Using Simulations in the Marketing Classroom

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On Simulation in the Marketing Classroom

The verb "simulate," from the Latin *simulare*, to copy, represent, or feign, has three distinct meanings in English. First, it can refer to something that *imitates* the appearance or character of something else, such as when an actor stoops or walks very slowly in order to portray an old person. Second, it can refer to the act of *pretending*, for example, in a child's game of "playing house," in which children pretend to be adults in a home situation. Its third, much more recent meaning refers directly to the act of *producing a computer model of a complex phenomenon*. Interestingly, tracking the use of the word simulate in written work and media over time (as well as its noun form "simulation" and its adjective forms "simulated" and "simulative") shows a very rapid take-off in the 1950s and from then on. This is almost certainly due to the advent of computers, with their ability to rapidly calculate the interaction effects of the large numbers of complex variables that constitute a phenomenon. However, viewing simulation as something that can only be done by computers is, in our opinion, limiting. For the purposes of learning, the real world can indeed be copied, represented, imitated, and pretended, as well as pretended in the marketing classroom.

Philip Kotler (2011) is quoted as saying that marketing takes a day to learn but a lifetime to master. Most students will find learning the fundamentals of marketing a lot easier than the principles of physics, less challenging than the complexities of studying a new language, and inevitably more exciting than an accounting course. But much of their real marketing learning will occur outside of the classroom. With the fundamentals in hand they will learn much more by observation, experimentation, and relentless practice. Stated differently, more of the learning that enables them to master marketing will occur in the real world than in the classroom. In their efforts to enhance and accelerate this learning, many marketing teachers have turned to simulations that take students as close to the edge of the real world as possible without actually falling in. Falling in might put real jobs, real reputations, real companies, and real relationships at risk. Taking students to the edge and allowing them to experience both the thrill of victory and the agony of defeat enables learning without many real liabilities.

While many of the simulations used by marketing teachers require the use of computers, or the meaning of the word simulation in the third sense referred to above, marketing learning beyond the fundamentals can also occur through the other meanings of the word. It can occur by copying or imitating (e.g., a rude customer, a successful chief marketing officer), and it can happen when students pretend (e.g., to be ad copywriters, to be salespersons). In this special issue of *Journal of Marketing Education*, our intention was to engage as broad a perspective on simulations in the marketing classroom as possible. Thus, while some of the articles deal with the use of computerized marketing simulations, there are also articles that view simulations as imitating and pretending. The evidence from the body of work presented here suggests not only broadly that simulations enhance marketing learning but that different kinds of simulation can be very effective indeed.

The special issue begins with a technique by Mills and Treen that enables students explore the nuances of value-based pricing in an exciting and engaging way that has real potential payoffs. Students are required to "get something for free" on websites like Craigslist, and then to trade this up in a series of swaps, until they are able to sell their final trade for real money (or to keep it if they really like it). Not only do they enjoy the ups and downs of negotiation, and pocket cash, they also discover that price is not just about cost, or what an offering is worth to seller, or what competitors might be charging. Ultimately, it is mostly about what the offering is worth to the buyer.

Next Flostrand, Ho, and Krider describe an exercise in which students are required to develop a marketing strategy for the most important product of all—themselves. "Marketing Me" is a drill in which alumni are brought in to engage with students in a simulated networking event context. The evidence is that the simulation enhances student understanding of segmentation, targeting, positioning, as well as enabling them to better prepare for the job and career search processes.

Then Bal and her colleagues focus on how students can apply core consumer behavior concepts to a simulated advertising project with a serious objective: suicide prevention. A post hoc qualitative survey was conducted, and a

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series of propositions were generated. Their findings suggest that when students use core concepts in real-world simulation projects, they are able to effectively later apply those concepts in actual real-world situations, particularly when the instructor's objective is to deal with sensitive subject matter.

Canhoto and Murphy use Google's well-known Online Marketing Challenge to examine what constitutes an effective experiential learning initiative. They recommend that instructors should emphasize that students need to plan, execute, and assess their actions, which requires the provision of feedback mechanisms as part of the experience.

In the next article, Caruana and his coauthors emphasize the need to understand the learning effects that computerized simulations can have. Their research is based in expectation-confirmation theory and the unified theory of acceptance and use of technology to develop a model that explores the relationship between learner satisfaction and performance expectancy and effort expectancy. Their findings suggest that instructors can affect the learning experience from simulations by acting on performance expectancy and effort expectancy as antecedents of learner satisfaction.

Ernie Cadotte has been involved in computerized marketing simulation design for more than 30 years. His well-known MarketPlace simulation has gone through many iterations, from the instructor-edited input/dot-matrix printer output version of the 1980s to the entirely student-driven web-based versions of today. His article not only reflects on the development of computerized business simulations, it also offers sage advice to instructors who use them, focusing not only on the learning experiences themselves but also on how these can be enriched.

The final article, by Treen and her colleagues, describes a study of more than 2,000 student teams of varying sizes playing a computerized marketing decision simulation. It attempts to answer two fundamental questions facing instructors who use these types of simulation: Is there an ideal group size, and are there diminishing returns on time spent playing a simulation? The evidence presented suggests that team performance rises with group size until that reaches five and then declines, and also that it is possible for a group to spend too much time on a game without having positive effects on performance.

We hope that those who care about marketing, and especially those who care about teaching it well, will enjoy the articles in this special issue. We thank all those who submitted to the special issue, including those authors whose articles we were not able to include. We also express our sincere appreciation to the reviewers, and most of all to the editor Don Bacon, for his patience and support.

Reference

Kotler, P. (2011). *Marketing insights from A to Z: 80 concepts every manager needs to know*. New York, NY: John Wiley.