NAAN MUDHALVAN-IBM

PHASE-II

GROUP : DATA SCIENCE

PROJECT : FUTURE SALES PREDICTION

INTRODUCTION:

Sales play a key role in the business. At the company level, sales forecasting is the major part of the busines splanand significant inputs for decision-making activities.It is essential for organizations to produce there quired quantity at the Sales play a key role in the business.
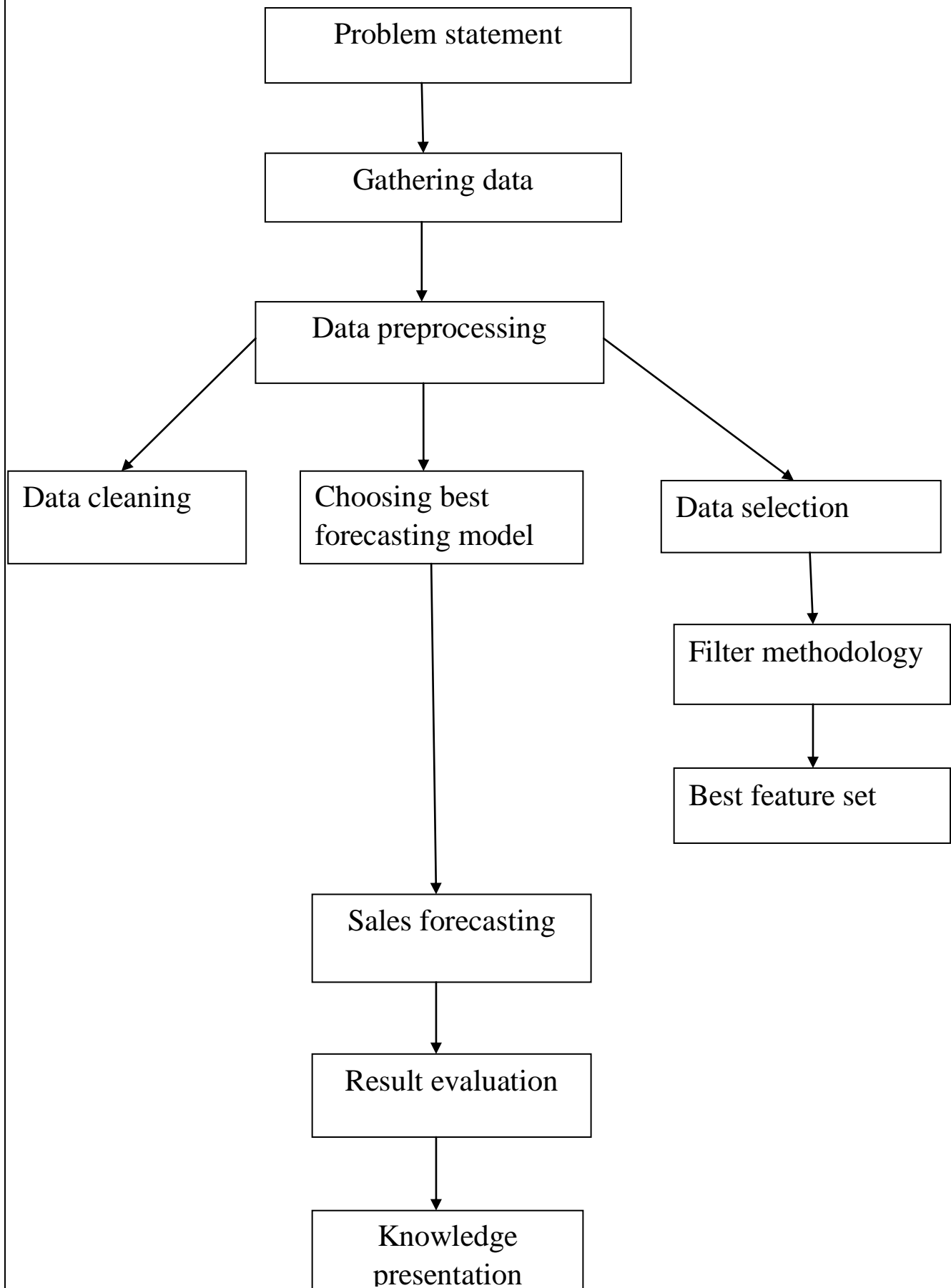
METHODOLOGY:

Sales forecasting is the process of estimating future revenue by predicting how much of a product or service will sell in the next week, month, quarter, or year.A sales forecast is a projected measure of how a market will respond to a company's go-to-market efforts.

SCOPE:

Sales forecasting helps businesses make informed strategic decisions about production, products, marketing campaigns and different strategies. Knowing what can be expected in terms of future sales help businesses identify growth opportunities and adjust their strategies accordingly.

