Sales Prediction

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Corporate and other business owners rely on prediction of sales to make major decisions regarding the budget, inventory and investment. Apple like other firms depends on its sales predictions to make decisions. According to McLean (2015), firms used sales predictions to determine the future revenue and therefore, a company can be able le to budget appropriately. Sales projections can be calculated on a weekly, monthly and annual basis. However, in the case of Apple Flagship, the sales prediction is calculated annually.

Sales prediction is based on trend in the market. It estimates what the business shall earn in the future. However, in order to determine Apple Flagship sales in the future, it sales revenue would be divided by the number of months and then multiple by the remaining months to the end of the year. The sales forecast is based on the average demand from the market and the trend of the sales. In order to obtained sales prediction of Apple, it important to understand factors which can influence sales. In this case, these factors are purchase intention and purchase of promotion of Apple. And based on the survey, indicates that 80% of the participants are aware of where the store is located and 8% of access to the store during the opening. However, the survey indicates that estimate 2.70% of participants are more likely to purchase from Apple Flagship store and 22.58% are might purchase from the store. But 84.19% will not purchase Apple’s product from its new store.

In order to obtain predicted sales of the company, we add trend and the average sales of the company. And based on the survey the average sales of Apple Flagship store are $198,605 and the trend, which 80%. First, we obtained customers who are likely to come to the shop which are 800 of customers. In average, Apple is likely to make experience purchase of 5.17% and the upper bound of 6.16% and lower bound of 4.19%. The number of customers is 800 we multiply by 5.17%, which is the average percent of intention purchase and we get 41.36. The value obtained is multiply by 12 months and we get 496.32. At this we applied the formula Trend plus seasonal average which is 198,605 plus 496.32. And therefore, predicted sales of the Apple would be $199,101.32

It is therefore, important to point that the sales are affected by several factors. And these factors are market trend, marketing strategies, business strategy, and competition as well. The predicted sales are based on the current market factor. And based on the predicted sales of 199101.32, Apple could get higher sales and lower sales based on these components of the market. Other components which might affect the company sales basket are the day or hours of sales. It is therefore, important for the company to have longer operational hours. With longer operational hours the predicted sales would be higher and lower operational hours would negatively affect the sales of the company.

In conclusion, Apple Flagship is likely to have total sales of $199,101.32 in the next financial year. In this case, it is evident that the company’s sales are likely to increase significantly with average of 10% within the next 12 months.

# References

McLean, P. (2015). Pricing and Sales Strategy. *Journal of Business and Economics* , 2-15.