



Maximize Your Sales Productivity & Efficiency

A Guide to Creating Your Sales Territory Plan

[+ FREE TEMPLATE](#)



In today's competitive business landscape, strategic territory planning is essential to maximize sales efficiency and drive revenue growth.

A sales territory plan:

- Helps you make better-informed hiring decisions, which drives sales productivity, revenue, and profits.
- Maximizes sales resources, producing equitable and balanced areas and optimizes lead allocation.
- Empowers your team to achieve your territory goals and strengthen your market position.

Let's walk through the step-by-step process of creating a comprehensive sales territory plan, from defining territories and conducting market analysis to implementing strategies and leveraging technology.

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Analyze Your Market

The first step to creating your sales territory plan is collecting and analyzing market data.

Consider the following:

Demographics

Collect data on the population, age, income levels, and other demographic information relevant to your products or services.

Economic Indicators

Look at economic trends, employment rates, and industry growth in the territory.

Competitor Activity

Identify competitors in the territory, their market share, strengths, and weaknesses.

Customer Insights

Gather data on customer preferences, buying patterns, and feedback.

There are a few ways you can gather this market data, including the use of:

Public Data

Reference government reports, industry publications, and statistical databases.

Commercial Data Providers

Consider purchasing data from commercial sources that specialize in market research.

Internal Data

Use your company's sales history, customer interactions, and CRM data.

Some critical questions you should answer in this step include:

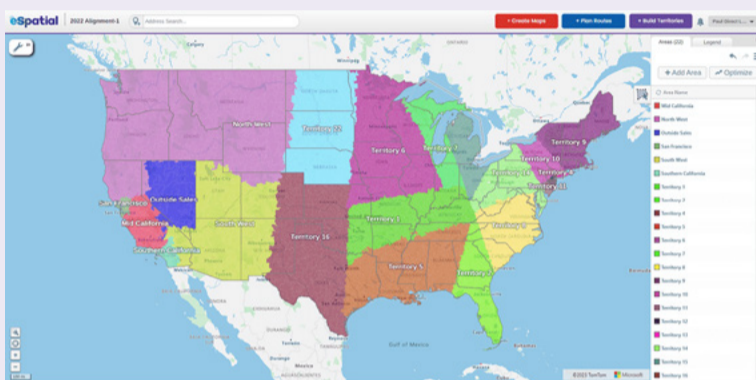
1. Where are your customers located?
2. Which industries do you serve?
3. Which regions are underperforming?
4. Which regions overperform?
5. What's the sales potential for each territory?
6. How are buying trends influencing your sales performance in specific areas?
7. Which service-related inefficiencies are leading to missed business opportunities?
8. How might future demand for your products/services affect your sales territory plan?

SECTION 2

Define Your Territory

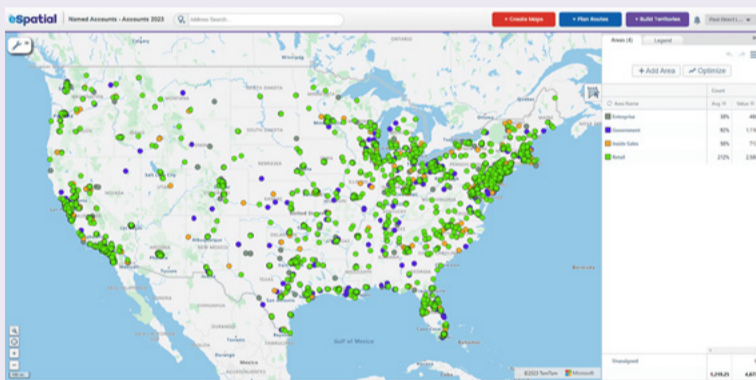
The next step is to clearly define the geographical or demographic boundaries of your sales territory.

There are three approaches to defining sales territories.



Geographic

This approach involves assigning a group of customers in a geographic region to a sales rep. Zipcodes are the most popular building blocks, but you can also use county or state boundaries.



Account-based territories

This approach uses an account-based or points-based design. Regardless of location, assigning accounts to a senior sales rep or manager solidifies customer relationships.



Hybrid

As the name suggests, this approach combines geographic and points-based territory design.

Segment Your Market

Refine your territory further by segmenting your market. This helps create territories that are manageable and have a clear focus.

When categorizing your existing and prospective clients, consider:

Customer and prospect locations

Industry type, size, and everyday use cases for your products/services

Behavioral trends (spending habits, the likelihood of repeat sales, revenue potential, etc.)

Client delivery and sales support expectations

Regional competition (high vs. low risk of losing business to a competitor)

Travel time and associated costs



SECTION 3

Set Goals

Once you've defined your territory, you should establish specific, measurable, and achievable sales objectives including sales targets, market share goals, and customer acquisition objectives.

Examples of territory goals include:

- Increase sales revenue by 25% compared to the previous fiscal year.
- Acquire 20 new enterprise-level clients in the Southwest region.
- Expand market share in the cybersecurity and cloud computing sectors by 15%.
- Enhance customer satisfaction scores by improving response times and service quality.

Develop Strategies

With your goals defined, it's time to create a strategy for how you'll achieve them.

With a SWOT (strengths, weaknesses, opportunities, and threats) analysis, you can examine factors like historical performance and prevailing market conditions so you can pinpoint the core competencies and limitations of your sales team.

The results of your SWOT analysis will help you determine which tactics will support you in penetrating the market, acquiring new customers, mitigating risk, and maximizing revenue generation.

Here's what you should consider:

Strengths

- Are you strong in specific verticals?
- Is your team better organized and focused than your competition?
- Do you offer better service levels?
- Is your sales training and coaching a strength?
- What successful sales strategies have you used in the past?

