COMPANY	TOTAL MARKET SHARE	FIRM TOTAL MARKET SHARE
	Jan.23	Feb.23	Mar.23	Apr.23	May.23	Jun.23	Jul.23	Aug.23	Sep.23	Oct.23	Nov.23	Dec.23				
GreX	6,360	7,107	8,397	9,980	15,783	17,525	19,087	20,082	15,948	10,657	6,278	6,068	143,278	84.72%	22.67%	26.76%
Aphro	435	532	436	500	585	523	453	641	448	519	600	608	6,287	3.72%	0.99%	
Minotza	35	38	39	106	113	172	198	213	109	54	39	37	1,160	0.69%	0.18%	
Lorn	2,597	2,487	2,446	1,121	478	468	470	515	1,121	2,024	2,232	2,437	18,402	10.88%	2.91%	
Driqs	4,593	5,133	6,065	7,208	11,400	12,658	13,786	14,504	11,518	7,697	4,534	4,382	103,486	65.87%	16.37%	24.86%
Uper	1,714	2,095	1,717	1,968	2,303	2,058	1,783	2,523	1,764	2,041	2,363	2,393	24,728	15.74%	3.91%	
Stirr	190	204	207	565	605	918	1,057	1,136	582	291	210	199	6,169	3.93%	0.98%	
Raddum	3,129	2,996	2,947	1,351	612	685	840	678	1,373	2,487	2,690	2,936	22,728	14.47%	3.60%	
Promkso	4,743	5,778	4,762	5,431	6,365	5,720	4,988	6,999	4,923	5,650	6,492	6,576	68,431	100%	10.83%	10.83%
Sotyü	531	568	578	1,299	1,416	2,071	2,366	2,549	1,376	762	572	552	14,645	100%	2.32%	2.32%
Lokkar	6,097	5,853	5,762	2,712	1,271	1,262	1,277	1,401	2,756	4,808	5,261	5,733	44,198	100%	6.99%	6.99%
Minotaur	6,869	7,669	9,039	10,705	16,885	18,743	20,406	21,480	17,066	11,445	6,784	6,564	153,662	100%	24.31%	24.31%
Superwave	312	336	341	721	797	1,143	1,300	1,403	775	444	337	327	8,241	100%	1.30%	1.30%

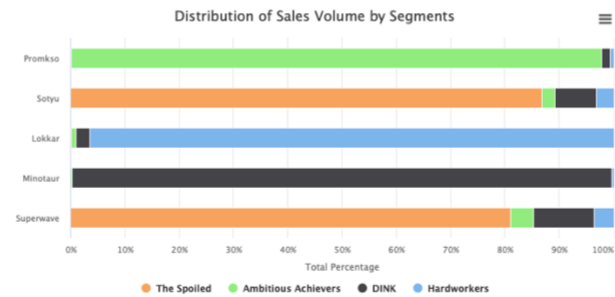
In the “Segment Distribution” part, you can find the distribution of the sales volume of the current products in the market by segments, and in the “Country Distribution” part, by countries.

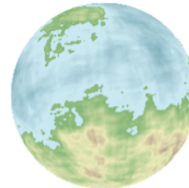











Distribution of Sales Volume by Segments

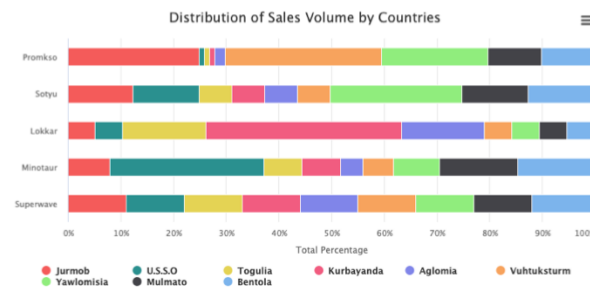
Brand	Segment			
	Hardworkers	DINK	Ambitious Achievers	The Spoiled
Promkso	0.57%	1.51%	97.79%	0.12%
Soty	3.11%	7.57%	2.45%	86.88%
Lokkar	96.52%	2.49%	0.81%	0.18%
Minotaur	0.27%	99.44%	0.25%	0.05%
Superwave	3.47%	11.19%	4.32%	81.02%

Distribution of Sales Volume by Segments



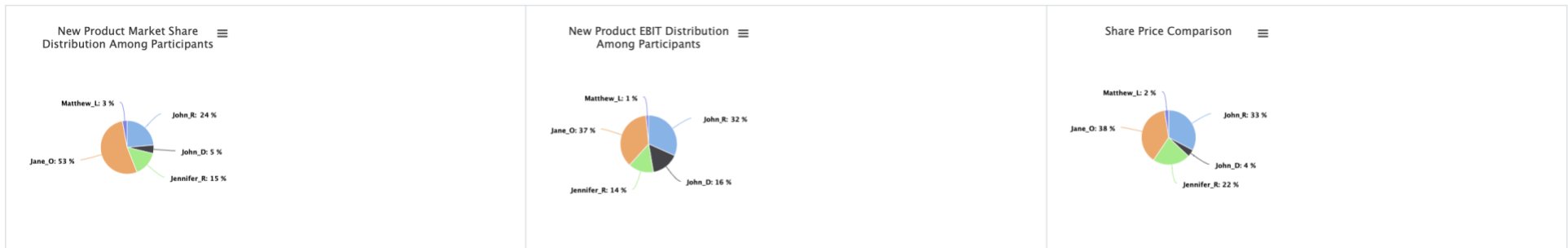


Distribution of Sales Volume by Countries									
Brand	Country								
	 Bentola	 Mulmato	 Yawlomisia	 Vuhtuksturm	 Aglomia	 Kurbayanda	 Togulia	 U.S.S.O	 Jurmob
Promkso	10.17%	10.17%	20.14%	29.70%	2.01%	1.00%	1.00%	1.01%	24.81%
Soty	12.65%	12.65%	25.05%	6.15%	6.26%	6.19%	6.19%	12.52%	12.34%
Lokkar	5.30%	5.30%	5.25%	5.15%	15.74%	37.08%	15.89%	5.15%	5.15%
Minotaur	14.74%	14.74%	8.75%	5.79%	4.36%	7.24%	7.24%	29.18%	7.97%
Superwave	12.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%



In the “Competition Overview” part, you can find the comparison of the most critical elements of your strategy (such as the time and the budget spent and left, the product details) and the results (such as the market share of the product, the share price of the company) with those of your competitors.

