AdSim Advertising Player's Manual
(2024 Rev A)

Contents

Overview

What is AdSim?

AdSim is an Online Advertising Simulation that gives you the opportunity to manage the Advertising and Sales Promotion Campaign for your own Smartphone Manufacturing Company.

You are initially tasked with implementing an improved advertising and brand positioning strategy for your company's range of Smartphones. As you progress through the simulation you will be given access to more detailed advertising media mixes, Customer Relationship Management, and Marketing Communications decisions.

Your success is measured by your **Total Marketing Contribution (TMC)** by the end of the simulation, and you have additional Secondary Performance Targets each year to help keep your campaign on track.

Learning Outcomes

At the conclusion of the simulation you will:

- Understand core advertising terms and concepts.

- Be able to review market research and reports to formulate strategy.

- Learn how to implement strategy within a fixed annual marketing budget.

- Develop an understanding of customers' media viewing habits and how to effectively reach their target audience.

- Know how to continue to adapt strategy as you experience competition and market changes.

- Develop the skills necessary to work effectively in a team environment.

Single-Player & Multi-Player

AdSim features two versions; the Single-Player and the Multi-Player.

The **Single-Player** features at the start of the course and allows you to practice against a single computer-controlled competitor. In the Single-Player you move forward (rollover) through years (decision periods) at your own pace and in your own time. This enables you to become familiar with your company, the market, and test out different decisions. Your primary goal is to maintain a higher Total Market Contribution (TMC) than your competitor and to exceed your annual performance targets.

In the **Multi-Player** you will be competing against multiple competitors to achieve the highest TMC. Depending on your course settings, you may be competing against student-run companies from within your course, or against computer-controlled competitors. The Multi-Player simulation progresses according to a preset rollover (decision deadline) schedule. Before each rollover you must have your decisions entered into each of the decision screens within the simulation.

Rollovers

A rollover is the term used to describe moving from one year (decision period) to the next. A rollover processes the currently entered decisions and then displays your results.

SINGLE-PLAYER

Rollovers in the Single-Player are controlled by you through the Rollovers menu:

In the Single-Player you are also able to Rollback (move back one year) or Restore (reset the simulation back to the start).

MULTI-PLAYER

Rollovers in the Multi-Player occur automatically on pre-set dates determined by your course instructor.

Once your course's rollovers are scheduled you will see the next scheduled event on your company's Home page:

Click on the event to see all upcoming rollovers, as well as those already processed.

There is no final submit process. Simply enter your decision changes into each decision screen and then click *Save*. A save notification will appear and the change will be shown on-screen. The change is now saved on our simulation server ready to be processed at the upcoming rollover.

If you are playing the Multi-Player in teams, only one team member needs to enter your final decisions.

You can check all your saved decisions using the *Current Saved Decisions* report.

Decision Schedule

You start the simulation responsible for the Brand Positioning Strategy and Advertising Plan for your company's range of Smartphones.

The table below outlines the decisions which you will be managing in Year 1, and then the additional new decisions released in each year subsequent.

Decision Period (Year Ahead)	New Decisions
Decision Period 1 (2024)	• Name your Company • Brand Positioning • Advertising Plan
Decision Period 2 (2025)	• Advertising Media Mix
Decision Period 3 (2026)	• Customer Relationship Management
Decision Period 5 (2027)	• Marketing Communications

Total Marketing Contribution and Performance Targets

Total Marketing Contribution (TMC) is the key performance indicator in the AdSim Advertising Simulation.

Marketing contribution is an annual measure of how profitable your company was as a result of your marketing strategy for the previous year.

Marketing Contribution = Wholesale Sales Revenue – (Cost of Goods Sold + Marketing Expenses)

Your **Total Marketing Contribution (TMC)** is then just the sum of your annual marketing contribution figures over the length of the simulation. Your goal in AdSim is to achieve a higher TMC than your competitors by the end of the simulation.

Your company's Marketing Contribution and Total Marketing Contribution (TMC) will be displayed via the pop-up notifications on log in, and on your company's Home page.

You can compare these key figures with your competitors in the industry through the *Industry Benchmark* report. You can also see your TMC rank across the course through the Course Scoreboard on the Home page (if this has been enabled by your course instructor).

Secondary Performance Targets

You can find your Secondary Performance Targets in the *Performance Targets* report on the home screen. Check the Performance Targets Report after each rollover to see if you achieved your targets.

