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Application of Qualitative Business Forecasting Models for Business Development and Growth: the Perspective of Grains Dealers Association in Ogbete Main Market, Enugu

Cyril G. Ogbu
Department of Business Administration,
Caritas University, Amorji Nike, Enugu, Nigeria
E-mail: ogbu12004@yahoo.com Mobile Phone: 07032390898

Abstract

This study discusses different qualitative business forecasting models and seeks to find out whether these models are adopted by the members of Grains Dealers Association, Ogbete Main Market, Enugu in forecasting their future sales or demands to enable them plan for future supplies; and which of the models are most commonly used for this purpose and the extent to which their businesses are aided for development and growth by forecast practices. The study adopted structured questionnaire and one-on-one interview to elicit information from the respondents made up of the 118 members of the Association in the market randomly sampled. The result of the study reveals that the forecasting method they practice deviates significantly from familiar qualitative forecasting models discuss in this work. The most common methods of forecasting adopted by these dealers is what they call Storage Forecasting model, whereby they practice unscientific predictions based on whether conditions and environmental indicators that certain grains may be scarce in the coming periods and as such are persuaded to purchase large quantities of such grains and store them waiting when the grains would be relatively scarce in the market so they could sale same at the current market price to make much gains. This new model of forecasting has made many of the grain dealers so wealthy. The study recommends inclusion of this new forecast phenomenon into the forecasting lexicon by the academic world. It is also recommended that the existing forecasting models, both the qualitative and quantitative forecasting models be learned and applied by business leaders, who hitherto are not familiar with those models as effective aid to business decisions for growth and development.

Keywords: Business Forecasting, Storage forecasting, qualitative forecasting, creative destruction and creative accumulation

Introduction

Nature denies human beings the ability to know what tomorrow holds; hence one major characteristic of tomorrow is its uncertainty. As rational beings, we would not just sit down and acquiescence to fate and believe that *"what will be, will be"*. Though humans may not be able to stop the movement of fate as we lack control over it, still we do not need to be its victims. The impact of fate could be avoided, exploited, cornered or even bent to our best advantage through informed decision-making and actions based on forecast outcomes. Thus, we are expected to think, plan and work hard to anticipate likely changes of important variables of interest in the future that might impact on business variables, such as financial performance, technological acquisition, economic advancement, labour turnover and replacement, agriculture, investment portfolios, and etcetera (Ogbu 2020).

Many successful companies were known to have been made increasingly unable to sustain wealth generation or to have altogether been pushed out of the industry by superior competitive edge because the executives of such companies were either complacent or unwilling to take pains and scan the environment for possible variable changes that might negatively disrupt operations and affect market lead. Such firms are victims of what an Austrian economist, Joseph Schumpeter calls "creative destruction" which is a concept that describes what happens to existing firms as a result of emergence of new technologies through which new companies are created to displace existing ones by persons who through insights were able to develop superior processes, machines, instruments and tools, which afford the emerging firms the skills, expertise and technology to produce better and low-priced goods and services that afford them superior competitive edge.

Zahra and Bogner (1999) advised that to avoid being overtaken by technological or scientific advances requires foresight about new technologies, market trends, and the activities of potential competitors. Foresight involves scanning the external environ-ment and providing the basis for identifying new trends, drivers, uncertainties, and other key factors of future influence. (One may add that all of these could be accessed through the instrumentality of forecasting by experts.) This knowledge (forecasting) can guide future entrepreneurial technological developments; thereby avoiding the risks associated with failing to act on time to avoid losing market leadership.

Schumpeter (1958) agrees and suggests that the way out of the woods for these firms was for them to engage in what he calls "creative accumulation" which involves constantly not only scanning the environment for possible new and better technology, but also engaging in creative thinking that will lead to innovation of new processes, and better ways of production and delivering goods and services. Without doubts, forecasting models remain the basic instruments by which "creative accumulation" could be achieved.

In this research, our focus is to give the overview of forecasting models and seek to find out the methods adopted by the Grains Dealers Association, Ogbete, Main Market Enugu in forecasting their future revenues for informed decisions to guarantee growth and development of their businesses.