Participant	New Product Market Share	New Product EBIT (Excluding Marketing Spending)	Total Sales Realisation	Share Price
John_R	10.83%	69,258,656 BTP	68,431 HL	99.0 BTP
John_D	2.32%	34,164,310 BTP	14,645 HL	13.2 BTP
Jennifer_R	6.99%	31,536,490 BTP	44,198 HL	68.0 BTP
Jane_O	24.31%	80,303,712 BTP	153,662 HL	115.8 BTP
Matthew_L	1.30%	3,243,209 BTP	8,241 HL	7.3 BTP



The “Next Year” link takes you to the part of the page where you can click on the button to proceed to next year’s decisions.

5.2.Company Dashboard

This page gives you valuable information about the performance of your annual marketing strategy and the competition. It is crucial that you read and evaluate this page's contents carefully before proceeding to the following year’s decisions.

You can access the company dashboard for different years by using the sidebar.

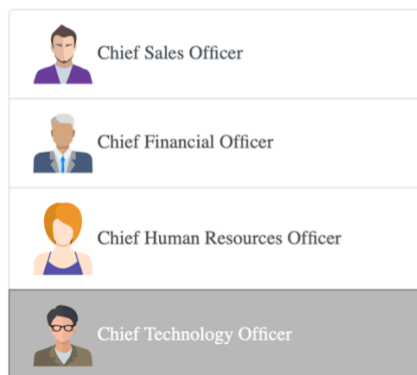


5.2.1.Executive Recommendations

In the “Executive Recommendations” part, you can find the recommendations of other C-level executives. Please do not forget that while all the C-level executives work towards the same goal as you, they make recommendations based on their departments’ objectives, not yours. Their advice may or may not be aligned with your strategy, and it is up to you to decide whether you would like to take them into consideration or not.

LE

Executive Recommendations - Year One



We are satisfied with the R&D budget. Still, if your department can spare some more budget next year, we should spend it on new R&D projects.

5.2.2.Competitive Intelligence

The “Competitive Intelligence” part includes a detailed report about your competitors consisting of publicly available and accessible information. It provides information about the details of their products, their conventional and digital marketing strategies and various other important parts of their strategies.

5.2.3.P&L

The P&L statement is the most critical indicator of your company’s financial success. Your annual financial performance and its details are reflected in your P&L statement. In this part, in addition to your company’s yearly P&L statement, you can also access your competitors’ P&L statements, as they are publicly traded companies.

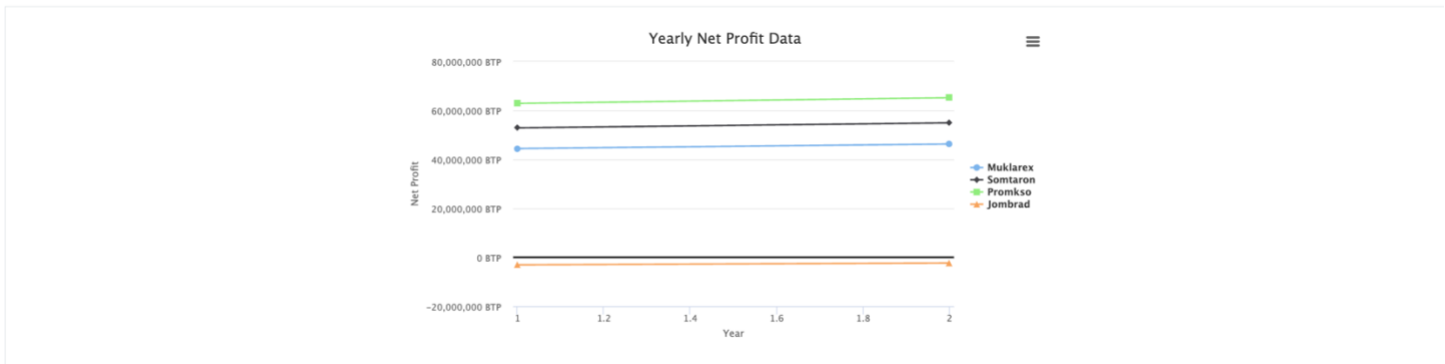
Very Important Note: The EBIT figure on the “[Results](#)” page does not include the deduction of your annual variable marketing expenditures. Therefore although it is helpful to understand how your yearly marketing strategy has performed, it may be misleading since it does not represent your final EBIT figure. The final EBIT figure and your company's net profit can be found in the P&L statement.

	Paldnuix P&L (First Year)
Gross Revenue	290,315,240 BTP
Total VAT	-44,285,375 BTP
Total Retailer Discount	-32,090,851 BTP
Total Outlet Discount	-26,273,212 BTP
Net Revenue	187,665,800 BTP
Energy drink + packaging	-58,270,416 BTP
Trans.& band.& hand. cost	-5,184,200 BTP
COGS	-63,454,616 BTP
After COGS	124,211,183 BTP
Transportation & sales and distribution	-10,368,401 BTP
Sales force	-11,819,977 BTP
Marketing Fixed	-17,211,546 BTP
Marketing Variable	-31,449,500 BTP
Non-sales fixed cost	-15,552,602 BTP
Paldnuix EBIT	37,809,156 BTP
Corporate Tax (24.00%)	-9,074,197 BTP
Paldnuix Net Profit	28,734,958 BTP

5.2.4.Others

You may also see yearly comparisons of the sales volume, the market share, and the net profit figures using the links on the sidebar.

Firm Name	Net Profit - Year 1	Net Profit - Year 2	Change (Year 1 - 2)
Muklarex	44,452,391 BTP	46,283,186 BTP	4.12% ↑
Somtaron	52,885,367 BTP	54,937,538 BTP	3.88% ↑
Promkso	62,894,581 BTP	65,210,136 BTP	3.68% ↑
Jombrad	-3,082,925 BTP	-2,323,820 BTP	24.62% ↑



5.2.5.Marketing Metrics

The “Marketing Metrics” part provides valuable quantitative information about your marketing campaign. It is crucial that you evaluate this part carefully at the end of every year. Many of the metrics in this part shed light on the efficiency, efficacy, effectiveness and profitability of the marketing activities executed for your product. They are calculated separately for each segment. This gives you the chance to assess the results of your marketing campaign by consumer segments and make adjustments to your strategy.

