

# **SERVISIM 4.0**

A Business Simulation for Executive Training in Service Marketing  
Strategy And Management

[What is Servisim 4.0 ?](#)

[Objective](#)

[Why use a Simulation ?](#)

[Target Market](#)

[Key Issues in Servisim](#)

[Decision Areas](#)

[Phases in each Decision Round](#)

[Description of the Market Environment](#)

[Description of Participant Reports](#)

[Description of Administrator Reports](#)

What is Servisim 4.0 ?

**Servisim** is the services marketing and services strategy simulation created by PRISM in 1992. Servisim complements services management training sessions by allowing the participants to actively manage companies in a competitive, simulated, environment. Servisim has been continuously updated and its fourth version has been launched in 2017, including adaptations related to recent topics on customer loyalty, CRM, customer value and digital communication tools.

## Objective

**Servisim** is an active learning tool, which has been developed:

- To expose students and executives to the concepts of marketing strategy, planning, services management and service quality.
- Give executives experience in applying professional concepts by allowing them to put a service marketing strategy into practice in an organisation, which competes in a competitive, simulated, marketplace. It is also used as an integrative exercise at the end of management development programs.

## Why use a Simulation ?

Even though simulations are "virtual", and can not integrate the full complexity of service company management in the real world, simulations present an opportunity to learn actively, in groups. By alternating conceptual inputs and simulation decision rounds, the transition from theory to application is demonstrated. In fact, simulations offer a risk free laboratory and learning environment.

Many training and development programmes have as objective to demonstrate theoretical concepts and give practical examples of application. A simulation goes beyond this objective by ensuring that participants learn to apply (and sometimes how not to apply) the concepts actively, in groups.

## Target Market

**Servisim** has been used successfully:

- With students in marketing, strategy and services management courses
- With executives from companies who have the objective of differentiating their offering with the services part of their product.

## Key Issues in Servisim

Management of Service Companies

Market / Segment choice Competitor analysis

Service Marketing Strategies

Product pricing in high fixed cost environments

Management of customer expectations, satisfaction & loyalty.

## Decision Areas

Management of people (staffing levels, training, teambuilding, bonus,...)

Marketing Management (marketing mix, targeting, positioning)

Accounting (product profitability, activity based costing)

Customer Information Data bases, service development

Distribution and production strategy

Pricing.

## Phases in each Decision Round

1. Market analysis (market reports and internal reports)
2. Decision-making (corporate and product decisions)
3. Putting decisions on diskettes and financial simulation of various scenarios
4. Analysis of the results including the impact of the competition in the different markets.

## Description of the Market Environment

### Markets & Products

#### Two Markets

1 B to B market with 2 segments (Industrial and Service companies)

1 B to C market with 4 segments (Youngs, Middles, Executives and VIPs)

## **Three service "technologies" which differ in the way the service is delivered:**

1 product type for the business to business market, called "Compers"  
2 product types sold to the consumer markets

"Regulars" delivered by people only

"Bettors" delivered by people, assisted by machines

## **Possible emergence of a new digital service delivery technology.**

### **The Service Marketing Mix**

Promotion (digital advertising in social media, direct mail, key account management,...)

Pricing (base price and quantity discounts)

Product (guarantee, extra support,...)

Place (distribution channels, availability,...)

Positioning the message (managing customer expectations)

People management (service, quality and product training, motivation,...)

Physicals (Physical Layout of distribution, refurbishment,...)

### **Production & Sales (Distribution) Channels**

Three production strategies for the tangible part of the delivered service product

(complete outsourcing, internal tailoring or fully internal)

Three distribution and sales channels

(primary locations, secondary locations and franchises)

### **Human Resources**

Operations, service & support, complaint and account managers

Staffing levels, various types of training, motivation.

## Competition

Six companies compete with different strengths, some are niche players, some are too small to be everything to everyone, some start off with a dominant position.

### Description of the Participants Reports

#### Financial & Accounting Information

Product Accounts (product contribution)  
Company Accounts  
Customer profitability (per segment)  
Activity Based Costing (per distribution channel)

#### Operarions Review

Personnel utilisation rate  
Personnel competency benchmarks

#### Customer Information

Number of customers per segment/product.  
Customer expectations and complaints  
Net Promoter Scores (NPS) & Customer Loyalty

#### Market Research

Potential business per segment  
Product perceptions (perceptual maps)  
Segment needs (conjoint analysis)  
Awareness data  
Customer satisfaction data  
Competitive Intelligence  
Market Shares

### Description of the Administrator Reports