Concept Definitions

Ogbu (2020) identifies certain phenomena usually construed, though erroneously by the uninformed, as forecasting due to their futuristic nature such as ***Prophesy*** which is a spiritual phenomenon claimed to confer on its practitioners the power to predict or prophesy the future. Whether it is real or not, its acceptance is made evident by the number of persons who buy into it as they seek knowledge of the future to enable them avoid or mitigate or reduce unfavourable situations or gain from favourable situations scheduled by Nature to happen in the future within their environment. Another of such is ***Fortune telling*** which is an unscientific art believed to confer on the practitioners the skills and competence to accurately predict future likely events. The practitioners are believed to hear and receive messages from unseen spirits for their clients pertaining future issues of interest to them so they would be able to make decisions and take appropriate actions to avoid the events if they were evil, and to benefit from them if they were for good. None of these two phenomena is forecasting, even when they are all futuristic simply because each of them is based purely on sources that defy scientific investigation and therefore unscientific.

Forecasting in the context of this paper differs from each of the above because unlike them, it is based either on objective personal judgements, insights, hunches, intuition, experiences, and expert opinions on one hand, and or pure scientific investigation based on past records of the behaviour of the variable under study using statistical and scientific means on the other. Based on this, therefore, we agree with Griffin (2002), Bateman & Snell (1999), that forecasting is *"The process of developing assumptions or premises about the future that managers can use in planning or decision making"* or a *"Method for predicting how variables will change the future"* or simply *"A statement about future"*. Businessdictionary.com concludes that forecasting is a *"a planning tool that helps management in its attempts to cope with the uncertainty of the future, relying mainly on data from the past and present and analysis of trends [which] starts with certain assumptions based on the management's experience, knowledge, and judgment."*

Purpose of Business Forecasting

There are many events or variables that impact on business operations. The concern of forecasting is to try to anticipate or predict what the future is likely to be in respect to those variables. The first definition did not leave us in doubts as to the purpose of forecasting. It is necessary for managers to make informed decisions and to plan operations of their businesses. They want to know how these variables will change in the future so that they can make business decisions that would be beneficial and gainful for their businesses. They want to plan operations taking into cognizance these variables so they shall not fail to achieve the business objectives; they want to make informed decisions and take calculated and planned risks for the progress of their businesses. They want to develop new techniques, processes or to acquire new technologies that would help them maintain their lead in the market, etcetera. In summary, and according to Paul Goodwin, Jim Hoover, Spyros Makridakis, Fotios Petropoulos, Len Tashman, (2023), decisions about future production

levels, staff recruitment, service capacity, or resource allocation between competing projects require predictions of what tomorrow might bring. Putra (2019) corroborates and asserts that forecasts are needed for marketing, production, purchasing, manpower, and financial planning. He opines that top management needs forecasts for planning and implementing long-term strategic objectives and planning for capital expenditures.
Putra outlines and explains those who specifically need forecasting and why as in the following:

Marketing managers: They use sales forecasts to determine optimal sales force allocations, set sales goals, and plan promotions and advertising. Market share, prices, and trends in new product development are also required.
Production planners: They need forecasts in order to: schedule production activities, order materials, establish inventory levels and plan shipments. Other areas that need forecasts include material requirements (purchasing and procurement), labour scheduling, equipment purchases, maintenance requirements, and plant capacity planning.
The personnel department: It requires a number of forecasts in planning for human resources. Workers must be hired, trained, and provided with benefits that are competitive with those available in the firm's industry. Also, trends that affect such variables as labour turnover, retirement age, absenteeism, and tardiness need to be forecast for planning and decision making.
Hospital administrators: They forecast the healthcare needs of the community. In order to do this efficiently, a projection has to be made of: growth in absolute size of population, changes in the number of people in various age groups, and varying medical needs these different age groups will have.
Universities: These forecast student enrolments, cost of operations, and, in many cases, the funds to be provided by tuition and by government appropriations.
The service sector accounts for two-thirds of advanced economies gross domestic product (GDP), including banks, insurance companies, restaurants, and cruise ships, needs various projections for its operational and long-term strategic planning.
The banks*:* Banks have to forecast too. Demands of various loans and deposits Money and credit conditions so that it can determine the cost of money it lends.

Review of Literature

Approaches to Business Forecasting: According to Ogbu (2020), there are essentially two approaches to forecasting, namely, *Qualitative* and *Quantitative* each of which has different techniques or tools. Qualitative forecasting is based on experience, intuition, and subjective opinion; while quantitative is based on objective hard information kept over time, that is, historical records or time series data.

