

Sales Forecast Assumptions Document

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1. Executive Summary

This document outlines the underlying assumptions used to prepare the sales forecast for the fiscal years 2024-2026.

These assumptions provide context and justification for projected sales figures.

2. Key Assumptions Table

Assumption	Value / Basis	Comments
Market Growth Rate	5% per annum	Based on industry reports and market analysis
New Customers per Month	100	Derived from historical data & current lead generation
Average Sale per Customer	\$2,500	Estimated from last 12 months' sales
Churn Rate	7% annually	Based on past customer retention statistics
Product Launch	Q3 2024	Additional revenue expected beginning Q4
Sales Team Expansion	+2 Sales Reps in 2025	Forecast includes anticipated contribution

3. Detailed Assumptions & Justification

Market Conditions

- Stable economic environment anticipated for next 3 years.
- Competitor activity assumed to remain similar to current levels.

Pricing

- No major price changes foreseen in the forecast period.
- Promotional discounts factored in at 5% of revenue in select months.

Seasonality

- Higher sales expected in Q2 and Q4 each year based on historical trends.
- Lower sales expected during December-January holiday period.

Operational Factors

- Sales capacity increases in 2025, projected to yield a 15% sales boost from that year onwards.
- No major supply chain constraints anticipated.

4. Sales Forecast Summary (2024-2026)

Year	Projected Sales (\$)	Growth (%)
2024	2,850,000	—
2025	3,162,500	11%
2026	3,474,000	10%

5. Important Notes

- This document is based on current information and reasonable estimates; actual results may vary.

- All assumptions should be reviewed regularly and updated as market/environmental conditions change.
- Sales forecasts are not a guarantee of performance.
- This document should be shared with stakeholders for transparency and alignment.
- Documented assumptions help explain variations when comparing forecasted and actual sales.