

# Business Sales Forecast Report

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## Executive Summary

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Based on historical data from 2014 to 2017, we have developed a predictive model to forecast sales for the next 12 months.

## Model Performance

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Our forecasting model (ARIMA) achieved the following performance metrics on test data:

- **Mean Absolute Error (MAE):** \$22,608.93
- **Root Mean Squared Error (RMSE):** \$30,116.62

## Future Forecast (Next 12 Months)

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The total projected sales for the next year are **\$876,044.93**, with an average monthly sales volume of **\$73,003.74**.

Month	Projected Sales (\$)
January 2018	75,259.03
February 2018	73,306.80
March 2018	72,862.10
April 2018	72,760.80
May 2018	72,737.73
June 2018	72,732.47
July 2018	72,731.28
August 2018	72,731.00
September 2018	72,730.94
October 2018	72,730.93
November 2018	72,730.92
December 2018	72,730.92

## Strategic Recommendations

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- Inventory Planning:** Increase stock levels during the holiday seasons (November-December) as historical trends show a significant peak in sales.
- Staffing:** Prepare additional customer support and fulfillment staff for projected high-growth months.
- Cash Flow Management:** Use the monthly projections to manage operational expenses and marketing budgets more effectively.