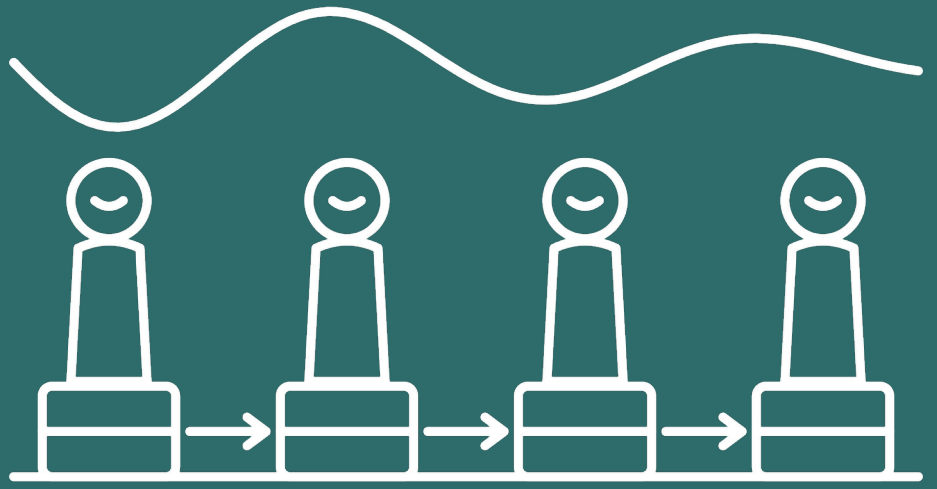
WIBFIN

Welcome to the supply chain

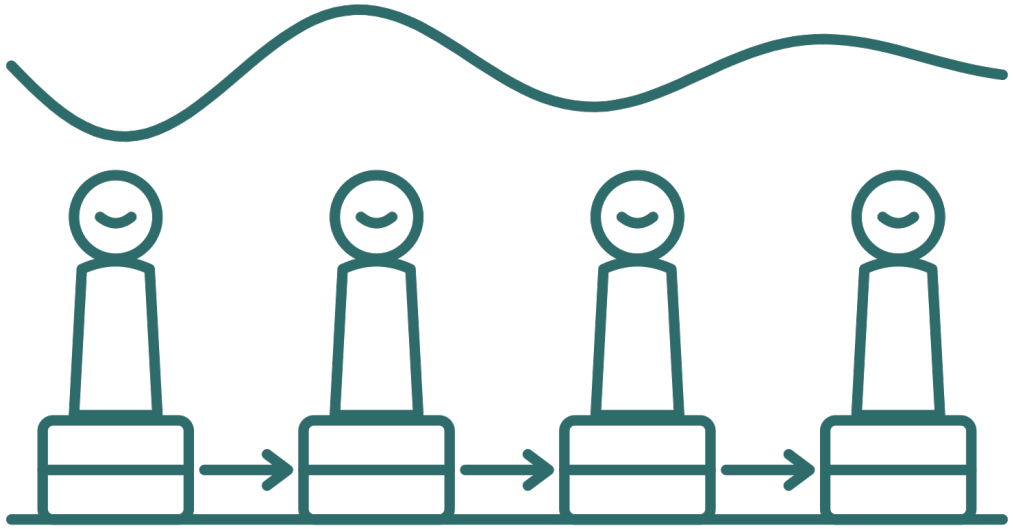
Supplychaingame – the business game about the bullwhip effect

[Event, date]



Your mission

You take over **one tier of a supply chain** for [beer] – from the producer to the retailer.



- Every week you make exactly one decision: how much do you order from the tier above you?
- Goods and orders take time to arrive.
- You only see your own figures – as in many real companies.
- You win together: the costs of the whole supply chain count.

What you learn in this game



Experience the bullwhip effect

Why do orders and inventory fluctuate so much more upstream than customer demand?



Think in systems

Recognise delays and feedback loops – and their consequences for your decisions.



