

## ABSTRACT

### AN EVALUATION METHOD FOR REGIONAL SALES POWER OF MASS-PRODUCED GOODS AND ITS APPLICATIONS

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*This paper presents a method to evaluate "regional sales power" of mass-produced goods, which is the basis for regional marketing planning in manufacturing companies. The regional sales power of a product is defined as the composite of the regional market share of the product of a company and the regional growth potential of the company's product, the latter being the change in the regional market share of the product between two points in time. Unlike the conventional methods of sales power estimation such as market research, the proposed method applies a simple but robust algorithm to data readily obtainable within the company, together with statistical data supplied by public agencies. The input data are mainly (i) regional sales of the company's product, and (ii) a market index to represent the market size of the product category in each sales region. Different procedures are constructed depending on the availability of estimates of the total market share of the company. The method is based on comparison of the regional market index with the regional sales data. This simple comparison is extended, via mathematical analysis, to estimate regional market share. Together with the evaluation of the regional growth potential based on the concept of time series, the estimation of regional market share facilitates quantitative analysis in marketing planning. The method has already been applied to a number of products and the procedures and results are easily understood by businessmen with non-mathematical backgrounds. The time and cost for the analysis are greatly reduced compared to conventional analytical methods.*