

5 Steps to Creating & Optimizing Your Territory Plans

Traditionally, determining sales territories is done by hand with tedious math on spreadsheets – using a lot of guesswork and assumptions about which accounts might be in a certain region and how much they might be worth. Creating modern sales territories today, however, can be done in five easy steps by leveraging a customer data platform, account fit or lookalike models and in-market buying or readiness signals. Helping sales managers understand the best accounts, the right personas in those accounts and the buying signals that are most important increases the odds of territory planning turning into sales success.

Benefits

Accelerate revenue through the optimization of sales territories and go-to-market operations with data-driven targeting and prioritization.

Integrated, normalized, enriched and scored Account and Contact Profiles.

Improve sales reps participation and Sales/Marketing conversion.

A prioritized view of the possible universe of global companies in the context of the way you organize your business and go-to-market.

Step 1: Define Your Ideal Customer Profile (ICP)

The first step is to define your Ideal Customer Profile (ICP) – and then to search and discover companies meeting that criteria. Your ideal customer profile represents the current accounts that are most successful. You can determine this based on criteria including revenue, close rate by segment, lifetime value – along with all the firmographic data representative of your most successful accounts. Firmographic and technographic data includes company size, industry, installed base technologies, and geography.

A model-driven ICP is a statistically-driven mathematical model that looks at thousands of firmographic and technographic signals that are common between positive outcome companies. The model is then used to categorize any company into high, medium, low and very low fit buckets. Your ICP model can be used to statistically identify lookalike accounts in each territory and can prioritize account tiering and basic coverage strategy in each geography.

Good Practice

Match your Marketo, Pardot or Hubspot scores against your Salesforce prospects and accounts

Best Practice

Use persona scoring with engagement scoring to identify the best engaged contacts/prospects to go after

Pro Tip

Use this to lower regional sales and marketing list buys

Step 2: Discover Your Total Addressable Market (TAM)

Next you'll want to discover your global TAM in order to understand the total number of companies fully available to your product opportunity. This is perhaps the most difficult step to do by hand. The most practical tool available for TAM discovery would be a Customer Data Platform (CDP) with embedded third-party data sources. Using a CDP's embedded data opens you to a world of profiles for accounts that you can leverage from the start, then apply it against your ICP and hone in by demographics, firmographics, tech install, and more.

Good Practice

Gather account universe from third-party data tools

Best Practice

Select a CDP that uses third-party and your internal data to understand the TAM universe against your AI model

Pro Tip

Do this for every territory so that you understand if a state or zip code has the right resources

Step 3: Map Your Territory Terrain

After discovering your TAM, you need to define your whitespace by merging your current customers into your TAM file. This helps to understand how much of your TAM is already penetrated. It also aids in adding context of what a reasonable size account is worth and its customer lifetime value. Size your Account TAM by either using a simple approach like your average deal size or by using a more advanced progression of land/expand and lifetime revenue, or by using analyst projections on the size and spend projections.

Good Practice

List the number of companies you do business with in each territory

Best Practice

Look at overall whitespace and lookalike companies against that territory

Pro Tip

Use this to understand renewals, upsell and new logo strategies and to determine resource allocation

Step 4: Identify the Right and Ready Accounts

Now that you know your ICP, TAM and whitespace, you can now prioritize sales campaigns by understanding which companies are showing signals that they are in the market for your product. Intent signals are useful to measure product interest signals at an account level. Intent signals are usually unique for every product in a company's portfolio. This allows sales teams to prioritize which product to lead with for a given account or to personalize prospecting or outbound sales activities.

Good Practice

Match your weekly intent vendor signals to the ICP criteria for each of your Salesforce accounts

Best Practice

Integrate Account AI models and intent signals directly into Salesforce to prioritize accounts by fit and readiness

Pro Tip

Update this weekly – intent signals and topics change every week

Step 5: Identify the Right and Ready Contacts

Finally successful sales outreach prioritizes the right person within each account who is most warmed up by marketing campaigns. First start with identifying the buying persona for a specific product. For example for a CRM software sale, sales operations directors who exhibit Salesforce automation interest might be the best persona fit. Buying personas can be statistically scored against leads and contacts in your Salesforce automation tool to identify the best fit for a given persona. To measure readiness of that person, look at the marketing automation score of that lead or contact in order to understand how much that individual person has been reacting to your marketing programs or engaging on your website.

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An operational view of the overall Company TAM/Territory Segmentation:

Structured around your Sales territories today

Filtered by individual product ICP/FIT

Filtered by individual region ICP/FIT

Optimize Sales territories by adjusting criteria or individual accounts or regions as needed to meet your go-to-market priorities.

Take the guesswork out of territory planning.

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