This part includes the calculation of the marketing metrics for every marketing activity, and many of them are also calculated separately for each consumer segment. The metrics calculated/measured include **Employee Turnover Rate, Total Annual IRR of the Marketing Campaign, Share of Voice, Test Drive Rate, Churn, PAR, BAR, CSAT, CLTV, IRR (per activity), Take Rate, Acquisition Cost,**

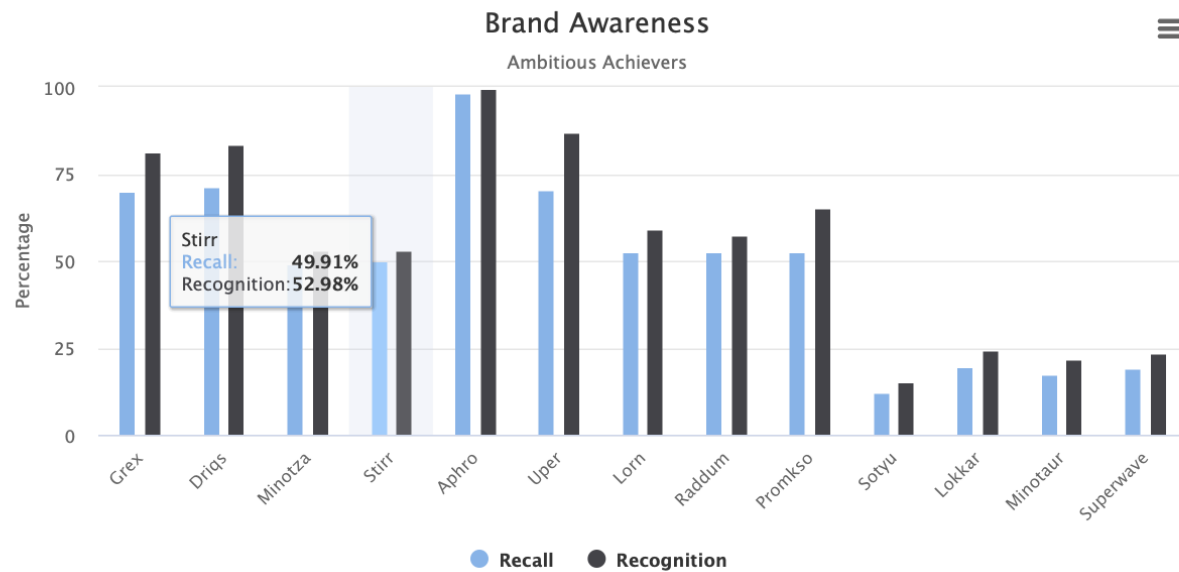
Payback Period, Brand Awareness (for all brands in the market, segment based calculation), Brand Associations for your product. Please refer to the [Dictionary](#) part for the explanations and the calculation methods of the metrics.

Important Note: Metrics for Vouchers and Travel Programs are not calculated as they are individually targeted activities. For example, their take rate is always 100%, and acquisition costs are always the same.

The metrics calculations accept the hurdle rate as “0” (zero) for convenience.

Please find some visuals from the “Marketing Metrics” part on the next page.

Brand Awareness								
	DINK		Ambitious Achievers		The Spoiled		Hardworkers	
Brand	Recall	Recognition	Recall	Recognition	Recall	Recognition	Recall	Recognition
GreX	74.32%	93.24%	69.83%	81.45%	72.45%	87.42%	73.57%	89.32%
Driqs	75.52%	95.78%	71.24%	83.46%	73.49%	88.63%	74.31%	87.94%
Minotza	57.83%	62.85%	48.92%	53.21%	73.14%	87.88%	48.21%	52.12%
Stirr	51.82%	69.75%	49.91%	52.98%	78.93%	92.85%	49.91%	53.19%
Aphro	76.52%	97.42%	98.37%	99.38%	69.83%	82.45%	38.91%	49.83%
Uper	62.96%	81.25%	70.38%	87.12%	65.83%	75.81%	36.94%	41.92%
Lorn	68.92%	83.94%	52.40%	58.93%	28.51%	32.91%	89.41%	95.21%
Raddum	66.84%	82.14%	52.49%	57.21%	27.65%	32.19%	89.23%	94.77%
Promkso	8.66%	10.69%	52.68%	65.05%	28.48%	35.16%	7.02%	8.67%
Sotyu	7.25%	8.95%	12.33%	15.22%	37.31%	46.07%	15.06%	18.60%
Lokkar	19.94%	24.62%	19.75%	24.39%	19.84%	24.50%	63.97%	78.98%
Minotaur	46.22%	57.07%	17.48%	21.58%	11.00%	13.58%	7.04%	8.70%
Superwave	4.51%	5.57%	18.96%	23.41%	17.47%	21.57%	1.85%	2.28%



Brand Associations for Promkso



5.2.6.Digital Marketing Metrics

The “Digital Marketing Metrics” part, similar to the “[Marketing Metrics](#)” part, provides you with valuable information about the outcome of your digital marketing campaign.

This part includes the calculation of the digital metrics for every digital marketing activity. The metrics calculated/measured include **Average CPC, Impressions, Clickthroughs, CTR, CPM, Reach, Average Frequency, Conversions, TCR, New Followers, New Post Likes, New Comments, Engagement Rate, E-Mail Open Rate, CPF, CPL, Total Revenue, Net Revenue, CPO, Bounce Rate, and ROMI**. Please refer to the [Dictionary](#) part for the metrics’ explanations and calculation methods.

5.3. Stock Market

On the “Stock Market” page, you can access the latest share prices of all companies.

Participant	Firm Name	Share Price (Previous Year)	Share Price - Year 2	Change
marcade	Muklarex	137.6 BTP	143.0 BTP	3.91% ↑
John_D	Somtaron	163.2 BTP	169.2 BTP	3.70% ↑
Jennifer_R	Promkso	185.9 BTP	192.7 BTP	3.66% ↑
Jane_O	Jombrad	52.2 BTP	52.6 BTP	0.84% ↑
Computer	Spirit Brothers	158.1 BTP	162.2 BTP	2.63% ↑
Computer	Modew	131.2 BTP	134.7 BTP	2.63% ↑



Share prices are determined using complex calculations that consider numerous variables in the Conquer the World® simulation. Therefore a company with a comparatively lower EBIT or net profit may have a higher share price if investors’ forecasts assume higher future profitability when they take into consideration other variables than EBIT/net profit.

The share price of your company reflects your overall performance in the simulation.

Very Important Note: We offer an [integrated grading/performance assessment tool](#) for professors/employers. This tool automatically grades the participants based on their companies’ stock prices. For more information, please refer to the “Grading/Performance Assessment” part.

6. WHAT HAPPENS AFTER THE FIRST YEAR?

You purchased different market research, analysed their results, carefully crafted the marketing plan, established the global marketing department, launched your new product and evaluated its first-year performance, the competition, and the marketing metrics. Congratulations! So what comes next?

Suppose the session you participate in has been set up as a multiyear competition. In that case, you will try to outperform the other participants of the simulation and the companies managed by the artificial intelligence (Spirit Brothers and Modew) in the following years as well. After you analyse the first-year results and the company dashboard, you will have the chance to take a picture of how the energy drinks market has been shaped and what the other participants have been trying to do.

