

# Sales and financial forecast

[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

<https://assignbuster.com/sales-and-financial-forecast/>

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