

Formula for Calculating a Company's Geographical Sales

If the company itself does not break down its sales (or revenue) by geography, below is a strategy that you may want to consider to address this report question:

Describe a company's domestic and global operations, including sales or revenue generated in each geographic area and the corresponding percentage generated in each geographic area (e.g., by country, region, economic community, etc.). If Canada is the only geographic area, it must be refined further than the national level (e.g., by region, province, etc.).

Total Sales (or Revenue) of Company

(e.g., \$10 million)[figure derived from company annual report or another authoritative source]

divided by

Total Number of Company Locations

(e.g., 100 locations/branches) [check company annual report, company web site or *Canadian Business Database* for numbers]

equals

Estimated Total Sales (or Revenue) per Company Location

(e.g., \$10 million ÷ 100 locations = \$100,000 per location)

Multiply Total Number of Locations In Each Province (or Geographical Area) by the Estimated Total Sales (or Revenue) per Company Location

Ontario = 80 locations x \$100,000 = \$8,000,000

Alberta = 20 locations x \$100,000 = \$2,000,000

Divide Provincial (or Geographical Area) Sales (or Revenue) by Total Company Sales (or Revenue) for Percentages

Ontario = \$8,000,000 ÷ \$10,000,000 = 0.8 x 100 = 80%

Alberta = \$2,000,000 ÷ \$10,000,000 = 0.2 x 100 = 20%