‘Start-up 1-Easy’ - make a profit in 11 moves!
Watch the video showing the actions set out below. Then load the scenario ‘Start-up 1-Easy’ and follow the instructions to familiarise yourself with the simulation.

Open SimVenture Classic / Click ‘Load Scenario’ / select ‘Start-up 1-Easy’ / click ‘OK’ / choose an advisor and click ‘OK’

Gather some research
1. Click Menu / Market Research - Commission the new report from a Consultant & confirm ‘Yes’.
2. Click Menu / Competition Research - Commission the new report from a Consultant & confirm ‘Yes’.

Set up an overdraft
3. Click Menu / Overdraft – Enter £20k in the ‘Amount’ box and click ‘Apply for Overdraft’ & confirm ‘Yes’.

Set up a loan
4. Click Menu / Bank Loans – Enter £20k in the ‘Amount’ box and use the dropdown to select a 3 year period. Click ‘Apply for Loan’ & confirm ‘Yes’.

Run the month
Click – ‘RUN THE MONTH’ - (then ‘Yes, Run the Month’) - Click ‘Close’ to close the Month End Report

Now you have some market information to analyse you can look for an opportunity to exploit. There may be a gap in the market or a weak competitor that you feel you can challenge. You can view the reports by choosing menu / market research / view report – from the Market Overview Report screen, click View Competitor report to view the other report.

Choose a target segment
5. Click Menu / Target Segment - Select ‘Engineering Companies’

Create a product design
6. Click menu / Product Design – Click the ‘Redesign Product’ button.
   Set the slider for each attribute to 70%.

   Select ‘Design Consultancy’ to complete the design.

   Click ‘Confirm Design Changes’ & ‘Yes’ to confirm.

   Give your design a name and click ‘OK’

Note that the ‘Effort’ bar on the Status Bar at the bottom of the screen has changed to red. This is because the 8 hours to complete the work on the design means that the company needs more working hours to complete the work.

7. Click the ‘Time’ bar on the Status Bar and slide the working hours slider up to 40. This provides spare time to work with. Note that the ‘Time’ bar is now green again.

Select a selling price
8. Click Menu / Pricing – click the ‘Change Pricing’ button & then set the Unit Price to £580
Select selling points

9. Click Menu / Selling Points – use the dropdown arrows to select the following:
   1. Good Performance
   2. Good Quality
   3. Good Features

Run the month

Click – ‘RUN THE MONTH’ - (then ‘Yes, Run the Month’) - Click ‘Close’ to close the Month End Report

When this message appears:
Click ‘Yes’

Now you have a product to market you will need to generate interest by promoting your product.

Set promotions

10. Click Menu / Marketing Promotions
   Follow the grey arrows:

   New Promotion / Advertising / New Advert

   Click Select and choose ‘Trade Magazine’

   Select:
   ‘Advertising Consultant’
   Large
   6 months

   Then click ‘Confirm Advert’

Set Production Strategy

11. Click Menu / Production – click the ‘Change Production’ button.
   Select ‘Contract some out and build the rest in-house.’
   Check the ‘Automatically calculate units to contract out?’ box.

The simulation will now automatically set your production to meet demand for each month.

Run the month

Click – ‘RUN THE MONTH’ - (then ‘Yes, Run the Month’) - Click ‘Close’ to close the Month End Report

The company has 2 enquiries, 2 Orders (2 units) & 2 Sales (2 units).

Run the month

Click – ‘RUN THE MONTH’ - (then ‘Yes, Run the Month’) - Click ‘Close’ to close the Month End Report

The company now has 6 enquiries, 5 Orders (7 units) & 2 Sales (2 units). It has also made a very small profit!

If more months are run, Orders and Sales continue to increase due to the Trade Magazine Advert that runs for 6 months but unfortunately, this is not enough to sustain the business.
Now try to make changes of your own...

The value of working with a simulation is that you can quit the game and reload the same scenario to try again. Exactly the same actions will generate exactly the same results. By changing some actions, you can try to make the business more sustainable.

The key is to make informed decisions rather than guess. Identify a problem, decide how to solve it and act!

The option to quit and reload is a luxury we do not have in the real world but it gives us the opportunity to learn from our errors.

Consider these questions.

How could you save money on the cost of producing your product?
How could you generate more sales to create more turnover?
Can you see a way to find out what your customers think about your product?

What would happen if:
- You didn’t take out a loan or overdraft?
- What will happen after the last Trade Magazine advert runs in August?
- You chose different/more different promotions?

Consider changing these things to improve the situation:

Choose a different Product Design
Some of the attributes are set very high when compared to the preferences shown in the Market Report.
You could reduce the Quality, Features & Style of the product a little to better reflect the preferences of the market. This would also reduce your costs.
You may then decide to reduce the price to make your product more competitive.

Choose a different Price
Select a new supplier
Choose different selling points
Take out a loan
Invest in more promotions
Employ staff to allow you to build more products in-house
Conduct some Customer Research

Whatever you choose to do there are lots of opportunities to learn more about running a business with SimVenture Classic.