In the Single-Player you should always look to exceed these secondary targets. In the Multi-Player, these secondary targets are more like guidelines to support your primary goal of creating more Total Marketing Contribution than your competitors.

Annual Marketing Budget

Each year you have a fixed marketing budget to spend.

Your annual marketing budget increases each year of the simulation to facilitate the additional decision areas as they become available:

Year 1: $6m

Year 2: $6.5m

Year 3: $8m

Year 4: $9m

Year 5: $11m

Year 7 and Beyond: $12m

Your annual budget is displayed when you first log in, and on your company's Home page. Additionally, the *Live Budget* and the *Budget Report* also show the budget remaining after the cost of your current decisions has been deducted.

You should ensure that you spend all your annual budget each year. If you overspend, the simulation will automatically reduce your Advertising budget to bring you back under budget.

The Simulation Interface

Top-Menu Navigation

The AdSim interface utilizes top-of-screen navigation with the following main menu items:

- **Home:** This first screen serves as your company dashboard.

- **Advertising:** Allocate your promotion budget to the 5 main media channels: Social Media, Digital Media, TV, Print, and Radio.
  From Year 2 onwards, you can target your advertising spend in more detail. For instance, Digital Media can be split into Search, Display / Banner, Digital Video, Digital Audio, and Email.

- **Brand Positioning:** Set the key messages that you want customers to associate with your brand so it has a distinctive place in your customers' minds.

- **Customer Relationships (Year 3 onwards):** Decide what type of CRM, Warranty, Support, and Loyalty systems to fund.

- **Marketing Communications (Year 5 onwards):** Choose from various types of Sales Promotions, Trade Promotions, Sponsorships, and Social Influencer initiatives.

- **Reports:** To access all your company's reports, including historical reports.

- **Rollovers:** Process a rollover, rollback or restore (Single-Player only).

Press CTRL + M to return to the Top Menu from anywhere else in the application.

Company Home Screen

Your company's Home screen displays:
- Your company's name.
- The Year Ahead (the year you are making decisions for).
- Key results from last year, including a link to the Course Scoreboard.
- Shortcuts to your decisions and new decisions available this year.
- Key reports.
- Year-relevant help videos.

The Help Widget

A *Need Some Help?* tab features at the bottom right of all screens. Clicking on the tab opens the popup Help widget. You have the option to *Search* help articles, click on a screen-relevant *Frequently Asked Question*, or *Contact Us* to send a message to the Smartsims Support Team.

You can also open the popup Help on each screen with the F1 key.

Top-Right Icons

At the top-right of the simulation interface there are three icons:

1. **Saved Decisions:** Opens the *Current Saved Decisions* report so you can check all currently saved decisions. These are the decisions which will be processed at rollover.

2. **Alerts & Notifications:** Brings back the initial on-login notifications which provides key results and information for making decisions for the year ahead.

3. **Exit Simulation:** Exits the simulation interface and takes you back to the course page.

Decision Screens

Clicking Advertising at the top of screen opens the Advertising Plan screen:

LEFT-HAND MENU

All decision screens feature a left-hand menu displaying the separate decisions available under each main menu.

CENTER DECISION COLUMN

The center column is where your decisions are located; a decision field with the currently entered decision and last year's decision.

Social Media

Allocate the spending amongst advertising channels

Name	%	$	Last Year %
Social Networks	20	157,500	20
Media Sharing	20	157,500	20
Discussion	20	157,500	20
Bookmarking	20	157,500	20
Consumer Review	20	157,500	20
Total	100	787,500	

RIGHT-HAND COLUMN

The right-hand column is designed to help you make well-informed decisions. It features:

1. The Live Budget

The Live Budget widget is located at the top-right of all decision screens:

Budget Limit
$6m

Available to Spend: $105k
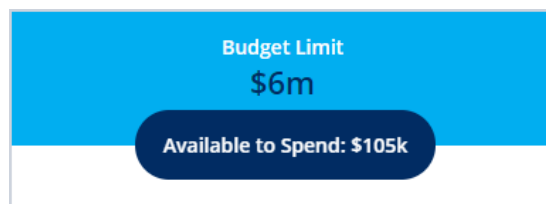
The *Budget Limit* figure is the total amount you can spend this year.

The *Available to Spend* figure shows how much of that you still have available to spend on Advertising, Market Research, Customer Relationship Management, and Marketing Communication decisions.

You should check the *Available to Spend* figure as you make decisions so you do not spend more than you have available, but also ensuring you have spent all of your budget.

