

$$\hat{E}[Y | S]$$

**what will happen
next week**

**historical data
and recent trends**

Forecast Action Space

$$\hat{E}[Y | S, A_1, A_2]$$

stuff we already did

stuff we plan to do

Accounting for the effects of past actions can improve forecasts.

Example: price changes affect demand in the future.

What happens will depend on what actions we take in preparation for it.

Example: if supply is low, we can use incentives to help.