

Forecasting the future demand for a new product it is totally different from forecasting the demand for established product. The following are the important methods to forecast the future demand for a new product.

1. Evolutionary Approach

In this method the new product is considered as the development or the outcome of an existing product. For example: color television is an outcome of black and white television.

2. Substitute Approach

In this method the producer may forecast the future demand for an existing product by forecasting the future demand for the substitute product. For example: synthetic fabric is a substitute for cotton fabric.

3. Growth Curve Approach

In this method the future demand for a new product is estimated on the basis of the pattern of the growth of demand for existing or related product.

4. Opinion Poll Approach

Under this method the future demand may be predicted by directly meeting and collecting the opinion of the buyers and based on their opinion the future demand may be predicted.

5. Sales Experience Approach

Under this method the new product is offered for sales in a sample market and based on that sales the total demand in the future may be predicted.

6. Vicarious Approach

In this method the consumers reaction to a new product is surveyed indirectly through the sellers and dealers because the sellers and dealers clearly know about the preferences of the consumers.