2. Screen-Relevant Results

Relevant key results from last year are displayed:

55.8%
Audience Coverage

76.0%
Media Mix Effectiveness

51.1%
Unaided Brand Awareness

28.3%
Top of Mind Awareness
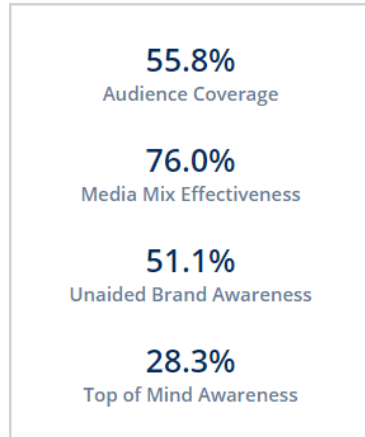
3. Screen-Relevant Reports

Relevant reports are listed, as well as extra reports which can be purchased to provide additional information to help you make effective decisions:

📄 Social Media Research

📄 Market Demand Report

🔒 Audience Coverage
Buy Report - $25,000

🔒 Brand Awareness Tracking Study
Buy Report - $50,000

🔒 Competitor Media Expenditure
Buy Report - $25,000

Student Support

DIRECT EMAIL

The Smartsims Support Team is available to answer any questions you have by emailing: help@smartsims.com

CONTACT FORM

Submit a Contact Us form through the Smartsims website.

INTEGRATED HELP

All Smartsims Simulations feature popup help within the application. Simply click on the *Need Some Help?* tab on any screen to open the Help Widget, or press the F1 key.

SMARTSIMS SUPPORT CENTER

The Smartsims Support Center is our simulation knowledgebase. This enables you to receive an instant answer to your question by simply typing your question into the search field. Alternatively, you can also Browse All AdSim Support Articles.

C H A P T E R 2

Market Analysis

Your Competitors

In the Single-Player version you compete against a single computer-controlled opponent. You both start with identical results.

The Multi-Player version features between four and ten companies in your industry. These may be student-run or computer-controlled depending on your instructor's preference. All companies start with identical results.

You can track your competitors using the key industry-level reports below:

- **Industry Benchmark Report:** Compare Sales, Marketing Expenses, and Marketing Contribution across all companies in your industry.
- **Market Demand:** Compare the market share and sales units for the New and Repeat customer segments for all companies in the industry.

The Market Segments

The Smartphone industry is categorized into two market segments: New and Repeat Customers.

New Customers are first time buyers of Smartphones, and **Repeat Customers** are those replacing or upgrading an existing Smartphone.

The *Market Demand* report shows you how your company performed in each market segment last year and the forecast sizes of the New and Repeat Customer segments each year.

It is important for you to decide whether you want to bias your decisions towards the New or Repeat customer segments each year because they have different media viewing habits and respond to different Brand Positioning Messages, Customer Relationship Management options, and Marketing Communication options.

At the beginning of the simulation the market is largely made up of New Customers, but over time the Repeat Customer segment will grow larger as existing customers replace their Smartphones every 2-3 years.

Your Customers

Both you and your competitors provide mid-range 'Android' style Smartphones. These phones are all similar in terms of price and technical features. So, most of the difference from the customers' perspective is in the branding and promotion.

Customers weigh up several factors before making their purchase: *Brand Positioning*, *Advertising*, *Customer Relationship Management*, and *Marketing Communications*.

Brand Positioning

Brand Positioning refers to the key messages that you want customers to associate with your brand so it has a distinctive place in your customers' minds.   All the potential messages about your Smartphones are true, so you need to choose the options that appeal the most to your markets.

Purchase the *Market Survey of Customer Needs* Market Research report to find out which Brand Positioning messages appeal the most to the New and Repeat Customer segments.

Advertising

To get the most out of your advertising budget you will need to know the media viewing habits for each market (being how much do customers watch/use the different media channels). Then, combine this with Advertising Reach (what percentage can be reach for a given spend). This enables you to determine an optimal advertising mix across the channels, as well as how much to spend on each channel.

MEDIA VIEWING HABITS

The table below provides the proportion of each market that can be reached using the different media channels:

Segment	Social Media	Digital Media	TV	Print	Radio
New Customers	65%	70%	94%	51%	45%
Repeat Customers	91%	82%	60%	42%	35%

Note: Each row will add to more than 100% as people watch multiple media channels.