Qualitative Forecasting: According to experts, managers may not always be able to make predictions based solely on data or information that is already available. For instance, there isn't always enough time to anticipate using the knowledge that is already available, to collect and arrange the data that is already available, to analyze the data, to extrapolate to the future, and to have the necessary skills. The potential for political and economic upheaval and volatility to render historical data outdated and untrustworthy is another issue with using current data for predicting. Additionally, decisions involving the launch of new items, product redesigns, or repackaging are made without the use of past data. Additionally, a recently established business lacks historical data. During periods like these, the only option left is the application of qualitative techniques for forecasting.
Qualitative approach *to forecasting* involves using appropriate forecasting tools to analyse subjective inputs and *soft* information based on human factors such as opinions, experiences, judgments, hunches and intuition to formulate forecasts for any variables of interest such as sales or demand; labour requirements forecasts, and etcetera, especially where there is no historical records in respect of the variables under consideration (Putra, L.D. 2019). In order to use qualitative forecasting, managers must be well-versed in the company's product lines, market conditions, and forces; they must also comprehend how the organization functions across functional areas and establish efficient channels of communication between those areas in order to produce accurate and dependable forecasts.
Managers and forecasters need to be aware of ***Selective Perception***, a cognitive psychological process that causes people to favour the opposites that support their opinions, experiences, or beliefs over obvious and concrete realities or situations that are directly in front of them. This results in significant individual biases and prejudices in the types and sources of qualitative data that are sought out and acquired for forecasting

purposes, which in turn have a detrimental impact on the quality and precision of forecast results. The ***Anchoring Phenomenon*** is another concept that managers and forecasters should be aware of. It is a scientifically puzzling event or process that necessitates a broad range of scientific ideas to explain and coordinate with evidence and one another. In social sciences, it is a combination of ideas, information, experiences, knowledge and judgements gathered from professionals across functional areas which could be sufficiently puzzling that great wealth of expertise and knowledge of forecasting are required to analyse, explain and coordinate them to produce a dependable forecast.

Types of Qualitative Forecasting Techniques

Executive Opinions: In order to gather professional and subjective ideas or views, knowledge, experiences, intuitions, and expertise for the purpose of creating a forecast, this forecasting technique assembles a forecasting team composed of managers from various functional areas within the organization, such as marketing, production, finance and accounts, personnel, or human resource managers. Following the collection of these subjective data and opinions regarding a certain variable of interest, like sales, they are averaged out and integrated to reach a consensus for decision-making for that variable. This encounter might not be the last one. Reaching a consensus can need three, four, or more meetings. In many cases, data provided by each of the professionals might include numerical data and under such situation, appropriate quantitative technique might be used to average out the data and come up with a consensus opinion (i.e. sales forecast). When a forecast has been developed in this manner, the final result is referred to as *jury of executive opinion.*

Consumer Surveys: Customers who purchase goods from the company are the ones who ultimately decide how much demand there is for those goods. Therefore, it makes sense to ask them about their future needs or the quality of specific products. One forecasting tool used to obtain this data is the consumer survey. In certain situations, it may be feasible to contact each customer or potential customer to obtain information in this regard; however, if this is not feasible due to a large number of customers or the inability to identify potential customers, a sample survey may be used, with the results extrapolated to a target population. To create a survey, administer it, and accurately analyze the results for reliable information, a lot of attention to detail is required. Business Jargon.com in Ogbu (2020) asserts that Consumer Survey methods are categorized into three and could be represented in a figure as shown below:

