Marketing Research

Step 1: Determine the number of your potential customers.

Total number of potential customers: ______________

Step 2: Determine the number that will likely purchase from you.

A. Total annual sales volume for your product or service:

B. Number of customers who will purchase from you or one of your competitors:

C. Percentage of those making a purchase who will buy from you:

D. Multiply the number in B by the percentage in C to determine the number of potential customers that will purchase from your business:

E. Justify your calculations. Why do you believe these numbers are accurate?

Step 3: Determine your average customer sales per year.

A. How many purchases will your average customer make in a year?

B. How much will they spend on each purchase? This may be for one product or a group of products typically bought together.

$_____________________

C. Multiply A * B to determine the annual spending of an average customer:

$_____________________

Step 4: Determine your annual sales volume.

Multiply 2(D) * 3(C) $________________________