ADVERTISING REACH

The Advertising Reach chart shows the proportion of the viewing audience that can be reached in each media channel at different levels of expenditure.
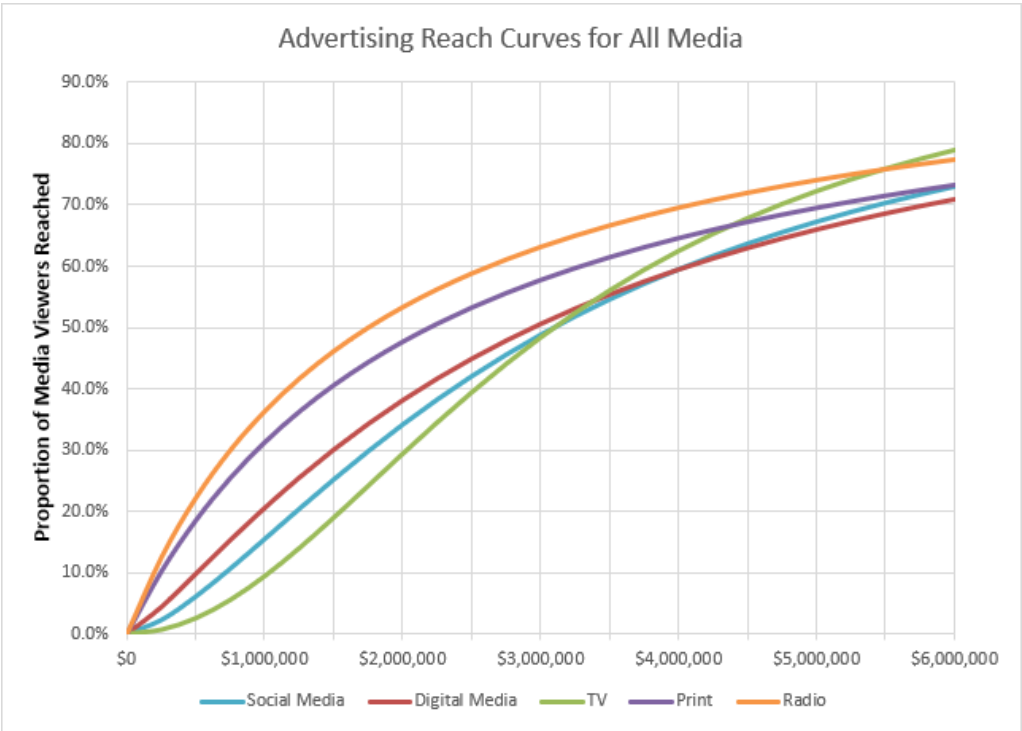
For example, an advertising investment of $2m in TV will reach approximately 30% of the audience. Then by looking at the Media Viewing Habits table above, we can see that this would then reach 30% * 94 = 28.2% of the New Customer market, and 30% * 60% = 18% of the Repeat Customer market.

You will note that each media channel has a different shaped curve. Some are steep initially and then flatten out, such as Print. This indicates a high audience reach on small investments, but as you spend more the increase in reach decreases significantly. Alternatively, others feature a flatter curve, such as Social Media. This means more investment is required to reach your audience, but the level of reach is relatively constant regardless of total spend.

Purchase the *Audience Coverage, Brand Awareness Tracking Study* and the *Competitor Media Expenditure* reports each year to assess how effective your advertising budget and mix were last year.

Advertising – Media Mix (Year 2)

From Year 2, you can target your advertising spend in more detail. For instance, Digital Media can be split into Search, Display / Banner, Digital Video, Digital Audio, and Email. And the Digital Video sub-category can be targeted by genre: Reality, Drama, Documentary, News, Sports, and Comedy.

View the media research report on each media decision screen to find more information about each of the choices, and the ideal allocation for the New and Repeat Customer segments.

Customer Relationship Management (Year 3)

The CRM decisions help you track and build relationships with your customers and increase customer satisfaction which encourages customer retention.

Decide what type of CRM System, Warranty, Support, and Loyalty system to fund. Note that the most expensive CRM options are costly so you will have to decide how much budget to allocate to CRM vs Advertising.

You should purchase the *Market Survey of Customer Needs* report to help guide your CRM choices as the New and Repeat Customer segments may prefer different CRM options.

CRM decisions are available from Year 3.

Read the *Customer Relationship Management* section under *Year 3 Decisions* (see Chapter 3) for more details on making your CRM decisions.