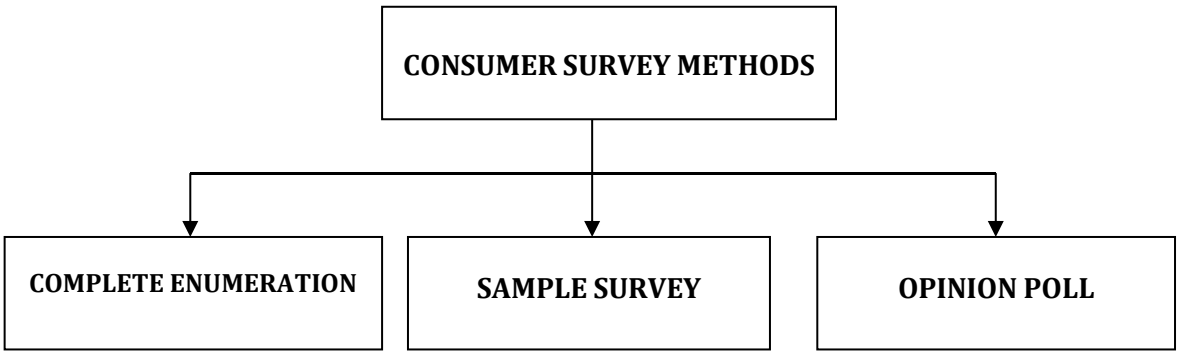


Fig.4.1 Different methods of Consumer Survey adapted from Business Jargon.com

Complete Enumeration Method: This involves total enumeration of all potential customers or consumers of a given product of a company under consideration. The implication inherent in the use of this method is that the customers are all identifiable to be able to seek their opinions on their future likely demand for the said product. This is done either through issuing and filling out questionnaire items; or by direct interviews; or by telephone conversations. The total probable future demand quantities so collected are added to obtain the quantities of expected demand or sales forecast for the period captured in the forecast. The summation of these probable demand quantities is achieved by the use of the formula:

Dp = Q1+Q2+Q3+…+Qn, where,
Dp = Total Probable Demand;
Q1, Q2, Q3,…Qn = the demand quantities as supplied by each customer;
1, 2, 3, 4, ….. n = the number of population (customers).

The problems associated with this method include Pretended Responses and Narrow Applicability. ***Pretended Responses:*** Often it is not possible for customers to know exactly the quantities of particular products they would use or purchase in the future, hence their responses in the survey might only be hypothetical based on their own expectations regarding market conditions. *Narrow Applicability*–Complete enumeration of customers in a survey of this nature is only possible where the customers are concentrated within a given geographical location or region. It cannot apply to a large population that is widely spread out or dispersed as the cost involvement for such might query the economic sense of conducting such a survey.

Sample Survey: This is the opposite of complete enumeration. In this method a representative or sample is taken from a large population that is highly dispersed to conduct the survey and the result extrapolated to the entire population. Method of data collection could either be by direct interview or mailed questionnaires. According to BJ (2019), the probable demand, indicating the response of the consumers can be estimated by using the following formula: $Dp = \frac{HR}{HS}(H.A_D)$, where

Dp = probable demand forecast;
H = Census number of households from the relevant market;
HS = number of households surveyed or sample households;
HR = Number of households reporting demand for a product;
AD = Average Expected consumption by the reporting households (total quantity consumed by the reporting households/Number of households).

Sample survey method is easy, simple and cost-effective in contrast to total and comprehensive enumeration. The method is often used to estimate a short-run demand of business firms, households, government agencies who plan their future purchases. Its major setback, however, is that if the sample is not adequately spread among the population clusters, reliability might be lost or deceased to a very large extent.

End-Use Method: This is also called **User Expectation or Buyer's Intention Method.** As the name implies the end-use method concerns demand forecast for input materials. It is a survey mainly carried out for different industries that use a particular unfinished product for further production. The process begins by the identification of all the industries or sectors that use the input material under consideration; determination of individual industry's purchase patterns of the said item through the means of interviews or issuance of questionnaires; and then summing up each individual company's indicated quantities to formulate the product's demand forecast within the year under consideration. This method is suitable for forecasting demand for industrial or intermediary goods that serve as input materials for further production since the number of industries or sectors that use such goods are usually clustered within a given geographical area and could be easily identified and exhaustively surveyed. One major advantage of the end-use method is that "it helps to estimate the future demand for an industrial product in considerable detail by types and size." Another advantage is that "the method assists to trace and pinpoint at any time in future as to where and why the actual consumption has deviated from the estimated demand. Suitable revisions can also be made from time to time based on such examination".

Direct Customer Composites: Direct Customer Composite also known as "Sales Force Composite" is one of the qualitative forecasting technique that uses subjective opinion, intuition, knowledge and experience of sales employees as well as those of the sales management and channels of distribution personnel to formulate sales forecast. Sales employees or customer service personnel constitute good sources of information about buying behaviour of customers because of their direct contact with consumers. They are often aware of any plans the customers may have for the future in respect of their demand for their choice brand of products. The process of direct customer composite involves sales agents who are in charge of separate and particular regions or locations to formulate the likely sales forecast of the lines of products under their control and submit same to the sales manager. Such individual separate forecasts are collated and summed up to produce the final and comprehensive forecasts for the company's goods. The process is same with the jury of executive opinion; hence the forecast outcome of this method is called the jury of salespersons' opinion. There two major advantages of this method of forecasting: it brings together the expertise and knowledge of sales people who are close to the customers; it also exclusively locates the responsibility of forecasting in the hands of the sales person "who have both the ability to directly affect product sales and the potential to experience the impact (in the form of their customers' displeasure, for example) of forecasting errors." The drawbacks to this approach is that they may be unable to distinguish

between what customers would like to do and what they actually will do. Another is that these people are sometimes overly influenced by recent experiences. Thus, after several periods of low sales, their estimates may tend to become pessimistic. After several periods of good sales, they may tend to be too optimistic.
In addition, forecast are used to establish sales quotas, there will be a conflict of interest because it is in the salesperson's advantage to provide low sales estimates.