From the second year on, it is no different from playing chess. All the participants will try to anticipate the moves of the other participants and the AI and outsmart them.

Apart from that, what will be different from the first year?

You may be happy with your new product's first-year performance or not. Either way, think carefully before you make radical changes in your strategy. Because now your product has a presence in the market, and your product and company have started to build their brand equities. If you make radical changes within short periods, consumers and investors may get confused. For example, if you change the place of the headquarters frequently, the company's and the product's brand equities and the product's sales volume may be strongly affected. Therefore, a suboptimal strategy can sometimes be better than inconsistency.

Repositioning and revitalising strategies should be very carefully executed. However, if you would like to delist your product and launch a new one or rebrand it with entirely new associations and a new marketing campaign execution, you may prevent some of the potential negative backlashes from the consumers and the investors. Nonetheless, if you choose to do so, you should not forget that rebranding or launching a new product almost always require much more capital than making slight changes to the current strategy, repositioning or revitalising strategies.

If you are happy with the first-year performance of your product, you should analyse your strategy and try to detect the parts that can be improved and the parts that are superior to the competition. Then you should further fortify the strong parts and figure out how to strengthen the less optimal parts.

When you begin a new year, all of the stages (except for Marketing Research for the reasons explained [here](#)) will be pre-filled with a copy of the decisions you made the previous year so that you can access your latest decisions and make necessary adjustments instead of creating a strategy from scratch. As the competition continuously evolves and the circumstances change every year, we strongly recommend that you do not use identical strategies for consecutive years, even if your product has performed well during the previous year.

7.GRADING/PERFORMANCE ASSESSMENT

We offer an integrated grading/performance assessment tool with three difficulty alternatives (Easy-Medium-Hard) for professors/employers. It is up to your professor/employer to utilise our tool or not. Unless we are specifically asked to lend assistance in grading/assessing your performance (in which case you will be notified of our involvement), we will not be responsible for how you are graded/assessed. Please direct your questions about the grades/performance assessment to your professor/employer.

8.HINTS

We are aware of the fact that Conquer the World® is a very comprehensive and sophisticated marketing simulation. It may sometimes cause its participants to feel a little bit overwhelmed.

That is one of the aims of this simulation. You will be bombarded with lots of data, research results, analyses and calculations. You will have to identify relevant information which will help craft your strategy, just as in real life.

To help you a little bit along the way, please find below some hints:

- Your first-year strategy is critical because it will have a massive impact on the following years.
- In the first stage of the simulation, you are expected to purchase marketing research which you believe would help shape your strategy in the following stages. The more marketing research you purchase, the more information you will have on the dynamics of the industry as well as the expectations of different consumer segments. However, if you spend too much time and budget on marketing research, you will have less budget and time for other marketing activities. On the other hand, you may choose to spend less of your budget and time on marketing research. If you do so, you will have more limited information about the industry, but you will have more budget and time to execute other marketing activities. Which side of this trade-off to choose is up to you. Our recommendation would be to spend more on marketing research for the first year and then gradually decrease your marketing research expenditures every year as you grasp the dynamics of the industry and become more comfortable analysing the market with the assistance of fewer marketing research results.
- You should write a positioning statement for your product and define your target market. In addition, you should make SWOT, PESTEL and 3C analyses. Our

experience shows that participants who had made these analyses performed better, and their learning experiences were more rewarding.

- The data and the results in our simulation are taken from real life. However, please remember that Conquer the World® simulation has a world of its own. In real life, an energy drink company may have great success in the U.S.A, Germany etc., with its unique marketing strategy. This does not mean that the same strategy will be successful in Conquer the World®. It may be, or it may not be. The countries in our simulation may have different dynamics, and the consumer segments in our simulation may have different expectations than the consumers in the U.S.A, Germany, France, Turkey etc. Furthermore, your competitors in the simulation will create different strategies, so the dynamics of the competition in our simulation may be very different from the current energy drinks industry in real life. Therefore if you have any, you should leave your preconceptions about the energy drinks and overall FMCG industries aside and only focus on and analyse the information given in the simulation. Think of our simulation as a reflection of the real-life FMCG industry in a parallel universe. The rules, the logic of the competition, and the results are the same, but the marketing strategies of the companies and their market shares are different.
- You will likely declare a loss on your first-year [P&L](#) statement. It is rare that new products launched after heavy investments start to bring in profit in their first year. Therefore do not get discouraged if you cannot make a profit at the end of the first year. Focus on the following years. With a good marketing plan and budget management, you will see that your product will start to make profit soon.
- Creating a solid strategy is one of the keys to success in our simulation. However, analysing the results and drawing insights from those analyses, as well as marketing metrics and competitor performances, are at least as necessary as a solid strategy. As a result of your analyses, you can draw a picture of your strategy's strong and weak parts. Therefore you may make adjustments to strengthen your strategy for the following year.
- Conquer the World® is a competitive simulation. While the strategy you create for your product is one of the main determinants of its success, your ability to assess

the strong and weak parts of your competitors' strategies and adjust yours to counter their moves is at least as important. Therefore, you should also keep analysing your competitors' strategies as well.

- As also stated in the previous hint, Conquer the World® is a competitive simulation. If you join one of our sessions as part of your technical interview process as requested by the company you applied for a position at, then your primary aim will be to achieve the highest share price for your company. Later on, we may set up a meeting with you to discuss the reasoning behind your decisions. However, if you join one of our sessions for an intradepartmental or interdepartmental competition, a competition between companies, universities, or your classmates, please keep in mind that achieving the highest share price in your session will be only one of your aims. Your primary aim will be to experience how academic knowledge is utilised in industry. In addition, you will have the chance to equip yourself with the necessary tools to excel in any technical interviews for marketing positions and improve your teamworking and negotiation skills. If you are a seasoned marketing professional, you will freshen up your knowledge in the field and grasp different perspectives about how to solve problems and dilemmas in scenarios you have not encountered before. In brief, do not just focus on getting a high grade. Focus on the process, and we assure you you will become a much more qualified marketing professional after being a part of the Marcade Experience.

8.1.Preparation Account

Unless your professor/employer instructs otherwise, you will be given access to a preparation account for Conquer the World® to familiarise yourself with the simulation and inspect its contents. The data and the decisions in the preparation account have been taken from a real session with actual participants. You can browse through all the stages, results, charts and graphs, except for the marketing research results. However, please note that you will not be able to make decisions using the preparation account.

