


Forecast Your Sales

Start Your Business course.bplans.com


More Art than Science



DATE	MON	TUE	WED	THU	FRI		
HI	93	90	85	83	88	88	90
LO	74	70	66	66	70	72	72

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There Are No Crystal Balls



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Try to Estimate Sales in Units



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Estimate Unit Sales

Sales Forecast					
	Jan	Feb	Mar	Dec	2006
Unit Sales					
Coffee	600	650	700	1,150	10,500
Tea	200	250	275	500	4,325
Juice	150	300	335	650	5,375
Total Unit Sales	950	1,200	1,310	2,300	20,200

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Add Estimated Prices

Sales Forecast			
	Jan	Feb	Mar
Unit Sales			
Coffee	600	650	700
Tea	200	250	275
Juice	150	300	335
Total Unit Sales	950	1,200	1,310
Unit Prices			
	Jan	Feb	Mar
Coffee	\$2.00	\$2.00	\$2.00
Tea	\$1.00	\$1.00	\$1.00
Juice	\$3.00	\$3.00	\$3.00

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COGS, Asset, or Expense?



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Costs of Sales or Expense?



- Accountant
- Attorney
- Factory workers



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More Art than Science

Sales Forecast															
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2006	2007	2008
Unit Sales															
Coffee	600	650	700	750	800	850	900	950	1,000	1,100	1,150	1,200	10,500	12,500	14,000
Tea	300	250	215	200	180	160	140	120	100	80	60	40	4,305	6,900	7,500
Juice	150	200	250	300	350	400	450	500	550	600	650	700	6,000	7,500	8,000
Total Unit Sales	950	1,200	1,315	1,420	1,530	1,610	1,690	1,770	1,850	2,000	2,050	2,100	20,805	26,900	29,500
Unit Prices															
Coffee	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Tea	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Juice	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Sales															
Coffee	\$1,200	\$1,300	\$1,400	\$1,500	\$1,600	\$1,700	\$1,800	\$1,900	\$2,000	\$2,200	\$2,300	\$2,400	21,000	25,000	28,000
Tea	\$300	\$250	\$215	\$200	\$180	\$160	\$140	\$120	\$100	\$80	\$60	\$40	4,305	6,900	7,500
Juice	\$450	\$600	\$750	\$900	\$1,050	\$1,200	\$1,350	\$1,500	\$1,650	\$1,800	\$1,950	\$2,100	18,000	22,500	24,000
Total Sales	\$1,950	\$2,450	\$2,865	\$3,200	\$3,530	\$3,860	\$4,190	\$4,520	\$4,850	\$5,380	\$5,710	\$6,040	54,605	74,400	83,500
Direct Unit Costs															
Coffee	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Tea	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Juice	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90
Direct Cost of Sales															
Coffee	\$480	\$520	\$560	\$600	\$640	\$680	\$720	\$760	\$800	\$880	\$920	\$960	8,400	10,000	11,200
Tea	\$60	\$50	\$43	\$40	\$36	\$32	\$28	\$24	\$20	\$16	\$12	\$8	1,602	2,450	2,625
Juice	\$135	\$180	\$225	\$270	\$315	\$360	\$405	\$450	\$495	\$540	\$585	\$630	5,193	6,450	7,200
Subtotal	\$675	\$750	\$828	\$880	\$936	\$998	\$1,063	\$1,134	\$1,205	\$1,336	\$1,417	\$1,498	15,195	18,900	21,025

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