## APPENDIX ONE

## MARKSTRAT as Research Environment

Cook (1987) notes that studies of marketing strategy in the real world are plagued by problems. Among the most important are measurement errors that confound results, incomplete data that support misleading conclusions and discontinuity in the environment. Cook states that the MARKSTRAT environment suffers from none of these problems. Larréché (1987) states that a simulation game can only contribute to research when it shows realistic behaviour. Research reported seems to justify the conclusion that MARKSTRAT does exhibit this realistic behaviour. Dodgson (1987) reports the experiences of International Computers Limited (ICL) who used MARK-STRAT in a marketing-development program to make its managers internationally competitive in industrial marketing. Participants attending MARK-STRAT see it more and more as a market simulation, instead of a game, with a realistic complexity, that calls for, and allows, a richness of management decision-making. Kinnear and Klammer (1987) did research on the question whether managers from diverse industries perceive MARKSTRAT as reflecting a real enough marketplace to be useful both as teaching tool and as research environment. Results indicate that managers working in diverse industries believe that MARKSTRAT does reflect a real environment useful for teaching and research. These are important reasons for the fact that a number of studies have been conducted in the MARKSTRAT environment. Ten studies have been identified which were carried out in the MARKSTRAT environment earlier than ours was.

Hogarth and Makridakis (1981) and Ross (1987) examined the influence of the kind of decision-rules used by managers on decision-quality. Lant and Montgomery (1987) conducted research on the question of how managers learn in complex, ambiguous and dynamic environments. Cook and Page (1987) did research on the explanation of risk-taking behaviour. Fox Utsey (1987) investigated the relationship between actual and potential profit. Glazer, Steckel and Winer (1987) performed an exploratory study designed to investigate which factors in a group process relate to effective marketing decision-making. In 1989 a study of Glazer, Steckel and Winer on the expectation formation process was reported. Green and Ryans (1990) examined the relationship between a firm's entry strategy on a new market and eventual product performance. Recently, Curren, Folkes and Steckel (1992) investigated attributional processes involved in marketing planning. Glazer Steckel and Winer (1992) conducted research on the distracting effect of information on managerial performance. Lant (1992), finally, performed research on the formation of aspiration levels.