8.2. Individual and Team Work

It is possible to participate in Conquer the World® individually or as a group. If you participate in the simulation with your group, you will be expected to establish a good relationship with your teammates and work together. To have a better working relationship with your team members, you should decide on the following issues:

- You should work between 12 and 16 hours (including reading this booklet) to make your first-year decisions and launch your product. After that, you should spend between 4 to 8 hours per year. The question you should discuss with your group members is: Will you complete annual decisions in a single sitting, or will you meet/video conference more than once?
- Will you meet in person to work on your strategy, or will you set up online meetings?
- How will you plan your meetings if the group members live in different time zones (e.g., the USA – China – France)?
- Who will be responsible for submitting group decisions? (Please click [here](#) for the explanation of the reason why we expect you to assign a group member to submit decisions)
- Will you work on the simulation as a team, or will you distribute the responsibilities for different stages based on your specialisations/interests? (We recommend that you work as a team at least for the first three years of the simulation. After that, if all the group members feel comfortable working by themselves and agree on taking on different responsibilities, you can work by yourselves. However, you should never fully isolate yourself from your group. The flow of information between the team members should be uninterrupted and continuous. Also, even if you work on different parts of the strategy, you should always come together before you submit your decisions. You may analyse the annual results by yourself, but all group members should discuss their findings, and after that, you should draw the trajectory of your overall strategy together. Please also note that, statistically, groups that had

worked together as a team have demonstrated much stronger performances in our simulation so far.)

9.DICTIONARY

Acquisition Cost: Acquisition cost is the ratio of acquisition spending to the number of customers acquired.

Ambitious Achievers: Ambitious achievers are one of the four main consumer segments in Conquer the World®. They exclusively prefer to purchase energy drinks with 33Cl SleekCan packaging. In addition, they primarily prefer energy drinks that fall under the premium category. For more information on this segment's expectations and characteristics, you should purchase a Consumer/Segmentation Research in the Marketing Research stage.

Average Media Display Time: Average time a target consumer spends looking at the media (picture, video etc.) related to an advertisement.

BAR: BAR stands for Brand Advocacy Ratio. It assesses how well companies turn brand awareness into brand advocacy. In other words, it monitors the number of customers who progress from "aware" to "advocate". It can be calculated using the formula: Spontaneous advocacy / spontaneous awareness, in other words, the number or percentage of people in the market who spontaneously recommend the brand to others/number or percentage of people in the market who spontaneously recall the brand when asked about a particular category (Kotler et al., 2017)

Bounce Rate (Website): The percentage of website visits that end in a single-page session without interaction. If a visitor leaves the website without any interaction or before visiting more than a single page, it is called a "bounce". The bounce rate can be calculated using the formula: Single Page Visits / Total Visits

Brand Associations: In Low and Lamb's work (2000), according to Aaker (1991), brand associations are the category of a brand's assets and liabilities that include anything

“linked” in memory to a brand (Aaker, 1991). Keller (1998) defines brand associations as informational nodes linked to the brand node in memory that contains the meaning of the brand for consumers. Brand associations are important to marketers and consumers. Marketers use brand associations to differentiate, position, and extend brands, to create positive attitudes and feelings toward brands, and to suggest attributes or benefits of purchasing or using a specific brand. Consumers use brand associations to help process, organise, and retrieve information in memory and to aid them in making purchase decisions (Aaker, 1991, pp. 109-13).

Brand Awareness: Brand awareness measures the accessibility of the brand in memory. Brand awareness can be measured through brand recall or brand recognition. Brand recall reflects the ability of consumers to retrieve the brand from memory when given the product category, the needs fulfilled by the category, or some other type of probe as a cue (Chandon, 2003).

Brand Recall question example:

“Please name all the brands of energy drinks you can think of.”

Brand Recognition question examples:

Example A: Here is a list of brand (ads, logos). Do you remember having seen this brand (ad, logo) before (yesterday/last month)?

Example B: Complete the following words: GR_X , APH_O, MIN_TZA, L_RN

Brand Relationship Spectrum: Brand Relationship Spectrum is a brand architecture tool which defines the relationship of a product’s brand with the brand of the parent company that manufactures it. It establishes a concrete, systematic approach to branding. Each

branding option has its upsides and downsides. Brand Relationship Spectrum has four main and nine sub-categories. Please find below the explanations of the four main categories:

1 -) House of Brands: The product is branded independently from the company which manufactures it, or the parent brand is printed on a tiny area on the product's label. For example, Yumoş is a Unilever brand. However, “Unilever” brand is printed on the bottom of the back label in small fonts (in some versions, there is no Unilever brand printed at all). The objective here is to separate the brand image and the associations of Yumoş from that of Unilever. Yumoş is aimed to be a stand-alone brand.

House of Brands strategy is convenient for niche markets and target market precision. However, as the parent brand is not in the foreground, this strategy needs branding and marketing processes to be completed from scratch for each new brand. It is also not a suitable alternative for economies of scale, and any potential synergy is unattainable with this strategy.

In case of the product's success or failure, the parent brand's image is affected only marginally.

As each new brand has its own personality and image, the House of Brands strategy gives vast freedom in launching new products.

It is the most expensive branding strategy to be used. It causes the brand portfolio to become very complex and does not contribute enough to the parent brand's brand equity.

2 -) Endorsed Brands: The parent brand visibly shows its support for the endorsed brand. “Universal Pictures, A Sony Company”, and “Obsession by Calvin Klein” are examples of endorsed brands. The instances where part of the parent brand's name is used in the endorsed brand, such as Nescafe and McRoyal, are also considered endorsed brands.

It is a suitable strategy for the typical brand management mindset. With the credibility of the parent brand, this strategy paves the way for the endorsed brand to become a separate parent brand in the future if it is successful in the market.

The endorsed brand strategy is a suitable alternative when the parent brand's brand awareness and image cause difficulties in entering a new market or segment. If the endorsed brand has unfavourable results in the market, the parent brand's image also gets damaged (but less compared to the Branded House strategy).

3 -) Sub-brands: The parent brand and sub-brands stand together, and their names are unseparated. Sony Playstation, Microsoft Office, HP Deskjet, and Gillette Mach 3 are some sub-brand examples.

Sub-brand carries the brand associations and the brand image of the parent brand. It also creates its own brand image and brand associations. It is a suitable strategy for entering new markets or making a line extension. The parent brand supports the sub-brand whilst not entirely risking its own brand image. In case of success or failure of the sub-brand, the parent brand also gets affected.

4 -) Branded House: All brands are grouped under one visible parent brand, and the parent brand is always the dominant brand. Examples of this strategy include BMW, Virgin, Nokia.

It is the cheapest brand strategy to execute and manage. The focus on brand management is clear and straightforward. All brands under the parent brand contribute to brand equity. On the other hand, as the parent brand's brand image is affected by all products of the company, an unsuccessful product/brand in the market may have grave repercussions for the parent brand and vice versa.

