

Judge - Professor DePaoli
News Reporter - Owen
Chirag - Defense (Scuderia AddaDaas)
Lokesh - Prosecutor (Competing Company)

Owen - "BREAKING NEWS! Local bike company Scuderia AddaDaas has been brought before the marketing court today following a debatable [use air quotes] second place in the marketplace bike simulation. Our sources say that the company may have had no real strategy and just stumbled into success. We are going to live in the courtroom now."

Judge - [Bang Gavel] "ORDER. This Court is now in session! Scuderia AddaDaas has been accused of building their company up to second on the balanced scorecard through reckless decisions and pure luck, with no actual marketing strategy. Prosecution, you may now make your case.

Lokesh - "Thank you, Your Honor. The prosecution is not here to say that Scuderia AddaDaas failed. Rather, we are here to say they got lucky. When you strip away all the vocabulary, they can't explain why their company worked. In marketing, success isn't measured by outcomes alone, it's measured by whether decisions follow a clear and consistent strategy. Today, we're going to test whether Scuderia AddaDaas actually had one. We are here today to prove three different things. First, their product decisions did not follow a single strategy. Second, their initial losses were not planned. And Third, their expansion into three cities had no planning behind it. Scuderia AddaDaas, or is it Scuderia Adda-Last?"

Chirag - "Your Honor, the prosecution just challenged us to explain our whole reasoning. While our individual reasonings per decision might vary, we followed the overall framework with STP, segmentation, targeting, and positioning. It was not applied afterwards, it is what fueled all our decisions. Thank you."

----- **[Judge signals fast to Lokesh]**

Lokesh - "Let's start with Count 1. I'd like to submit exhibit A. The Scuderia Sprint scored a 97 in approval for Speed. The Daily scored a 90 for recreation. The Alpine is an 87 for mountaineering. But the Basic, it scored a 71, in the same market where their own flagship scored a 97. How can this be? I'll tell you. They cut corners and called it strategy. If this was truly a differentiated targeting strategy, every product should clearly align with a segment's needs. But when one product scores significantly lower in the same segment, it raises the question, was this intentional positioning, or inconsistency in execution?"

Chirag - "You Honor! The prosecution is putting words in our mouth. First, let's put some respect on the sprint. It scored a 97, tied as the market leader for the best designed speed bike in the entire sim. The alpine got an 87. The daily got a 90. These scores happened because we studied every single segment and built our brands around what those customers required.

The speed segment had customers with a max willingness to pay of 1300 dollars. But with that high of a price, they are not buying transportation, rather its identity. Exclusivity. The feeling of eliteness. That need has a name in the MASLOW HIERARCHY OF NEEDS. It is at the level of esteem, the human desire of status recognition and self image. You market with prestige. Your Honor, you can't price a Ferrari at 50k and expect wealthy people to buy it. They want what others do not have.

I would like to submit exhibit B, The market leader, they charged in the 1200s for both bikes with zero rebates. You can see with the sprint we arrived at a similar price. But with the Basic, it was not built to be perfect. Rather it was built to capture Speed customers that this premium pricing model left behind. We actually lost money on it initially. This is penetration pricing.

But also we wanted to capture the market share of those who could not afford the Sprint but still desired the elite feel. While wealthy people won't buy a 50k Ferrari, people who want to seem wealthy will."

— [Judge starts slowly nodding and squinting in approval to Scuderia]

Lokesh - "Well lets move on to count 2. Exhibit C. How can you explain this? Negative 78 thousand dollars in a single quarter. Don't tell me that the previous speaker planned this. This is a team that spent then thought how to justify after. This loss in size suggests that it isn't just a lack of investment, but also a lack of pacing itself. In marketing strategy, timing and resource allocation are just as important as the strategy itself. You increase risk when you overspend early without proven demand.

Chirag - "Your Honor, I will partially agree with the opposition's statement. We knew that our sunk costs were coming, with our advertising, store lease, sales force, and brand engineering. But we underestimated the size of the loss. We did not stage out infrastructure spending carefully enough and it really hurt us early on financially. If we did this again, we would have more precise sales, start out more lean, prove our revenue, then expand.

