

Global What IF Scenarios can be run within the **1** What IF section. In this section we have four global scenarios each with various options; Delay New Revenue Streams and Costs, Price Elasticity, Monte Carlo and User Defined.

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Set up the desired "What if" scenarios and save the data, when calculating you can get the system to calculate without running a "What if Scenario" or run a combination of "What if" calculations along with the original forecast.

2 Delay New Revenue Streams and Costs

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3 Price Elasticity Of Demand

Average Existing Stock Price

0

Average Existing Demand

0.00

Average New Stock Price

0

Average Forecast Demand

0.00

4 Monte Carlo Analysis

Sales Maximum % Over Target

-25.00 %

Gross Margin Maximum % Over Target

0.00 %

Sales Maximum % Under Target

5.00 %

Gross Margin Maximum % Under Target

0.00 %

SAVE SCENARIOS

5 User Defined Scenarios

% Change in Gross Margin

2018 10.00 %

2019 20.00 %

2020 30.00 %

% Change in Sales

2018 -30.00 %

2019 -10.00 %

2020 35.00 %

Is the user defined value a cumulative change or does the change only apply to an individual year?

Cumulative

- 2** Delay New Revenue Streams and Costs - This provides the option to delay sales, this will apply new revenue streams or sales step changes, it can also be used to delay cost and salary step changes. You can enter the number of months you wish to delay, then in the calculation section you have the option to select what delay scenario you would like to see in the reports and dashboards.
- 3** Price Elasticity - This scenario can be run where the effect of a global price increase or reduction can be run against a defined change in volume. The pricing and volume change applies across every revenue stream and can't be targeted against specific products or services. Enter the average existing and new stock price expressed as a factor. Then enter the average existing and forecast demand also expressed as a factor.
- 4** Monte Carlo - This scenario is a broad class of computational algorithms which relies on repeated random sampling to obtain numerical results and generate draws from a probability distribution to show the statistical outcome based upon the probability of a range of outcomes. In this model the user enters the maximum % that sales could realistically fall short and exceed the base forecast data. Then we have the option for you to enter the maximum % that gross margin could realistically fall short and exceed the base forecast data. These values are randomly sampled 15,000 times to produce the most likely statistical outcome.
- 5** User Defined - Users can flex the sales or gross margin, this can either be a global figure applicable to every year of the forecast or each individual year can have a separate value applied. You can enter the % increase or decrease in gross margin and sales, where an increase would be 5% then a decrease in margin would be -5%. The change in sales and gross margin can be done on a cumulative basis or on an annual basis.