It is not a suitable strategy for entering niche markets, and it also makes being innovative and growing harder for the company compared to other strategies.

BTP: Bentola Pound. Currency of Bentola.

C-Like Score: C-Like Score was created by Phomark X, Mulmato's most famous and respected marketing consultancy. It measures the familiarity and appeal of a celebrity, brand, company etc. For example, a celebrity with a C-Like Score of 76 is more likely to

be more familiar and appealing to a **random consumer** compared to another celebrity with a C-Like Score of 58.

Celebrity Influence: Social media celebrities share posts on their accounts about the brand/product in return for a certain fee.

Celebrity Horeca Tour: Social media celebrities are entertained in selected horeca outlets where the product is the centre of attention and share posts about the brand/product in their accounts.

Churn: Churn is the annual percentage of existing customers who choose not to do business with you. Assume your customer churn is 25% over the course of a year. If you have 100 existing customers at the start of the year, you will have 75 by the end of the year if you do nothing to retain the 25 customers who leave.

CLTV: CLTV is the abbreviation for customer lifetime value. It is one of the most critical metrics in marketing. The CLTV metric allows a business to reasonably predict the revenue a customer will contribute over their estimated average retention period. It can be calculated using the formula:

$$-AC + \sum_{n=1}^N \frac{(M_n - C_n)p^n}{(1+r)^n}$$

AC is the acquisition cost, the margin coming from a customer is M, the number of periods is n, the cost of marketing is C, the retention rate is p, the hurdle rate is r, and the number of years or periods overall is N. The Greek sigma means sum. CLTV is, in other words, a customer's net present value (NPV).

Since your marketing strategy will continuously change during the simulation, a new CLTV calculation will be made annually.

COGS: Cost of goods sold. Includes all costs pertaining to the production and the handling of the product.

Consumer Traffic Index: The consumer traffic index shows the density of potential consumers in the country where a company's headquarters is located. The consumer traffic index is not specific to the energy drink industry. It covers all sectors, and a high index does not necessarily mean a higher tendency to purchase consumer goods. Therefore, the consumer traffic index figure should not be evaluated by itself. As stated, it indicates the number of potential buyers per unit area.

CPC: Cost per Click. The cost of an individual click on an advertisement. It can be calculated using the formula: $\text{Advertising Cost} / \text{Number of Clicks}$

CPF: Cost per Friend.

CPL: Cost per Like.

CPM: Cost per Thousand Impressions. It can be calculated using the formula: $\text{Advertising Cost} * 1000 / \text{Impressions}$

CPO: Cost per Order. It can be calculated using the formula: $\text{Advertising Cost} / \text{Orders}$

CSAT: CSAT stands for customer satisfaction.

CTR: Clickthrough Rate. It shows the percentage of impressions of an advertisement that results in a click by a user. It can be calculated using the formula: $\text{Clicks} / \text{Impressions}$

DINK: Acronym for Dual Income No Kids. DINK segment includes two employed partners who live together with no kids. DINK are one of the four main consumer segments in Conquer the World®. They exclusively prefer to purchase energy drinks with 33Cl Can packaging. In addition, they primarily prefer energy drinks that fall under the [mainstream category](#). For more information on this segment's expectations and characteristics, you should purchase a [Consumer/Segmentation Research](#) in the [Marketing Research](#) stage.

Drive: The aim is to establish one-to-one contact with consumers. Selected outlets are visited with branded vehicles and branded clothing by hostesses and their supervisors. During the visit, they give information about the product to consumers/potential

consumers, execute an activity/play a game with them, and give POP materials as gifts to the consumers. With the consumers' approval, they administer a quick survey and take the consumers' contact information. Drives have an extremely high impact and are very strong at forming brand associations and increasing brand awareness.

EBIT: Earnings before interest and tax.

Employee Turnover Rate: Employee turnover rate is the percentage of employees who quit their job within a given time frame, usually one year.

Engagement Rate: The percentage of interactions with your advertisement/campaign. There are many ways to define and calculate engagement rate based on the aim of your campaign. In this simulation, the engagement rate is calculated as: $(\text{Number of new followers} + \text{Number of new likes} + \text{Number of new comments} + \text{Number of clickthroughs}) / \text{Impressions}$

Exclusive Access: Consumers with exclusive access enjoy various privileges when they go to an outlet that serves energy drinks. In addition, they have priority access to any events organised by your company.

(Average) Frequency: The average number of impressions per individual for a given advertisement/campaign. For example, an average frequency of 2 means that, on average, an individual reached by your advertisement/campaign was served the advertisement twice. It can be calculated using the formula: $\text{Impressions} / \text{Reach}$

Gini Index: “The Gini index or Gini coefficient is a statistical measure of distribution developed by the Italian statistician Corrado Gini in 1912. It is often used as a gauge of economic inequality, measuring income distribution or, less commonly, wealth distribution among a population. The coefficient ranges from 0 (or 0%) to 1 (or 100%), with 0 representing perfect equality and 1 representing perfect inequality”. (Chappelow, 2019).

Hardworkers: Hardworkers are one of the four main consumer segments in Conquer the World®. They exclusively prefer to purchase energy drinks with 50Cl Can packaging. In

addition, they primarily prefer energy drinks that fall under the [value for money / low-cost category](#). For more information on this segment's expectations and characteristics, you should purchase a [Consumer/Segmentation Research](#) in the [Marketing Research](#) stage.

Horeca: Horeca is an abbreviation for Hotel-Restaurant-Cafe. However, in many sectors, places such as cafes, brasseries, restaurants, hotels, and beach clubs are all considered Horeca outlets. Horeca outlets are places where the price of a product includes servicing by employees and consuming the product on the premises.

Human Development Index (HDI): “The Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living. The HDI is the geometric mean of normalized indices for each of the three dimensions”. (UNDP, 2022).

Impressions: The number of times an advertisement is served. The ad does not have to be clicked on for it to be counted as an impression. Every advertisement serving is counted as one impression. It can be calculated using the formula: Reach * Average Frequency

IRR: IRR is the abbreviation for Internal Rate of Return. It is the rate at which funds are internally compounding for a campaign or program. If the IRR is greater than the hurdle rate, the investment results in profit and is feasible; otherwise, the investment is causing a loss. In our simulation, the hurdle rate is set at 0. A positive IRR means that you earned more money than you spent, and a negative IRR means that you earned less money than you spent. IRR is calculated using the formula:

$$0 = -C_0 + \frac{(B_1 - C_1)}{(1 + IRR)} + \frac{(B_2 - C_2)}{(1 + IRR)^2} + \frac{(B_3 - C_3)}{(1 + IRR)^3} + \dots + \frac{(B_n - C_n)}{(1 + IRR)^n}$$

where B is benefit, C is cost, the numbers and n are time periods, and IRR should equal hurdle rate.