It's a real mistake we made. But we own up to it. Here is what we didn't get wrong, the diagnosis. When we realized this number, we did not reduce prices or panic. We were last in the balanced scorecard. Instead, we held our strategy of speed and redesigned our bike to better target the elite segment and enter from the introduction phase into the growth phase. A team that is reactive from numbers would never have reached our position. You have to commit."

--- [Judge moves arms in expressive way and agrees with Scuderia]

Lokesh - "FINE! Let's move on to Count Three. You have three cities for three segments. You have your four brands. What you did was see other teams expanding and followed them and their brands. This is imitation, not pure leadership and innovation. Expansion across multiple cities can be powerful as a growth strategy, but only when it aligns with a clear segmentation and targeting plan. Otherwise, it's reactive rather than strategic."

Chirag - "We came prepared for this. Why don't we check out Exhibit D, your Honor. New York, Rio, and Amsterdam. Our priority order was Speed, then Mountaineering, and lastly recreation. Therefore, we opened in New York since it had the best potential for Speed and Mountain. Rio was second best in mountain and had a more local smaller untapped speed market. Amsterdam had the best recreation potential and second best for speed. There was a fourth, Bangalore, that had strong recreation potential only. But we did not expand there on purpose, since it would be last on our pecking order.

Now let me touch on the second part. I will admit, we did imitate certain features from the other brands. Especially in mountain and speed. But we had a reason for that. When another company which in that segment we are not in is doing well, you copy them. Not in a bad way, but rather because we knew we held a SECOND MOVER ADVANTAGE, allowing us to avoid their mistakes and improve on their ideas.

Look at Exhibit E. This is our most definitive proof. As we expanded across our locations and got deeper into segments, we did not run one generic campaign everywhere. We learned how each segment worked and aligned to its positioning, elite performance for speed, durability for mountain, and comfort and value for recreation. Therefore, our marketing effectiveness grew constantly across the sim. This shows it was not luck. There was a real alignment to our customers."

Lokesh - "Your Honor! The market leader finished with a scorecard nearly 3 times higher than Scuderia's! If strategy is truly effective, it should not just produce results, but outperform the competitors consistently. The gap between Scuderia and the market leader suggests that while their strategy worked, it may not have been optimized for maximum growth. You cannot call that strategic brilliance and finish that far behind the market leader."

Chirag - "Your honor, the market leader won on pure expansion. They expanded aggressively early and their risks paid off over time. That is the most honest thing we can tell you and the court tonight. We played it safe for far too long. We stayed focused on Speed too long when we should have branched out earlier to new geographic segments. We should have entered Recreation earlier than Q5, preferably in Q3. While we were trying to perfect our foundation, the market leader built market share quarter after quarter. The scorecard tells that story clearly. Risk is what builds a business. We should have taken more risks.

But there was one place we took a risk and it paid off. When we entered recreation, a segment we had no experience in, we achieved an approval score of 90 on our first try, one of the best performing recreation brands in the simulation. This was not luck. We applied the same framework we used before, we studied what recreation wanted, comfort, reliability, value, and a high price elasticity of demand. We even used rebates to protect our elite brand equity without lowering our price. We really build our messaging and brand around what the customer cares about.

We made real mistakes, I will admit. We spent too much in Q1 and 2, and not nearly enough afterwards. We left market share on the table. For us, playing it safe felt smart in the moment.

The market rewards teams that move with intention and trust in their strategy before achieving perfection.

If you don't take anything away today, your honor, please at least understand one thing. We might have not been the top team by market share and revenue. But we were second. We learned from our mistakes when we were last, and built strategy through intention. The defense now rests.”

– [flip slide]

Judge - “After hearing out both the prosecution and the defense. The strategy was proved to be decided before decisions were made. And mistakes or fluctuations from this were talked about honestly. Your reasoning was explained using marketing terms. ON ALL COUNTS, Scuderia AddaDaas is found NOT GUILTY. The Court is hereby adjourned. You really Scuderia Adda-cooked with your argument.”

[judge bang gavel or hand]