Delphi Method: This involves circulating a series of questionnaires among individuals who possess the knowledge and ability to contribute meaningfully to seek their expert inputs in the forecast venture. The individual experts whose opinions are sought for could either be internal or external to a company and are usually not known to themselves.
Responses are kept anonymous, which tends to encourage honest responses. Each new questionnaire is developed using the information extracted from previous one, thus enlarging the scope of information on which participants can base their judgments. The goal is to achieve a consensus forecast. Mentzer opines that "when this technique is used within a company, it can be thought of as a kind of "virtual" jury of executive opinion, because the executives do not meet face to face. The purpose of this distance is to allow each member to use his or her reasoning to develop a forecast, without the influence of strong personalities or the fact that the "boss" has a pet forecast". The Delphi method also reduces the effects of groupthink on the decision-making process. Since the participants do not meet face to face, the bias that occurs because of a desire on the part of group members to support each other's positions or the influence of a strong leader within the group is minimized or eliminated completely".
The process of this method according to Mentzer (2004), are as outlined below:

- *Each member of the panel of experts who is chosen to participate writes an answer to the question being investigated (e.g., a forecast for product or industry sales) and all the reasoning behind this forecast.*

- *The answers of the panel are summarized and returned to the members of the panel, but without the identification of which expert came up with each forecast.*

- *After reading the summary of replies, each member of the panel either maintains his or her forecast or re-evaluates the initial forecast and submits the new forecast (and the reasoning behind changing his or her forecast) in writing.*

The answers are summarized and returned to panel members as many times as necessary to narrow the range of forecast errors.

Opinions of Experts: A sales manager may solicit opinions from a number of other managers and staff people within or without the company. These may include advice on political or economic conditions in the country or outside of the country and/or sales and demand estimation of particular product or products. Experts sought for are those with long and outstanding experience in the item or products under consideration. The process begins with asking questions to different experts; collating the responses, and analyzing them to produce a panel consensus forecast. One problem with consensus panel forecast is that the forecast might suffer from bias if one of the panel members or the experts consulted is predominantly influential and of sound judgement to warrant taking his opinion as the best without effort to consider other members opinions. This problem could, however, be solved if the forecasters adopt the Delphi method already discussed above which also produces a panel consensus forecast, except that the members do not know one another and as such lacks capacity to influence any member of the group.

Types of Forecasting: Given the fact that business operations within a given environment contend with many variables, there are many types of forecasting some of which include:

Sales Forecasting is a prediction of the likely future sales volume of the products (whether tangible or intangible) of organisation. This could also be called **demand forecast**. It searches for information to know how the public will demand its products in the future. If, based on the result of a forecast, there is expectation of large demand of organisation's products; it follows that the sales volume will be large equally. The purpose of sales forecast is, therefore, to guide managers to make informed decision about how to ensure that input materials to meet the production at any particular point in time are made available to the production department as the need arises.

Revenue Forecasting: This is an assumption of the total revenue receivable within a given period from all sources available to a company. Examples include revenues from sales, from investment incomes, from capital gains, etcetera. The usual annual budgets of governments or corporations are a kind of revenue forecasting. Budgets represent the expected income and expenditure available to an institution within a given period – usually annually. Revenue forecast makes an estimate of the total revenue accruable to a company and this dictates how funds are to be allocated to various departments or sectors of the company.

Technological Forecasting: This concerns itself with predicting what future technologies are likely to emerge and when they are likely to be economically feasible. Given the rapid speed in technological innovation, organisations should be mindful of this before investing in new technology. Using trend of events, it is possible to predict new features of a particular technology that could make its procurement unnecessary either because it could become obsolete within a short space of time or may not be cost-effective.

