**FORECASTING:**

1. The key to forecasting starts with understanding your target markets. How many total potential customers are there? What is my reasonable market share %?
2. Then you need to observe trends that lead to growth or shrinkage of your market.
3. You also need to consider any impacts on pricing (inflation, competition, affordability, and ecetera).
4. You should understand your Cost of Goods Sold (COGS) so that you can determine the margins that will lead to your profit after expenses.
5. Pay attention to market, industry, consumer, population, personal factor, social factor and environmental factor, and etcetera trends.

**This SIMPLE FORMULA can help forecast revenues:**Total Customers **X** Units Sold per customer per year **X** Gross Margin (after COGS) per unit sold **= Total Gross Margin Per Year**

*Below are* ***some links to help guide you*** *to start to understand how to forecast. There are many other such tips on the internet that you should consider. When working on your individual project please feel free to come talk to me after your initial investigations. This kind of project is a journey where the first question you need to ask is “what do I not know?” The second question is “how can I find out?” Your task will be to embark on this query journey and learn as you explore.*

**ARTICLES:**

Creating a Sales Forecast – article <https://www.entrepreneur.com/article/77674> (Retrieved Oct. 23, 2017)  
Forecast and Plan your sales – article <http://www.infoentrepreneurs.org/en/guides/forecast-and-plan-your-sales/> (Retrieved Oct. 23, 2017)

**VIDEOS:**

Revenue Forecasting – what is realistic? <https://www.youtube.com/watch?v=CrMJfgGHHbE> Software Industry in Canada (Pragmatic thoughts) Watch from 16:12-31:09 (Retrieved Oct. 23, 2017)

Types of Demand Forecasting <https://www.youtube.com/watch?v=WXM0GwiILc0> Video pay attention to 20:15 to 22:20 (Retrieved Oct. 23, 2017)

(Lecture Video – watch from 00:00 to 28:28) <https://www.youtube.com/watch?v=k9dhcfIyOFc> Mod-02 Lec-02 Forecasting -- Time series models -- Simple Exponential smoothing (Retrieved Oct. 23, 2017)

<https://www.youtube.com/watch?v=uV4g9p08nXg> Forecasting by Jason Richter (Lecture Video) (Retrieved Oct. 23, 2017)

How to use Excel to create and exponential Trend Line <https://www.youtube.com/watch?v=xu8HvGC4lnc> (Retrieved Oct. 23, 2017)