KA: Key account. Includes chain groceries and general merchandise retailers where consumers shop for their weekly/monthly household needs.

Loyalty Cards: According to the Cambridge Dictionary (2022), a loyalty card is “a card that is given to a customer by a business, used by the business to reward the customer for buying goods or services and to record information about what they buy”. In addition to this definition, in Conquer the World®, consumers can collect points for their purchases and use them to get discounts, special gifts or [POP materials](#).

PAR: PAR stands for Purchase Action Ratio. It gauges how effectively a firm turns brand awareness into brand purchase. It can be calculated using the formula: Purchase action / spontaneous awareness, in other words, number or percentage of people in the market who purchase the brand/number or percentage of people in the market who spontaneously recall the brand when asked about a particular category (Kotler et al., 2017)

Payback Period: The payback period is the time it takes for the cumulative cash flows to transition from negative to positive. In other words, it is the time needed to reach the break-even point.

POP Materials: Point of purchase materials. All materials, including promotional materials given to outlets, servicing materials for the product, or material gifts given to consumers, dealers, or outlets, are POP materials. Glass, coasters, bottle openers used to serve the product, and keychains, pencils, and USB sticks given as gifts are all POP materials.

Positioning statement: The positioning statement is the main statement of a product. It is the backbone of its marketing plan. There cannot be a marketing plan without a positioning statement. It defines the **target market** of the **brand**, its **frame of reference**, and the **point of difference**, as well as the **reason to believe** that the brand is capable of delivering on its promises.

A proper positioning statement must include all elements written in bold font above. Please find below a correct, proper and efficient positioning statement:

For deadline-oriented business people (target market), Gratome Express (brand) is the overnight package delivery service (frame of reference) that is the most reliable (point of difference) because of its sophisticated package tracking system (reason to believe).

Prestige Level: The prestige level of a country shows how favourably a random person around the world perceives it. Citizens of countries with a higher prestige level generally enjoy privileges that citizens of less prestigious countries can attain with more difficulty (e.g., can travel to more countries without a visa, have a happier life compared to other countries etc.). Please note that this is not an academically accepted type of measurement. It is based on the reports published by survey companies.

Price Index: The price index compares the unitary value of the selected product to the reference product. The reference product is always set at 100 index. For example, if a 33cl product with a 10 BTP price tag is selected as the reference with 100 index, a 33cl product with a 12 BTP price tag will have 120 index. On the other hand, a 20cl product with a 12 BTP price tag, considering that the price index definition is the unitary value by comparison, will have a price index of: $33/20 \times 12/10 \times 100 = 198$.

Pseudo-Party Organisation: Parties organised without using the brand's name. All characteristics, signs, and codes of the brand to remind the consumers of the brand are used except the brand itself.

Reach: The number of people exposed to a defined advertisement at least once. It can be calculated using the formula: Impressions / Average Frequency

ROMI: Return on Marketing Investment. ROMI is one of the most critical measures of the success of your campaign. It shows the incremental revenue generated by marketing spending. If the ROMI of a campaign is positive, it means that the profit generated by the campaign was more than the budget spent for that campaign. In other words, the campaign was financially successful. There are many ways to calculate ROMI. In this simulation, the hurdle rate is set at "0". Therefore, we can calculate ROMI as: $((\text{Incremental Financial Value Created by Marketing Activities} - \text{Marketing Spending}) / \text{Marketing Spending})$

Share of Voice: Share of voice measures the advertising presence of a particular product or brand. In other words, it quantifies the percentage of brand advertising in a specific market compared to the total advertising in that market. It can be calculated using the formula: $\text{Brand Advertising} / \text{Total Market Advertising}$.

Take Rate: The percentage of customers who accept an offer is known as the take rate. It gauges a campaign's internal effectiveness. It can be calculated using the formula: $\text{Number of accepted offers} / \text{number of contacts}$.

Tasting/Sampling: Consumers are visited in selected outlets and are offered to taste the product. Information about the product is also given. Their feedback are noted, and their contact information is taken with their approval.

TCR: Transaction Conversion Rate. It is the percentage of visitors who complete a defined action on your website divided by the total number of visitors. To calculate TCR, you need to define your conversion aim. In this simulation, the TCR aim is to persuade consumers to buy at least one unit of your product from a store and subscribe to your company's newsletter by scanning the QR code behind the can. Therefore the TCR for this particular simulation can be calculated as: $\text{Number of People who Purchase Your Product and Subscribe to the Newsletter} / \text{Clickthroughs}$.

Test Drive Rate: The test drive rate is the percentage of customers who test/try a product or service before purchasing it.

The Spoiled: The Spoiled are one of the four main consumer segments in Conquer the World®. They exclusively prefer to purchase energy drinks with 20Cl Glass packaging. In addition, they primarily prefer energy drinks that fall under the [superpremium / speciality category](#). For more information on this segment's expectations and characteristics, you should purchase a [Consumer/Segmentation Research](#) in the [Marketing Research](#) stage.

Traditional Outlets: Traditional outlets are places which only sell products to customers. They do not offer in-house product servicing or consumption options. Convenience stores and supermarkets are examples of traditional outlets.

Travel Program: Selected people (outlet owners or potential influencers) are invited to a domestic/foreign trip with both touristic and brand-related purposes (e.g. a trip to a foreign country where an annual energy drinks festival is held). Employees or managers from the marketing department generally accompany them. Despite its low primary contact rate, the secondary contact rate is quite high. Because travel programs typically cause a very high brand loyalty among their participants, thus turning them into brand ambassadors.

VAT: Value-added tax.

Vouchers: Selected people (outlet owners, outlet employees or potential influencers) are given gift vouchers (e.g. technological products, travel, clothing). Despite its low primary contact rate, the secondary contact rate is quite high. Because gift vouchers generally cause a very high brand loyalty among the people who receive them, thus turning them into brand ambassadors.

10.ABOUT US

10.1.Conquer the World®

Conquer the World® was created by [Marcade](#), a company that specialises in creating interactive, multi-stage, gamified, competitive marketing simulations using real-life scenarios. Seasoned marketing professionals with both deep academic knowledge of the field and vast marketing experience in various sectors and renowned marketing professors took part in the creation process of Conquer the World®.

The algorithm of Conquer the World® consists of the theoretical and academic foundations of marketing and the evolution of real-life data from actual companies in a way that can reveal a predictive mechanism after going through intense statistical and mathematical analysis processes. We take pride in our algorithm because we can ensure that it delivers the same results you would get when you manage a marketing department in real life. Our algorithm has been extensively tested and continuously updated in line with the latest developments in the field of marketing.