Manage inventory properly

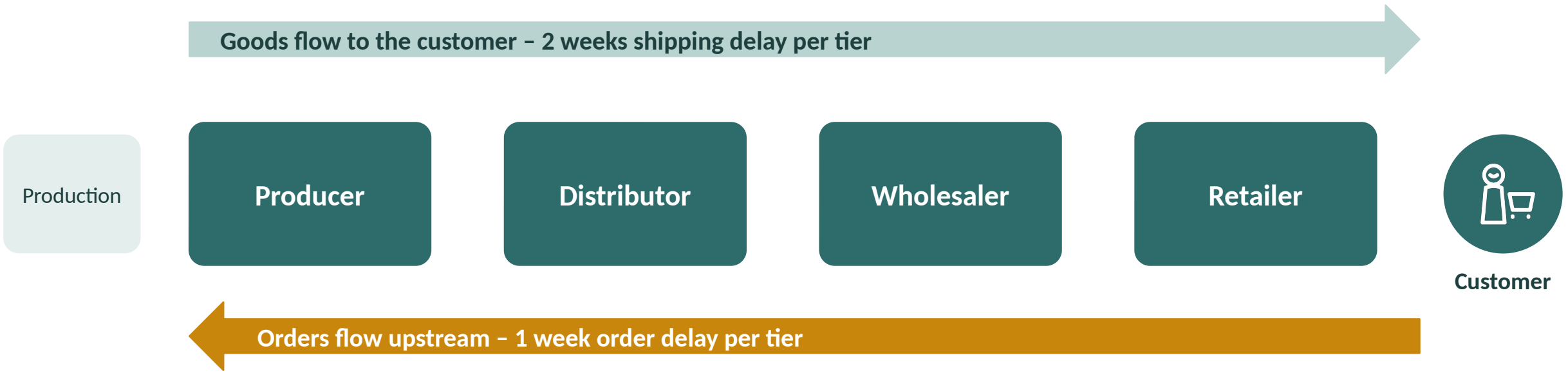
Don't just look at inventory: what has already been ordered and is on its way?



Understand collaboration

What is gained when information is shared along the chain?

Your supply chain



Replenishment lead time = 3 weeks. What you order at the end of week 7 arrives in week 10 at the earliest – provided the tier above you has enough in stock. If not, it delivers the rest later.

What happens in a week

1



Goods arrive

What was shipped 2 weeks ago lands in your inventory.

2



Order arrives

The tier below you (or the customers) orders from you.

3



You deliver

As much as you can: backlog plus new order. Whatever is missing becomes backlog.

4



Costs arise

For every unit in inventory and every unit in backlog.

5



You order

You see your cockpit and place your order.

Good to know: Goods that arrive in the same week can be passed on immediately. Backlog is not lost – it is delivered later.

Costs and goal

Holding costs

€0.50

per unit in inventory and week

Out-of-stock costs

€1.00

per unit in backlog and week

Your goal

- The lowest possible costs for the whole supply chain
- In the cockpit you see both: the chain's costs (SC) and your own
- Missing goods cost twice as much as goods in inventory



If the moderator sets a price: customers pay per unit delivered, and revenue is shared equally among all tiers. Then the chain's profit (contribution margin) counts.

Your starting position in week 0

12

units in stock – at every tier

4

units per week are on their way to you

0

units of backlog

15

weeks is how long the game lasts



So far everything has been calm. Recently, all tiers have ordered and delivered 4 units per week. Only the retailer knows how customer demand develops – and only once the customers are there.

Your cockpit



1

Order

Enter the quantity, submit – done. The key figures are below.

2

Status light

Green: has ordered. Red: still open. The next week starts by itself.

3

Further down

The chain's costs and your own, all logistics figures, game parameters and chat if enabled.

Reading the logistics figures

	Großhandel
Wareneingang	6
aktueller Lagerbestand	14
Bestellungseingang	8
alte Lieferverpflichtungen	0
Lieferverpflichtungen	8
tatsächlicher Warenausgang	**8**
neue Lieferverpflichtungen	**0**
neuer Lagerbestand	**6**
nächster Wareneingang	8
Ware unterwegs (gesamt)	17
bestellt, noch nicht eingegangen	17
meine Bestellung in Periode 6	9
Lagerkosten	3,00 €
Out-of-Stock-Kosten	0,00 €
Kasse	−31,50 €
Deine Bestellung in Periode 7	**noch nicht**

Delivery obligations

Backlog from the previous week + new order

Outgoing goods

The smaller of inventory and obligations

new delivery obligations

Your backlog – costs €1.00 per unit

ordered, not yet received

Everything you have ordered and not yet received

ⓘ explains every figure; the chart button next to it shows its history.

Rules



Each tier on its own

You only see your own figures. Don't look at the other tiers' screens.



Talking – only if allowed

[Moderator's rule, e.g.: no coordination with other tiers; chat only if switched on.]



Order every week

If you do not order, whatever was ordered from you is passed on automatically.

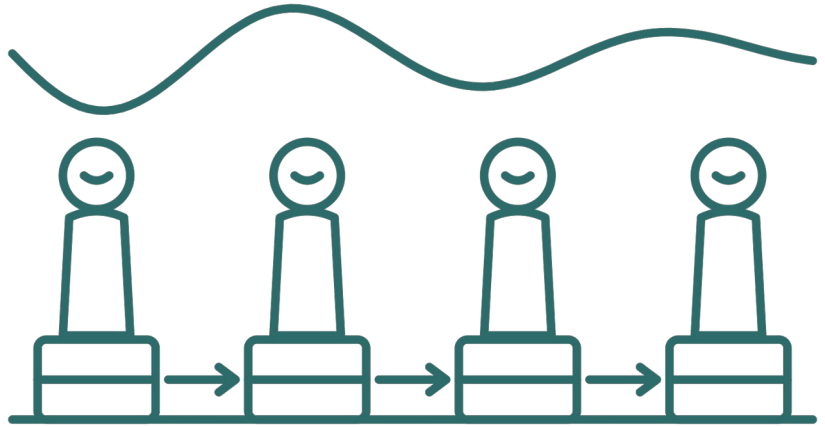


Questions?

