

Jury of Executive Opinion Characteristics

- Opinions of a group of executives are pooled
- Data may be compiled by each executive or by marketing research
- Individual forecasts may be combined by a specialist or
- Individual forecasts may be combined by negotiation as a group
- This method is valued as most important to marketing managers

Advantages

- Easy, quick, not much math
- Opinions from all over the firm are integrated
- Usually inexpensive

Disadvantages

- Opinion based not data (fact) based
- Takes executives away from their jobs
- People with no marketing knowledge, like accountants that fail Marketing 370, are making market forecasts
- Hard to break down to territories
- Hard to break down for tasks

Application

- A small group should be used
- They should be very well informed
- They need access to data

Factor Listing

A variation

- Each exec lists factors that might impact sales
- Positive and negative factors are separated into two groups
- Consensus on the magnitude of the sales impact of each factor is reached
- Each magnitude is added (subtracted) from this year's sales

Delphi Technique

A variation

- Jury members never meet face to face
- Comprehensive and representative jury of experts
- Jury members make anonymous forecast
- Leader averages and sends it back to jury members
- Jury members then resubmit
- Keep repeating until a consensus is reached

Surveys

Sample or census of buyers tell their buying intentions

- Responses are added and applied to the market for a forecast

Underlying
Assumptions
about Customers

- Have the ability to predict in advance
- Have a track record of following through with their plans
- Have the financial capacity to follow through with their plans
- Are willing to disclose or share their plans

Advantages

- Actual buyers make the forecast
- If there are few customers then this is fast, cheap, easy
- May be the only method available for products with no history

Disadvantages

- Buyers don't know what they are going to do
- Difference between desires and reality
- Buyers may consider the information confidential
- Surveys are expensive, time consuming
- Derived demand, the multiplier effect may kick in

Application

- Use with at least one other method
- Use when there are not many customers
- Use when you can't use anything else