Title page

Quantitative analysis

Methods that can be used for forecasting sales include opportunity stage forecasting, length of sales cycle forecasting and pipeline forecasting. In opportunity sales forecasting sales are estimated at different stages and it is conducted either monthly, quarterly or annually. Sales are calculated when each specific milestone is reached. Probability associated with each opportunity is calculated for determining the accurate sales (Frost, 2019). Length of sales cycle forecasting is used for calculating individual opportunities and encompass different sale cycles. This method can calculate sales at least after six months. This cannot be used for quarterly estimation of sales. Pipeline forecasting another common method that calculates sales monthly or quarterly. These methods exhibit some differences and are selected according to the requirements of the organization.

The most appropriate method for given scenario is pipeline forecasting because it allow monthly estimation. This will be appropriate for predicting the sales with different marketing mix strategies.

I will choose time-series forecasting method because evidence states that it is most suitable when historical data is available. Predictions can be made on the basis of historical data about future prospects (Jebb & Tay, 2017).

The factors that impacts the reliability of forecasts include; changes in disposable income, fluctuations in oil and gas prices. Changes in dollar prices also impact sales. Raw material costs and level of production also influence reliability of forecasts.

Time-series forecast offers a reliable measure when dollar rate are stable, there are no fluctuations in prices of oil and gas and prices of raw material also remain stable.

Time-series is currently most common and reasonable method because companies use historical data.

Time series forecast can improve by combining aggregation and clusters (MendesDantas, Luiz, & Oliveira, 2018). By testing based on different techniques accuracy will be maintained.

I would select forecasting methods, their reliability and their need in businesses. I would use forecasting methods in my career for estimating sales. I would also consider how reliability can be maintained by choosing time-series data.

References

Frost, A. (2019). *The Ultimate Guide to Sales Forecasting* . Retrieved 11 23, 2019, from https://blog.hubspot.com/sales/sales-forecasting

Jebb, A. T., & Tay, L. (2017). Introduction to Time Series Analysis for Organizational Research: Methods for Longitudinal Analyses . *Organizational Research Methods* *, 20* (1).

MendesDantas, T., Luiz, F., & Oliveira, C. (2018). Improving time series forecasting: An approach combining bootstrap aggregation, clusters and exponential smoothing . *International Journal of Forecasting , 34* (4), 748-761 .