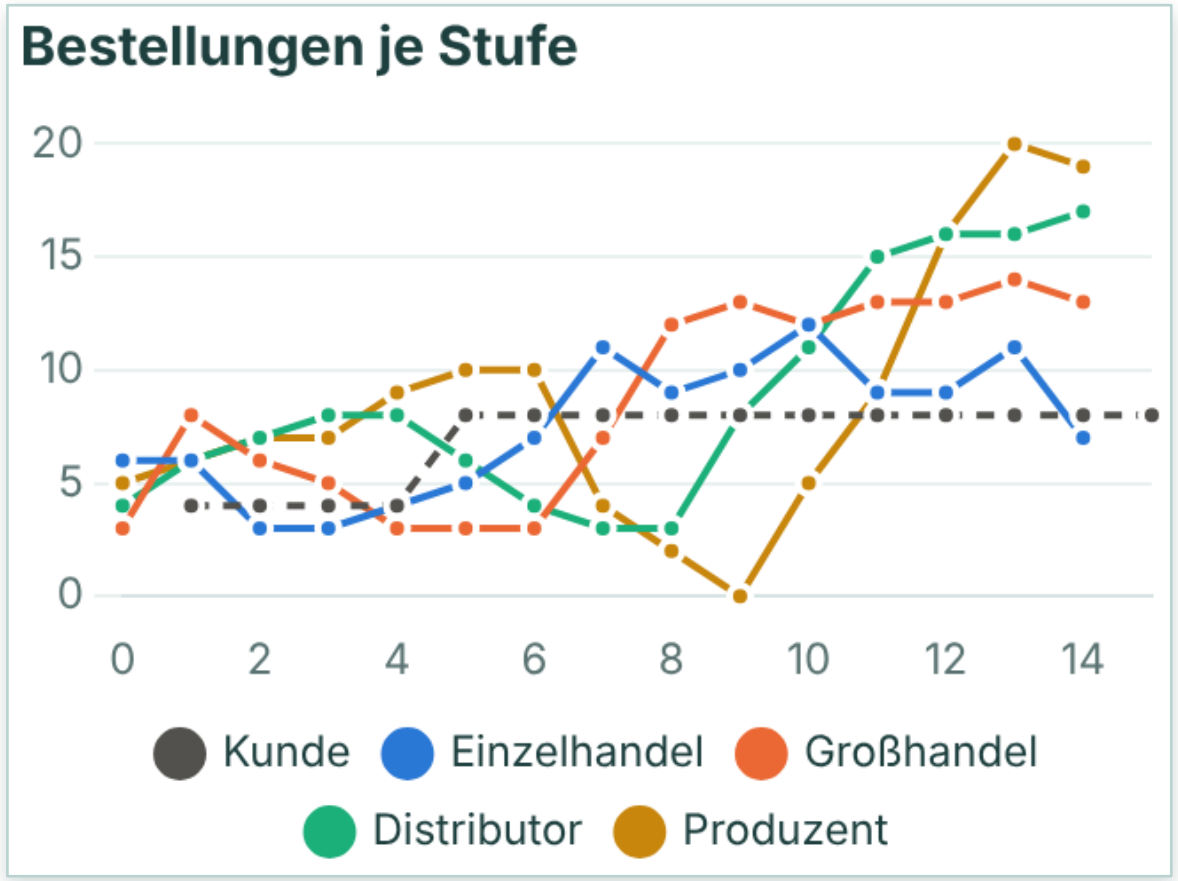
The in-game help and the ⓘ explanations answer almost everything. Otherwise: ask the moderator.

Five tips for your supply chain

1. Remember the goods already on their way – if you forget them, you order too much.
2. A backlog only disappears after the replenishment lead time. Don't panic.
3. The tier below you is your customer, the one above you your supplier.
4. Briefly note why you ordered as you did – it helps in the discussion.
5. A steady ordering pattern is often worth more than quick reactions.



After the game: what happened in your chain?



In the “Analysis” tab

- Orders of each tier next to customer demand
- Bullwhip factor: how much did each tier amplify the fluctuations?
- Costs and profit of each tier and of the whole chain

Food for thought

- What do you think customer demand looked like?
- When did you order the most – and why?
- What would you do differently next time?

What counts in the end



Chain result

Costs or profit of your whole supply chain in comparison



Your explanation

Can you explain what happened in your chain – and why?



[Further work]

[e.g. short presentation, analysis of the CSV data, reflection – set by the moderator]

A good result is nice – what you learn from it matters more.

WIBFIN

Let's go!

1. Open [www.wibfin.com/supplychaingame]
2. Log in with your login details
3. Read the starting position, place your first order