INNOVATION OF FUTURE SALES PREDICTION:

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                    │  Problem statement  │
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                    │   Gathering data    │
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                    │  Data preprocessing │
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│  Data cleaning   │ │  Choosing best   │ │  Data selection  │
│                  │ │ forecasting model│ │                  │
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                    │  Sales forecasting  │
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GATHERING DATA :

Data collection is the process of collecting and evaluating information or data from multiple sources to find answer store search problems, answer questions, evaluate outcomes, and forecast trends and probabilities.

Collecting data can be a chore. So much so that many business owners simply don'tdo it. Unfortunately, data is the best way to know if our business is performing and provides a path way for how to run your business in the future.

DATA PREPROCESSING:

Data preprocessing is the overaching discipline and refers to the whole process of data management data collection, storing, organizing and analyzing. It includes the tools and techniques used to deep-dive into data, as well as those used to communicate the results-for example, data visualization tools.Data analysis, on the other hand, focus on the process of turning raw data into useful statistics, information, and explanations.
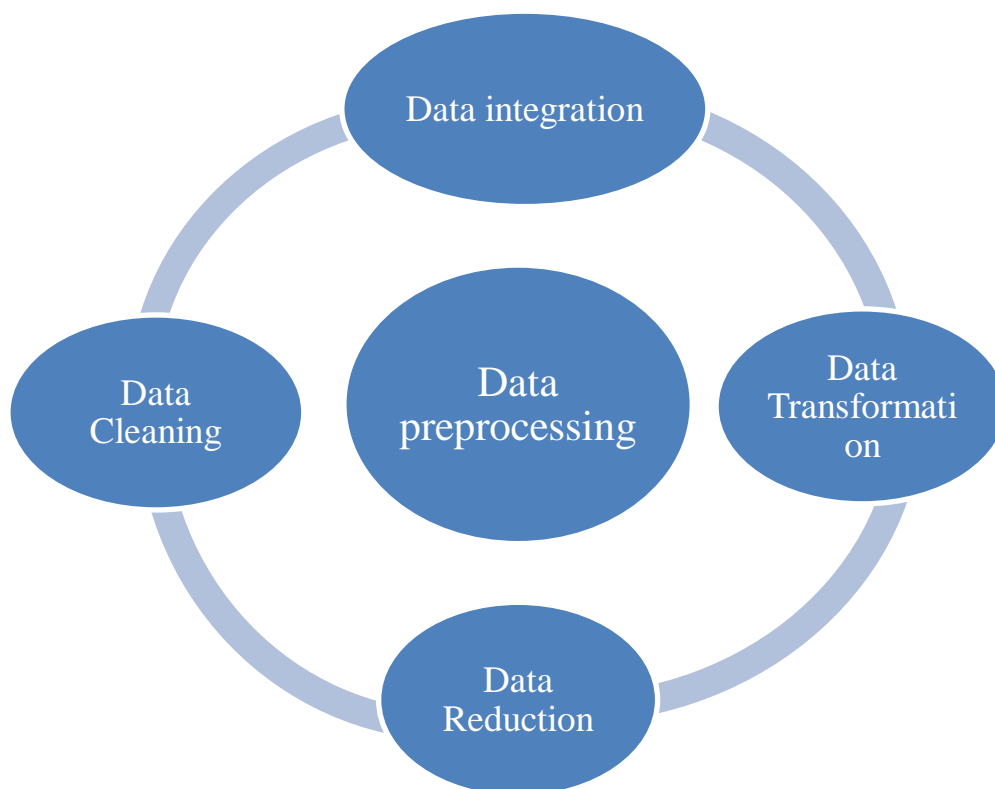
CHOOSING BEST SALES FORECASTING MODEL:

Sales forecasting models are mathematical models that are used to predict future sales. These stake into account historical sales data, as well as other factors that may affect future sales, such as economic trends, seasonality, and customer behavior. These model stake into account the seasonality of a product or service to better predict future demand.

SALES FORECASTING:

Sales forecasting is the process of estimating future sales for <u>revenue optimization</u>. This can be done using various methods, including historical sales data, market trends, and customer surveys. Sales forecasts are essential for businesses to ensure they have enough inventory to meet customer demand.

Terms used in sales forecasting:

Market Forecasting

Sales Forecast

Sales Budget

Sales Quota

SALES FORECASTING RESULT EVALUATION:

Ideally, forecasting methods should be evaluated in the situations for which they will be used. Underlying the evaluation procedure is the need to test methods against reason able alternatives. Evaluation consists of four steps: testing assumptions, testing data and methods, replicating outputs, and assessing outputs.

Another way to evaluate your sales forecast and planis to seek external input from sources such as industry experts, marketer s earch, customer surveys, and peer reviews. These can help you validate your assumptions, benchmark our performance, and discover new ideas and trends.