Marketing Communications (Year 5)

Choose from various types of Sales Promotions, Trade Promotions, Sponsorships, and Social Influencer initiatives to increase your exposure and attract new customers.

Note that the most expensive Marketing Communication options are costly so you will have to decide how much budget to allocate to Marketing Communications vs CRM and Advertising.

You should purchase the *Market Survey of Customer Needs* report to help guide your Marketing Communication choices as the New and Repeat Customer segments may prefer different options.

Marketing Communication decisions are available from Year 5.

Read the *Marketing Communication* section under *Year 5 Decisions* (see Chapter 3) for more details on making your Marketing Communication decisions.

C H A P T E R   3

Making Decisions

Your Company & Product Name

When you first open the simulation interface you are given the option to give your company a new name:
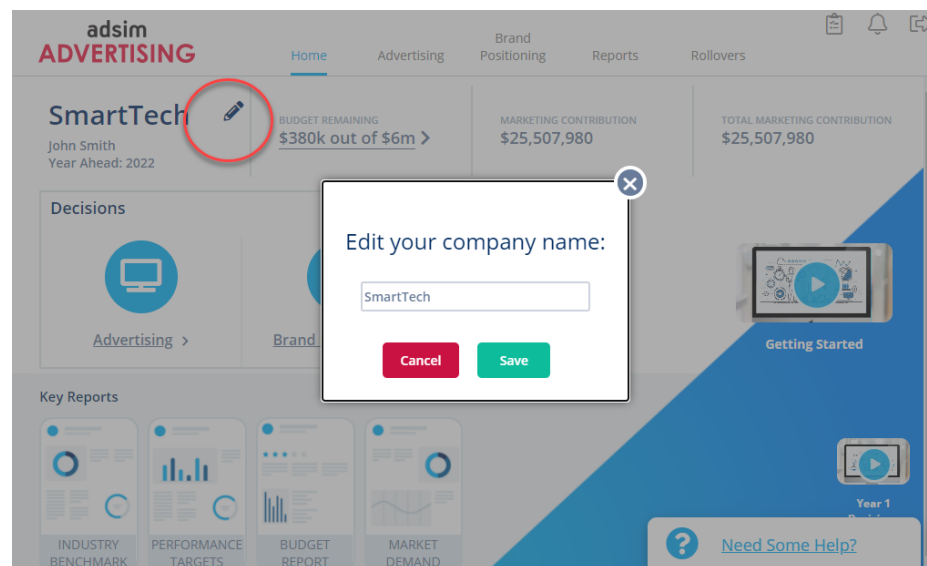

You can edit your company name at any time in Year 1 through the Home page.


Year 1 Decisions

Get started by getting to know your company and the market using the Key Reports located on your company's Home page.

In addition to deciding on a new company name, you will need to make the following decisions:

- Choose four **Brand Positioning Messages** to guide your Advertising campaign.

- Set an **Advertising** budget and then allocate this across the five media channels.

Your decision screens are available through either the top navigation main menu or through your company's Home page:
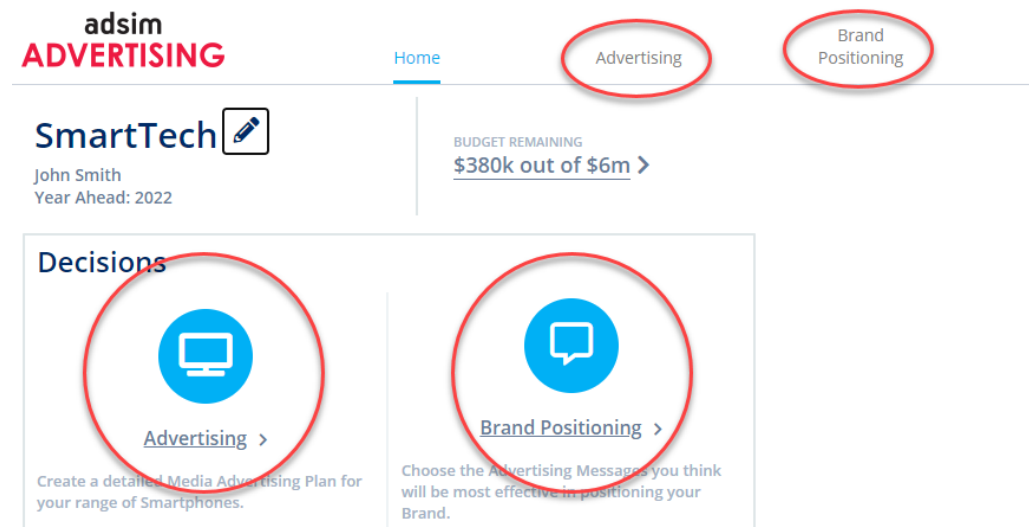
Brand Positioning

Brand Positioning refers to the key messages that you want customers to associate with your brand so it has a distinctive place in your customers' minds. All the potential messages about your Smartphones are true, so you need to choose the options that appeal the most to your markets.

