

# [Sales and financial forecast](https://assignbuster.com/sales-and-financial-forecast/)

[Finance](https://assignbuster.com/essay-subjects/finance/)

The strategy would be to use sales promotion campaigns and advertising through posters at least 5 hours per day to create awareness of the product in the upper market areas of New York. Below are a sales and expense forecast that would be expected to be incurred in selling a new cosmetic brand from a small enterprise to the upper market New York. It is expected that these products are sourced directly from the warehouse already packaged in bundles.
Expense forecast.
Labor- $ 500 (assuming 3 hired employees at $20 per hour for 5 hours including refreshments)
Transport - $ 300 (using the company’s small truck to carry just a substantial amount)
Sales promotion $ 300 (marketing and selling are different concepts and some products might be offered free to customers who meet certain criteria as a sales promotion strategy, including posters for advertising)
Packaging and other services $ 100 (after-sales services and packaging the cosmetics after a customer makes the purchases).
Total expected expenses- $ 1, 200 in a 5 hours sales shift.
Assuming that the sales will be carried out 5 days per week this will add up to 20 days per month. In 12 months= 1, 200 \* 12 = $ 14, 400
Expected sales
The four Ps in the marketing mix will affect sales. With the 3 well-trained employees in sales and noting that the upper New York residents and visitors have a high purchasing power and that the sales will increase with time as customers have the awareness of the new cosmetic product:
Each cosmetic would cost an average of $ 20
Each employee would sell an average of about 10 units per hour
20 \* 10= $ 200 per hour per employee (average)
In one day = $ 1000 average sales
In 20 days per month =$ 20, 000
In one year expected sales will be an average of $240, 000