Conquer the World®, the most comprehensive marketing simulation in the world, can be used by universities, HR departments and marketing departments of companies. Our simulation combines academic knowledge with real-life scenarios and helps you experience how theoretical knowledge is utilised in solving real-life marketing problems.

Therefore, undergraduate and postgraduate (including MBA and EMBA) students with a marketing focus are encouraged to participate in our simulation. Conquer the World® assists you gain marketing experience without taking the actual risk. In real life, a very wrong marketing decision might cost your company millions or even billions of dollars and cause you to lose your job. But in our simulation, all that happens is you get a lower score. So, no risk but much experience.

Marketing departments of companies can use our simulation to experience new scenarios, expand the marketing knowledge of their employees, and strengthen their teamwork skills.

Human resources departments can use Conquer the World® as a training program, conduct an interview for marketing department applicants, or conduct cross-functional transition interviews for current employees. It is an excellent tool for technical and personal assessment.

We also offer the chance for universities/companies to be part of an interuniversity/intercompany competition to gauge where they stand among their counterparts.

So, how does Conquer the World® differ from other marketing simulations?

First of all, Conquer the World® is not an introductory simulation to the marketing field. For that purpose, we have other marketing simulations which are less challenging. If you would like to decide whether a career in marketing is for you, you should participate in our other simulations.

Please [click here](#) for more information.

Conquer the World® is for people who already know that they would like to be marketing professionals or already are. This simulation has a high difficulty level and requires prior knowledge in the marketing field.

- Participants are going to compete in the global market in **Conquer the World®**.
The competition takes place globally, not in a domestic market
- Participants are going to be responsible for the composition of the global marketing department as well

- Participants are going to decide on the training & development activities for their companies' marketing departments
- **Conquer the World®** includes advanced marketing research options such as conjoint analysis and Van Westendorp PSM.
- **Conquer the World®** offers detailed marketing analytics & conventional marketing metrics & digital marketing metrics (more than 30 metrics measured annually)
- **Conquer the World®** includes decisions about detailed product features
- **Conquer the World®** includes advanced technical analyses
- **Conquer the World®** includes an integrated stock market
- **Conquer the World®** includes comprehensive conventional & digital marketing decisions
- **Conquer the World®**, based on how the simulation is set up, offers **one to twelve years** of competition within the simulation
- **Conquer the World®** has more than 600 decisions to be made by every participant
- **Conquer the World®** can be a separate course or a supplementary tool for marketing classes, a short or long-term training program, or an assessment tool for companies
- **Conquer the World®** has a modular structure; in other words, we can add new modules and features to our simulation on demand. We can create a tailor-made simulation for your university/company.
- **Conquer the World®** has a total runtime of 12 to 110 hours based on how the session is set up

In Conquer the World®, there are decisions related to various subcategories of marketing and related fields, such as:

- Brand Management
- Channel Marketing
- Digital Marketing
- Event Management

- HR Activities for Marketing
- Marketing Analytics
- Marketing Communications
- Marketing Management
- Marketing Metrics
- Market Research
- Marketing Research
- Negotiation Analysis
- New Product Development
- POP Management
- Product Management
- Social Media Management
- Statistics for Marketing
- Strategic Marketing
- Time and Budget Management
- Trade Marketing

Conquer the World® is a complete marketing suite for your courses and a perfect technical assessment/training tool for companies.

In addition to the above, we offer optional **live discussion sessions** during or after a simulation session. We answer all questions participants may have in their minds after they complete the simulation or a round.

Our current NPS (Net Promoter Score) stands at 96.

10.2.Marcade

[Marcade](#) is a subsidiary of [Rigel & Crew Marketing Consultancy](#), a company that offers 360 degrees marketing consultancy. [Marcade](#) specialises in creating interactive, multi-stage, gamified, competitive marketing simulations using real-life scenarios.

As [Rigel & Crew](#), we have been assisting companies to improve their marketing efficiencies and efficacies. We have been doing this for many years now. The ROI figures we have achieved for our clients are much higher than our competitors.

In addition, we have accumulated a great deal of experience in various sectors over the years. In brief, we know what we are doing, and we decided to share what we know with people who would like to gain experience in the field of marketing. We value education above everything. Therefore, as Rigel & Crew, we decided to share our expertise and knowledge to assist people in becoming more qualified marketing professionals. Thus, Marcade was born.

We currently offer three different marketing simulations:

Conquer the Internet®, a digital marketing and digital marketing metrics simulation that includes digital marketing decisions about Search Engine Marketing, E-Mail Marketing, Forums and Chat Rooms, Social Networks, Celebrity Endorsement, Mobile Marketing, Crisis Management, and the measurement of 20 different digital marketing metrics such as CPC, Impressions, CTR, TCR, Clickthroughs, CPM, Reach, Average Frequency, Conversions, Bounce Rate, Engagement Rate and others.

The difficulty level for this simulation is: **Easy**. Participating in the simulation requires no prior marketing or digital marketing knowledge.

Conquer the Market®, a brand management, new product development and marketing management simulation, has three stages; Market Research, Shaping the Product, and Marketing Plan. Conquer the Market® is a simplified version of Conquer the World®. In addition to Conquer the World®'s target segment, it is also suitable for people with more limited knowledge in the field of marketing and for people who would like to experience how it feels like to work in a marketing department to decide whether they would like to become a marketing professional or not.

The difficulty level for this simulation is: **Medium**. Understanding of basic marketing concepts would be helpful in Conquer the Market®.

Conquer the World®, as explained in the previous pages, is the most comprehensive marketing simulation in the world. Please click [here](#) for more information.

All of our simulations are interactive, multi-stage, gamified, and competitive.

The data and results in our simulations are taken from real-life and actual companies, and participants of our simulations make decisions in a real-life context.

In addition, we offer optional live discussion sessions. We answer all questions participants may have in their minds after they complete a simulation or a round. We explain the reasoning behind participants' results in a live discussion session.

Also, our simulations have received overwhelmingly positive feedback at undergraduate and postgraduate levels and companies so far, which means they have been extensively tested and verified. You can use them in your classes/courses/company without hesitation or doubt.

Undergraduate and postgraduate students from prestigious universities (such as Universidad de Navarra, home to IESE Business school, which was ranked [#1 in the world](#) for its full-time MBA by The Economist), and marketing professionals from multinational companies (such as Coca Cola, Danone, Inditex, Novartis) have been participating in our simulations since our company was established.

As of 2025, we have successfully implemented our simulations with companies and universities across four continents and in numerous countries.

Please click [here](#) for more information about Marcade and our simulations.

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