You must choose ONE message that will feature prominently in your advertising for each of:

- **Target:** the type of Smartphone user you think your Smartphones will most appeal to.

- **Benefit**: the benefit of using your smartphones which will appeal the most to your customers.

- **Proof:** which smartphone feature you want to be the focus in your advertising campaign.

- **Theme:** the theme of your advertising campaign.

You will see these Brand Positioning categories at the left of the Brand Positioning screen:
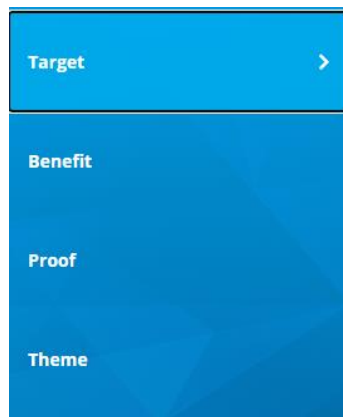
Within each Brand Positioning screen, click on the message you want to choose, then click the Save button to save your choice.

Purchase the *Market Survey of Customer Needs* Market Research report at the right hand side of your screen to find out which Brand Positioning messages appeal the most to the New and Repeat Customer segments.

Your decisions will result in a Brand Positioning Rating. This is a rating from 1 to 100 on how well your chosen messages resonated with customers. You can see your Brand Positioning Rating and how it compares to the Industry Average Rating at the right of your screen.

67
Brand Positioning Rating

70.9
Industry Average Rating

After the first rollover, you should purchase the *Brand Positioning Study* at the right of your screen to see in more detail how your competitors' brand positioning performed, and what messages your competitors chose to use last year.

🔒 Brand Positioning Study
Buy Report - $50,000

Advertising Plan Screen

The Advertising Plan screen enables you to:

1. Set your Advertising budget; and

2. Allocate this budget across five possible media channels.

Advertising Plan
Specify the spending for all advertising channels

Expenditure ($)	5,250,000
Last Period ($)	5,250,000

Allocate the spending amongst advertising channels

Name	%	$
Social Media	15	787,500
Digital Media	15	787,500
TV	50	2,625,000
Print	10	525,000
Radio	10	525,000
Total	100	5,250,000

See *Media Viewing Habits* and *Advertising Reach* under Chapter 2 to learn how to determine an optimal advertising mix and how much to spend on each channel.

SOCIAL MEDIA

Social media platforms enable users to connect and share their stories with others.

These platforms provide companies with the ability to integrate paid advertisements within the user's news feed. Specific audience targeting can be achieved through user interests.

Examples: Facebook, Instagram, Twitter.

DIGITAL MEDIA

Advertising through Digital Media allows you to engage and reach potential customers through their devices. Methods such as paid advertising on search platforms, digital video and music streaming services.

Examples: Google Ads, Youtube, Spotify.

TELEVISION

Television (TV) advertising on cable and free-to-air broadcasts is still one of the most effective methods of reaching a large audience.

Live viewers do not have the ability to skip advertisements, so your promotional content is seen by the majority of the viewing audience.

PRINT

Print advertising covers promotional content featured in magazines, newspapers, direct mail and out of home advertising.

Print media covers a wide range of audiences including specialist technology and audio magazines.

RADIO

Radio is a traditional media channel which broadcasts content and advertisements over AM and FM radio frequencies, as well as live streaming and podcasts.

Year 2 New Decisions

In addition to last year's decisions, **Advertising Media Mix** decisions are available from Year 2.

Advertising Media Mix Screens

From Year 2, you can target your advertising spend in more detail. For instance, Digital Media can be split into Search, Display / Banner, Digital Video, Digital Audio, and Email. And the Digital Video sub-category can be targeted by genre: Reality, Drama, Documentary, News, Sports, and Comedy.

