

Business Situation

- Our client sought to quantify the impact of changes in several variables, including diagnosis rate, treatment rate, patient share, and price, on the Net Sales forecast. The client required to understand the relative importance of these variables under conditions of uncertainty.

Approach & Methodology

- To achieve the client's objectives, our team developed five scenarios based on the client's assumptions. Each scenario represented different values for the variables in question. We calculated the cumulative impact on the Net Sales forecast when transitioning from one scenario to another while adjusting the values of each variable.
- Finally, we conducted a deterministic sensitivity analysis by combining the outcomes of all scenarios. This allowed us to estimate the low and high outcomes for each variable and rank them based on their total impact on Net Sales.

Deliverables & Business Outcomes

- Our team created a waterfall chart to illustrate the cumulative impact on the Net Sales forecast as we changed the value of each variable from one scenario to another.
- Additionally, we developed a tornado diagram to show the low and high outcomes of all variables in the order of sensitivity. These deliverables helped the client understand the sensitivity of the output to each variable and how to prioritize them accordingly.
- By providing our client with these deliverables, we helped them gain valuable insights into the relative importance of the variables and how to optimize their business outcomes.