Environmental forecasting: Businesses operate within a given environment and have to contend with many environmental variables that have direct impact on the performance of the firm. A firm's environment could be divided into four broad categories: First, ***internal environment*** **–** This includes the Board of Directors, workers or employees; trade unions, and managers. Second, ***operating environment*** **–** This is concerned with industry competitors, market conditions, customers' preferences, and other stakeholders. Third, ***general environment*** – This involves economic conditions such as interest and inflation rates, income levels and income changes, employment condition, etc. Fourth, ***legal/political conditions or environment*** **–** This has to do with the laws in the land to which firms must comply with in exercise of its operations; social conditions: such as population increase, employment conditions; income changes, etcetera.
Environmental forecasting involves an assessment of these variables as they pertain to business operations of a firm. The process of environmental forecasting starts with identifying environmental variables that are particularly related to a firm and making attempts to predict the future characteristics of these variables to ensure that quality decisions are made today that will help the firm deal with the environment of tomorrow. The result of environmental forecasting is used to effect changes in the performance of a firm, disrupt its plans, or force a change in its strategies.
Characteristics of *Forecasts:* Some of the features of forecasting include:

Assumption of Same Causal System: Forecasting techniques generally assume that the same underlying causal system that existed in the past will continue to exist in the future. For example, if there were in the past situations that encouraged or discouraged demands of a particular product, forecasting assumes that same situations would also exist in the future and therefore would encourage or discourage demands accordingly.
However, managers know that situations are not always the same hence in spite of a good forecast; there could always be unplanned and unexpected occurrences that could change the trend of forecast. For instance, weather-related events, tax increases or decreases and changes in features or prices of competing products or services sudden decease in population or civil unrest (war) can have a major impact on demand and make forecast outcome unreliable. Consequently, managers must be alert to such occurrences and be ready to override forecasts, and act differently depending on the turn of events.

Forecasts are Rarely Perfect: Experiences show that actual result of a forecast usually differs from predicted values. No one can predict precisely how an often large number of related factors will impinge upon the variable in question; this, and the presence of randomness, precludes a perfect forecast. Allowances should be made for inaccuracies.
Time Horizon**:** Another factor that determines forecast accuracy is the time horizon. The accuracy of forecast decreases as the time period covered by the forecast increases. Generally speaking, short-range forecasts contend with fewer uncertainties than longer-range equivalent. Thus short-range tends to be more accurate. For example, a forecast of three months period is likely to be more accurate than a forecast of one or two years or more.
Level of Accuracy of Forecast: This depends on whether the forecast is based only on one variable or many variables. Level of accuracy is more readily higher if the forecast is based on many variables than on single variable. This is because randomness (errors) usually has cancelling effect.

Elements of a Good Forecasts

A properly prepared forecast should fulfil certain requirements and these include:

Timeliness: The forecast should be timely. Usually, a certain amount of time is needed to respond to the information contained in a forecast. For example, capacity cannot be expanded overnight, nor can inventory levels be changed immediately. Hence, the forecasting horizon must cover the time necessary to implement possible changes.

Accuracy: The forecast should be accurate and the degree of accuracy should be stated. This will enable users to plan for possible errors and will provide a basis for comparing alternative forecasts.

Reliability: Reliability is the quality of a forecast instrument or method being able to be consistent and dependable in measuring what it is intended to measure. A measuring instrument that does not measure what it is expected to measure is faulty. For example, a technique of forecasting that sometimes provides a good forecast and sometimes a poor one will leave users with the uneasy feeling that they may get frustrated every time a new forecast is issued.

Quantitative attributes: Forecasts should come in terms of definite quantities or units of expected results. Financial planners should forecast in terms of naira value (how much money) that is expected; production planners should know how many units of products should be produced; schedulers should know how many machines and skills (man hours) should be required for a given task or assignment.

Forecast must be in Writing: Forecasts are not allowed to be oral. It has to be written. Though this may not guarantee that all concerned are using the same information, it will at least increase the likelihood of it. In addition, a written forecast will permit an objective basis for evaluating the forecast once actual results are in.

Simplicity: The forecasting technique should be simple and understandable. Complex and sophisticated forecasting techniques do not appeal to users, and therefore should be avoided. They do not understand either the circumstances in which the techniques are appropriate or the limitations of the techniques. Misuse of techniques has an obvious consequence. Simple techniques of forecasting are, therefore, preferable to complex ones.

Research Procedures

This project is interested in finding out the most popular instruments of qualitative forecasting the members of Grain Dealers Association in Ogbete Main Market, Enugu uses in predicting their sales or demand for the purpose of planning their supplies from farmers to meet the needs of their customers. The choice to narrow the investigation on qualitative methods is based on the fact that nearly all the respondents knew little or nothing about systemic forecasting models which uses time-series data for forecasting future likely situation of business variable of interested to the researcher. This was made evident in the fact that none of the respondents had previous time-ordered and systematic records of their sales data.

