

## Comparison of Planning Models' Optimality

<b>Planning Model</b>	<b>Financial Planning &amp; Analysis</b>	<b>Sales &amp; Operations Planning</b>	<b>Marketing-Mix Modeling</b>	<b>Demand Driven Planning</b>
Solver technique	Scenario analysis (i.e., what will happen if we do X)	Scenario analysis (i.e., what will happen if we do X)	Prescriptive (i.e., What is the best X?)	<b>Prescriptive (i.e., What is the best X?)</b>
Objective function	Profit	Profit	Contribution margin	<b>Profit</b>
Model's entire income statement	Yes	Yes	No	<b>Yes</b>
Solution operationally feasible	Not necessarily	Yes but not optimally feasible	Not necessarily	<b>Yes and optimally feasible</b>
Forecast optimized	No	No	Yes	<b>Yes</b>
Sales & marketing ROI maximized	No	No	No	<b>Yes</b>
<b>RESULT</b>	<b>Solution necessarily sub-optimal</b>	<b>Solution necessarily sub-optimal</b>	<b>Solution necessarily sub-optimal</b>	<b>Solution necessarily optimal</b>