

4.8. New Product Forecasting

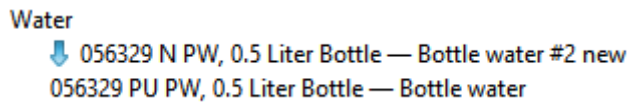
Streamline offers two methods to forecast a new product:

Top-down forecasting

This method implies that the item's forecast is calculated based on the parent item model and the market share that the item forms in its parent category.

To use this approach, select the new product in the Tree View, then in the **Forecasting** tab go to the **Forecast approach** control, select **Top-down** and click the **Forecast** button in the program toolbar.

The blue down-arrow indicates that the top-down method has been applied to generate forecasts for the item.



Applying the model of another product

Streamline allows borrowing a model from another item. To use this method, select an item which model you would like to use in the **Tree View**, right-click on it to access the context menu and select the **Copy item to clipboard**. Then select the item the model will be applied to, go to the **Forecasting** tab and paste the copied item code in the **Use model from** control, click the **Forecast** button. You can use the **Multiplier** control to adjust the copied model.

	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017
Actual sales	219	272	327	247									
Statistical forecast	216	315	302	236	141	112	116	93	81	69	75	96	191
Forecast adjustments													
Average sales price	17298.81	21485.28	25829.73	19510.53	19510.53	19510.53	19510.53	19510.53	19510.53	19510.53	19510.53	19510.53	19510.53
Revenue	3788439.51	5843995.97	8446321.86	4819100.74	2750984.63	2185179.28	2263221.40	1814479.22	1580352.87	1346226.52	1463289.70	1873010.81	3726511.10
On hand	2000	1782	1510	1183									
Projected inventory levels					1042	930	814	721	640	571	496	400	354
Purchase plan					0	0	0	0	0	0	0	0	145

In the figure above the model of the item '016542 Yellow' is used to build the forecasts for the item '016543 Purple'. This method works well for products with very similar seasonal patterns. The multiplier is applied because sales of the new product are twice as low compared to the original product in our example.

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