Research Questions: The following research questions shall guide this study:

1. How often do you forecast for demands of your grains products to determine the quantities you will order in the future for your customers?
2. What method of forecasting models do you usually adopt to predict the likely demand of your products?

Data Presentation and Analysis

Table 1: Respondents opinion on how often do they forecast for demands of grains products to determine the quantities to order for customers?

S/N	OPTION	RESPONDENT	PERCENTAGE (%)
1.	Very often	11	09
2.	Often	14	12
3.	Rarely	41	35
4.	Very rarely	52	44
	Total	**118**	**100**

Source: Field Survey, 2025

Table 1 shows the opinion of the respondents on the frequency of application of forecasting tools to predict the future demands of their grain products. According the responses, 11(09%) are of the opinion that they apply forecast very often, 14(12%) chose Often; 41(35%) and 52(44%) opted for Rarely and Very rarely. The distribution in the table is further illustrated by a bar chart as shown below:

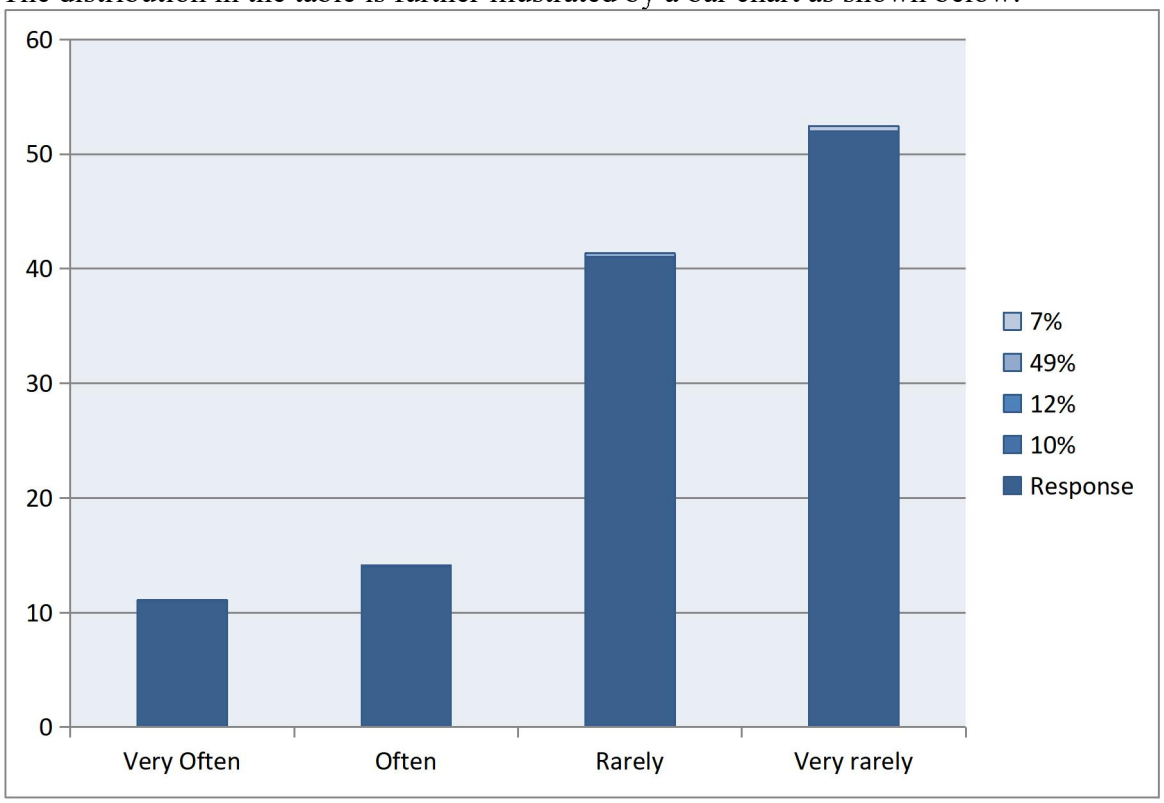
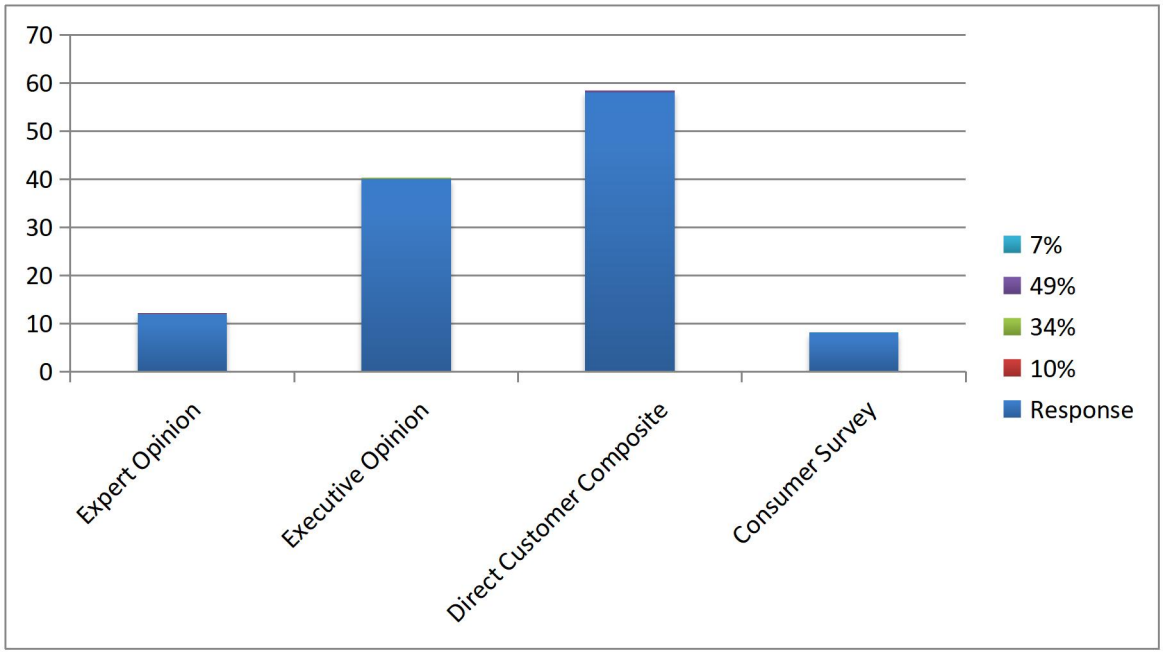