Digital Media - Digital Video

Allocate the spending amongst Digital Video channels

Name	%	$
Reality	17	26,775
Drama	17	26,775
Documentary	17	26,775
News	17	26,775
Sports	17	26,775
Comedy	15	23,625
Total	100	157,500

View the media research report at the right of each Advertising Media Mix decision screen to find more information about each of the choices, and the ideal allocation for the New and Repeat Customer segments.

Remember to view the Market Demand report at the right of each screen to help you decide whether to bias your decisions towards the New or Repeat Customer segment.

Year 3 New Decisions

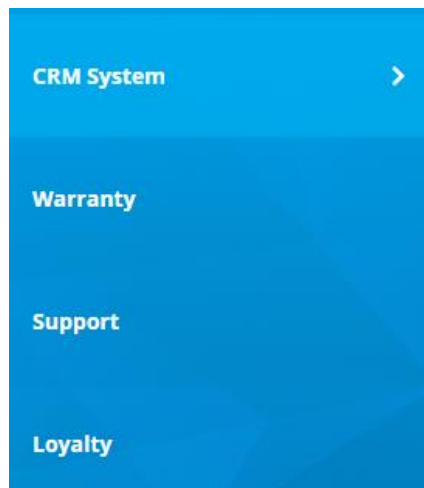The Customer Relationship Management decisions are available in Year 3.

The CRM decisions help you track and build relationships with your customers and increase customer satisfaction which encourages customer retention.

Decide what type of CRM System, Warranty, Support, and Loyalty system to fund. Note that the most expensive CRM options are costly so you will have to decide how much budget to allocate to CRM vs Advertising.

You must choose ONE CRM option for each of:

- **CRM System:** these applications allow you to keep track of your customers and to contact them with appropriate follow up offers when they are most likely to be thinking about upgrading.

- **Warranty:** what length of warranty should you offer? 180 days, 12 months, 24 months, or 36 months?

- **Support:** will you just provide a basic user manual, or a premium customer support service?

- **Loyalty:** how can you engage your customers on an on-going basis to improve your relationship with them?

You will see these CRM categories at the left of the CRM screens:

Within each CRM screen, click on the option you want to choose, then click the Save button to save your choice.

CRM System

Select CRM System to use

None

You do not believe that a Customer Relationship Management (CRM) system database would add any value to your Marketing Campaign.

Entry Level - $150,000

You will test the effectiveness of a Customer Relationship Management (CRM) database by making a small investment in an "off the shelf" Entry Level CRM Application.

Mid Level - $350,000

You will invest in a mid-level commercial Customer Relationship Management (CRM) database system to give you better information about your customers.

Custom Built - $705,000

You will make a substantial investment in a custom built CRM system to provide you with the most effective way to capitalize on and grow your customer base.

Undo Changes   **Save**

Purchase the *Market Survey of Customer Needs* Market Research report at the right hand side of your screen to find out which CRM options appeal the most to the New and Repeat Customer segments.

Market Survey of Customer Needs
Buy Report - $50,000

Your decisions will result in a CRM Rating. This is a rating from 1 to 100 on how well your chosen CRM options were perceived by your customers. You can see your CRM Rating and how it compares to the Industry Average Rating at the right of the CRM screens.

63
CRM Rating

54.8
Industry Average Rating

After the 3rd rollover, you should purchase the *CRM Communications Study* at the right of your screen to see in more detail how your competitors performed, and what options your competitors chose to use last year.

CRM Study
Buy Report - $50,000

Year 5 New Decisions

The Marketing Communication decisions are available in Year 5.

Choose from various types of Sales Promotion, Trade Promotion, Sponsorship, and Social Influencer initiatives to increase your exposure and attract new customers.

Note that the most expensive Marketing Communication options are costly so you will have to decide how much budget to allocate to Marketing Communications vs CRM and Advertising.

You must choose ONE Marketing Communication option for each of:

- **Sales Promotion:** choose an accessory to bundle with your Smartphones.

- **Trade Promotion:** these initiatives make your Smartphones more attractive to distributors and help with in-store placement and promotion.

- **Sponsorship:** choose an event or sport where you will be a prominent sponsor

- **Social Influencer:** choose the type of social influencers you want to work with

You will see these Marketing Communication categories at the left of the Marketing Communication screens:

Within each Marketing Communication screen, click on the option you want to choose, then click the Save button to save your choice.

Purchase the *Market Survey of Customer Needs* Market Research report at the right-hand side of your screen to find out which Marketing Communication options appeal the most to the New and Repeat Customer segments.

