

Competitive Strategy Game Write-up
Due Friday May 9 by 1 p.m.

Instructions: This assignment asks you to describe your strategies during the CSG and what you have learned from this game. Thoughtful responses to these questions are the main determinant of your grade on the CSG assignment—more important than your team's final balance!

The answers to these questions need not be exact numbers or calculations, although you may use these to illustrate an answer. Use judgment about how much information is required to give a convincing and thorough answer to the questions, while recognizing that it is generally impossible to solve the game optimally at any point in time. Precise qualitative discussions and careful logic are sufficient as long as you are clear about what information and calculations you did (or could do) to support your conclusions.

The total length of your write-up should be no more than four single-spaced pages (12-point type with 1.25-inch margins). The indicated points for each part are intended to guide you on how much detail to provide. It is fine to be more concise, as long as you believe a reader can evaluate the qualitative features of your strategy. Your evaluation depends on the quality of your explanation to the questions below.

If you use a spreadsheet as supporting evidence, you must describe your answer in words so that it is self-contained without reference to the spreadsheet. You do not need to include spreadsheets; it is sufficient to describe verbally the calculations you made.

You should discuss this assignment with your team, but your answers must be completely original. That is, you may not copy sentences from your teammates. You are expected to discuss the project, and then go your separate ways to do the write-ups.

1. Consider the first market you entered in the game. (10 points)
 - a.. Were you surprised at what your opponents did in the first period? Do you think that was bad luck or something that could be anticipated as likely to happen?
 - b. If you had to play this game again, would you make a different choice?
 - c. Would you make a different decision if you were starting the game over, given:
 - (i) you have the same cost positions you had in this game
 - (ii) you are playing teams from this class in a new game
 - (iii) your opponents' costs are drawn anew from the same distribution?

2. Entry decisions (20 points)
 - a. Describe the main factors (at least 3) your team considered overall in making entry decisions subsequent to the first period, and how you typically used and balanced those factors in reaching a decision. For example, a factor might be differentiation in a market--something that affected your overall profitability calculation.
 - b. Pick one period (after the first) and outline the specific reasoning behind the choice you made. You should describe precisely at least 3 factors that you considered in making your choice at this particular point in the game, and at least one of these should be strategic (that is, how you expected opponents to behave in current and/or future periods).
3. Pricing decisions (20 points)
 - a. Describe the main factors (at least 3) your team considered in making pricing decisions, and how you used and balanced those factors in reaching a decision.
 - b. Pick one period (after the first) and outline the reasoning behind the choice you made in a particular market. You should describe precisely at least 3 factors that you considered in making your choice at this particular point in the game in that market, and at least one of these should be strategic (that is, how you expected opponents to behave in current and/or future periods).
4. Strategic mistakes (20 points)
 - a. Consider possible mistakes you feel you made during the game (consider a mistake to be something you should have done differently, knowing what you knew about the game at the point the action was taken or not taken). Describe your biggest strategic mistake (in terms of effects on profits). Was it a mistake because you miscalculated your own profitability, or because you did not correctly anticipate your rivals' responses? In hindsight, what did you miss? Your mistake could be one of omission (failing to enter a market or price aggressively) or commission (entering a market you shouldn't have, making a capacity or pricing choice you shouldn't have made).
 - b. Did the other teams make any decisions that look like mistakes to you? Describe. Did they help you or hurt you? If not, how did their "predictability" or "rationality" affect your strategy?

5. Other teams (6 points)

- a. Do you think other teams in your game made decisions based on similar criteria to your team? What evidence leads you to this conclusion?
- b. Did you adjust your expectations about other teams throughout the game? Describe.

6. End of the game (6 points)

- a. How, if at all, did you change your approach to pricing (and capacity) decisions in the last one or two periods of the game?
- b. Did you expect the behavior of your opponents to change? Why or why not?

7. Public announcements (6 points)

- a. Did your team make public announcements? If so, what did you hope to accomplish and was it successful? If not, why not?
- b. How did your team interpret public announcements by others? Give at least one specific example of how you interpreted them. (If no opponents made announcements in your game, you get this one “free”!.) Did they affect your behavior?

8. Additional comments about the game (12 points)

- a. What did you learn about firm competition and firm strategy from this game? Did anything surprise you?
- b. Do you have other comments you would like to make about your strategy and the outcome of your team to help us evaluate your team's performance?