Table 2: Respondents opinion on the method of forecasting models they usually adopt to predict the likely demand of their products?

S/N	OPTION	RESPONDENT	PERCENTAGE (%)
1.	Expert Opinion	12	10
2.	Executive Opinion	40	34
3.	Direct Customer Composite	58	49
4.	Consumer Survey	08	7
	Total	**118**	**100**

Source: ***Field Survey, 2025***

The above table 2 shows the opinion of the respondents on the choice of qualitative forecasting methods they adopt in their effort to made good decision on the likely demands of their products. According to their responses, 12(10%), 40(34%), 58(49%), and 8(7%)) were of the opinion that they adopt Expert Opinion, Executive Opinion, Direct Customer Composite, and Consumer Survey respectively. The table is further plotted as in the graph below:



Conclusions

The perspective of Grains Dealers Association, Ogbete Main Market, Enugu about forecasting is revealing. In spite of the fact that the responses in the above table and the graph showcase that they practice forecasting, personal one-on-one interview with many of the respondents revealed peculiar understanding about forecasting which deviates completely from any of the above qualitative forecasting tools.

The forecasting they practice does not fall within the range of the qualitative forecasting methods discussed in this work. What virtually all of them refer to as forecasting is an imaginative thinking in which they try to interpret some weather conditions and environmental indices upon which they are persuaded to assume and anticipate bumper harvest of certain grains at certain periods of the year and during which time they are persuaded to buy large quantities of such grains and stock them pending the period it will be relatively scarce in the market so they could dispose the stored grains at current market price with much gains. The researcher found out what they call this practice which had made most of them very wealthy, namely, "***Storage"!***

The practice is an exact replication of what Joseph did in the land of Egypt after he had interpreted Pharaoh's dream in the Christian Bible of Genesis Chapter 41.

Recommendations

The study recommends as follows:

1. The academic world should consider including the concept of **STORAGE** in the forecasting lexicon as one of the models for predicting or making a statement about the future for effective investment decision making.
2. The managers of businesses, especially those in the Grains Market should get educated on the existing forecasting tools, both the qualitative and quantitative tools in order to exploit them to guide their business decisions.

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