Unit 8

**Activity 8-1 Sales Forecast**

**Directions:** A sales forecast is important to marketers because it forms the financial goals of a marketing plan. Refer to Chapter 28-2 to help you create your sales forecast.

1. The first step in forecasting sales is to create the sales history. The sales forecast is based on the sales history. The following is a basic formatted table to show a past-year quarterly sales. Your company may or may not show past sales by quarter, so create a table that shows past sales based on where you get the information—from the business plan or the annual report.

**Sales History**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **20--** |  |  |  |  |
| First quarter | Second quarter | Third quarter | Fourth quarter | Total |
|  |  |  |  |  |

1. Based on the sales-increase goals for the next year or beyond, determine the sales-increase factor as a percentage. Then, determine the dollar amount of sales needed to meet the sales goals. The formula for forecasted sales dollar increase is:

*previous-year sales dollars x sales-increase factor percentage = forecasted sales-increase dollar*s

The final step is to create a table showing the forecasted sales for the next year or beyond. The formula for a sales forecast in dollars is:

*previous-year sales dollars + forecasted sales-increase dollars = forecasted sales-dollar goal*

The following is a basic formatted sales forecast to show expected quarterly sales by year, but format yours to match the sales history table.

**Sales Forecast**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **20--** |  |  |  |  |
| First quarter | Second quarter | Third quarter | Fourth quarter | Total |
|  |  |  |  |  |
|  |  |  |  |  |
| **20--** |  |  |  |  |
| First quarter | Second quarter | Third quarter | Fourth quarter | Total |
|  |  |  |  |  |

1. Ask your instructor where to save your documents. This could be on the school’s network or a flash drive of your own. Name your Word document *FirstnameLastname*\_UnitActivity8-1.docx (i.e., JohnSmith\_UnitActivity8-1.docx).