1 INTRODUCTION 11

2 ACME FOOD STORES PLC 16

3 ERRORS IN FORECASTING – ARE THEY INEVITABLE? 24

4 CHANNEL TUNNEL– CASE STUDY 35

5 SAMPLING 40

6 ANALYSING HISTORICAL DATA 57

7 PROBABILITY AND CONTINGENCY PLANNING 66

8 QUEUING AND SIMULATION 74

9 SIMULATION: MODELLING MAJOR INCIDENTS 88

10 WORKING WITH CONSTRAINTS 92

11 BENCHMARKING 100

12 SCENARIOS 103

13 ELASTICITIES 108

14 DRIVERS INFLUENCING FORECASTING 119

15 INFLATION AND EXCHANGE RATES 121

16 QUANTIFIABLE MACROECONOMIC FACTORS 130

17 NON QUANTIFIABLE MACROECONOMIC FACTORS 143

18 INDUSTRY DRIVERS 155

19 INTERNAL DRIVERS 164

20 MARKET POSITIONING 168

21 FIRM STRUCTURE AND CONTROL MECHANISMS 171

22 SIMPLE REGRESSION 181

23 MULTIPLE REGRESSION 187

24 DUMMY VARIABLES 193

25 REGRESSION – MISCELLANEOUS TOPICS 206

26 TIME SERIES – INTRODUCTION 216

27 JAPAN AIR TRAFFIC 227

28 SINGLE EXPONENTIAL SMOOTHING 234

29 TRIPLE EXPONENTIAL SMOOTHING 237

30 AUTOREGRESSION 245

31 ACME FOOD STORES PLC – TIME SERIES MODEL COMPARISON 252

32 LONG TERM FORECASTING 262

33 LONG TERM FORECASTS CTD (SCIENCE) 269

34 LONG TERM FORECASTS CTD (ART) 275

35 FINANCIAL FORECASTING 278

36 HOW DID IT ALL WORK OUT? 293