

ABSTRACT

APPLICATION AND VERIFICATION OF A METHOD TO EVALUATE REGIONAL SALES POWER OF MASS-PRODUCED GOODS

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This paper presents an application and verification of a method to evaluate regional sales power of mass-produced goods, which was presented in a previous paper by one of the authors.

Regional sales power of a product is defined as a composite of the regional market share of a company's product and its regional growth potential, the latter being the change in its regional market share between two points in time. The evaluation method is based on conventional market analysis procedure using market index. The method is systematized by introducing such concepts as market share and time series. Different computational schemata are provided depending upon availability of national market share estimates. This paper also discusses practical considerations required for application of the method.

The example discussed in this paper establishes a standard procedure from planning to evaluation of sales strategy, all based on the evaluation of regional sales power.

In the application the quantitative evaluation of regional sales power is utilized for selection of strategically important regions, analysis of factors influencing the regional shares, and development of regional sales planning. Measurement and analysis of the effectiveness of the sales planning are also discussed.