Undergrads Put Theory into Practice in Marketing Simulation

oe McDonald, a junior at the Marshall School, has sold 600,000 shoes to gain a 22 percent market share and a net profit of \$4 million.

Well, not exactly. He is one of the 680 undergraduate students in Marshall Professor Rex Kovacevich's Introduction to Marketing class who is participating in an Internet-based simulation game. The students compete against four or five of their classmates—setting product mix, price, advertising levels, number of sales people, as well as R&D and marketing research budget. The students have 15 minutes to make their decisions, and they get the results of their decisions—thanks to Internet technology—in about three minutes. The game lasts six rounds.

"This game is a good way for the students to put in practice what they learned in class," says Marshall Assistant Professor of Marketing Xavier Dreze, who designed the Internet-based interface for the game. "In class they learn that they can either do a penetration strategy or a scheming strategy. Here, they can see the effect of doing it. And they can see the effects based on what their competitors are doing."