Your decisions will result in a Marketing Communication Rating. This is a rating from 1 to 100 on how well your chosen Marketing Communication options were perceived by your customers. You can see your Marketing Communication Rating and how it compares to the Industry Average Rating at the right of the decision screens.

After the 5th rollover, you should purchase the *Marketing Communications Study* at the right of your screen to see in more detail how your competitors performed, and what options your competitors chose to use last year.
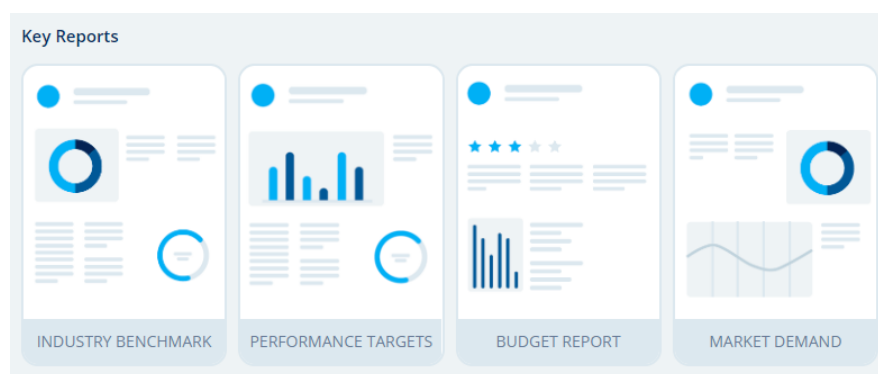
C H A P T E R 4

Reporting

Report Shortcuts

Company Home Page

Your company's Home page features shortcuts to four key reports:

Industry Benchmark: Compare Sales, Marketing Expenses, and Marketing Contribution across all companies in your industry.

Performance Targets: This summarizes the Marketing Contribution for all companies in your industry and shows how you did against your secondary performance targets.

Budget Report: Shows how much budget you have in total this year, what you are currently spending it on, and how much left you still have available to spend.

Market Demand: Compare the market share and sales units for the New and Repeat customer segments for all companies in the industry.

Top-Right Icons

At the top-right of the simulation interface there are two icons:

1. **Saved Decisions:** Opens the *Current Saved Decisions* report so you can check all currently saved decisions. These are the decisions which will be processed at rollover.

2. **Alerts & Notifications:** Brings back the initial login pop-up notifications which provides key results and information on making decisions for the year ahead.

Live Budget

Click on the Live Budget widget at any time to view your *Budget Report*. This displays marketing budget, your current marketing expenses, how much budget you still have available, as well as a comparison with the budget from last year.
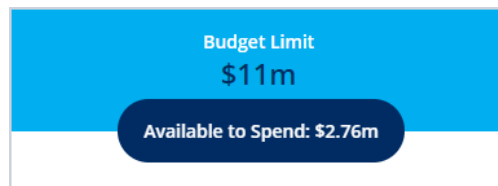
Reports Menu

The Reports menu provides you with access to all of your company's reports. Once selected, the left-menu categorizes reports according to the headings below.

Key Reports

Industry Benchmark: Compare Sales, Marketing Expenses, and Marketing Contribution across all companies in your industry.

Performance Targets: This summarizes the Marketing Contribution for all companies in your industry and shows how you did against your secondary performance targets.

Budget Report: Shows how much budget you have in total this year, what you are currently spending it on, and how much left you still have available to spend.

Market Demand: Compare the market share and sales units for the New and Repeat customer segments for all companies in the industry.

Market Share: A pie chart showing market share for all companies in the industry

Segment Sales in Units: A line chart showing the total size of each market segment over time.

Multifirm Total Marketing Contribution: A line chart showing the total marketing contribution for all companies in your industry over time.

Multifirm Sales Revenue: A line chart showing wholesale sales for all companies in your industry over time.

Multifirm Total Marketing Contribution: A line chart showing the total marketing contribution for all companies in your industry over time.

Current Saved Decisions: All of your currently saved decisions for the year ahead.

Course Scoreboard: See how your company ranks on TMC across your entire course (if enabled by your instructor).

Market Research

All reports which your company has purchased are listed here, sorted by year. You can also view the free Media Research reports showing advertising reach and media viewing habits for all the media channels and sub-categories.

Search

The search feature enables you to conduct a keyword search across all reports.