Weaknesses

- Are there geographic regions where performance is weak?
- Do you have some fragile customer relationships?
- Is your marketing spend lower than the competition?
- Are your sales territories out of balance?
- Are your sales team over or under-worked?

Opportunities

- Can you grow your territory footprint by expanding into new areas?
- Can you split/merge sales territories?
- Are there competitor accounts you can win?
- Are some existing customers expanding?
- Can you increase your share of wallet with customers?
- Do you have new products to launch?

Threats

- What are the negative aspects of the current market?
- Are there emerging competitors that could reduce your market share?
- Are regulations changing?
- Is there a shift in consumer behavior?
- Is your team satisfied?
- Are there economic factors (like inflation or a recession) at play?

Establish a Timeline

Next, break down your strategy into actionable steps with clear timelines and desired outcomes. Your timeline should include space for review and adjustments.

Your key milestones might look like this:

Territory Mapping and Segmentation

Completed by the end of Month 1.

Prospecting and Lead Generation:

Initiated in Month 2 and ongoing.

Client Acquisition:

Target to acquire 5 new clients per quarter.

Quarterly Business Reviews:

Conducted at the end of each quarter to assess progress and recalibrate strategies.

Your expected outcomes might be:

Increased sales revenue and market share.

Expansion of customer base and client portfolio.

Improved customer satisfaction and retention.

Enhanced sales efficiency and effectiveness.

Your timeline might include:

Quarterly Territory Planning:

Conducted at the beginning of each quarter to review goals, strategies, and tactics.

Monthly Sales Reviews:

Held at the end of each month to evaluate performance, identify challenges, and adjust strategies.

Weekly Sales Meetings:

Scheduled every Monday to provide updates, share best practices, and set priorities for the week.

SECTION 6

Allocate Resources

Consider the size and skills of your sales team. Align territories with your sales force's capabilities and capacities to ensure effective coverage without overburdening your team.

You should also consider budget projections to help ensure that your resources are distributed efficiently and effectively. **For example:**

TRAVEL AND
ENTERTAINMENT:
\$75,000 annually

(including expenses for client meetings, conferences, and events).

SALES PERSONNEL
\$500,000 annually

(including salaries, commissions, and benefits).

MARKETING
COLLATERAL
\$50,000 annually

(including brochures, presentations, & promo materials).

TECHNOLOGY
INVESTMENTS
\$100,000 annually

(including CRM software, sales enablement platforms, and virtual meeting software).



Leverage Technology

To help your plan be the most effective and efficient it can be, use technology to your advantage. With various tech solutions, you can streamline workflows, optimize resource allocation, and adapt your strategy for enhanced scalability and a competitive edge.

Customer Relationship Management (CRM) Software

Use CRM tools to track leads, manage customer interactions, and forecast sales.

Sales Enablement Platforms

Implement sales enablement platforms for content management, sales automation, and performance analytics.

Territory Mapping Software

Leverage territory mapping software to visualize and refine territories, identify target areas, and optimize routes.

Virtual Meeting Software

Use virtual meeting software for remote sales presentations, demos, and client meetings.

Mobile Sales Apps

Equip sales representatives with mobile sales apps for on-the-go access to sales materials, pricing information, and customer data.

A note on clean data:

You'll need to use data and insights from your CRM, ERP, and spreadsheets to create a complete plan. However, for many organizations, these disparate data sources do not talk to one another, which opens the door for inefficiencies.

Consolidating data with solutions such as mapping software makes your process more manageable because:

1. There is one source of truth rather than several competing sources.
2. You can overlay multiple layers of data and fine-tune your analysis.
3. Changes sync with your CRM or other systems in real-time, saving hours in administration.

SECTION 8

Free Template

TERRITORY OVERVIEW

Territory Name/ID:

Geographic/Demographic Description:

Key Characteristics (e.g., urban/rural, income levels, industry presence):

SALES TEAM INFORMATION

Sales Manager:

Team Members:

Roles and Responsibilities:

MARKET ANALYSIS

Total Market Size:

Key Industries/Sectors:

Major Competitors:

Market Trends:

Customer Demographics and Segments:

HISTORICAL PERFORMANCE (IF APPLICABLE)

Past Sales Achievements:

Previous Challenges and Lessons Learned:

Customer Feedback/Insights:

GOALS AND OBJECTIVES

Sales Targets (*e.g., revenue, units sold*):

Market Share Objectives:

Customer Acquisition/Retention Goals:

Specific Product/Service Focus:

PERFORMANCE METRICS AND KPIS

Revenue Targets:

Customer Satisfaction Indices:

Conversion Rates:

Sales Call/Visit Metrics:

Market Share Changes:

STRATEGIES AND TACTICS

Sales Approach (*e.g., direct, channel, online*):

Marketing and Promotion Plans:

Key Accounts and Target Customers:

Cross-selling/Up-selling Strategies:

Customer Relationship Management Strategies:

RISKS AND MITIGATION STRATEGIES

Identified Risks (*e.g., economic, competitive*):

Contingency Plans:

Response Strategies:

TIMELINE AND MILESTONES

Key Dates and Deadlines:

Milestone Targets:

REVIEW AND ADJUSTMENT PLAN

Scheduled Review Dates:

Criteria for Plan Adjustment:

RESOURCE ALLOCATION

Budget Allocation:

Personnel and Time Resources:

Tools and Technology (e.g., CRM, data analytics tools):

Training and Development Needs:

Your sales territory plan is more than just a pathway to enhancing sales productivity – it's a blueprint for building a robust, resilient, and high-performing strategy.

Remember that your plan is a living document, so it requires continuous evaluation and adjustment to align with changing market dynamics and internal objectives.

eSpatial can help you remain agile and responsive by reducing administrative drain and boosting selling time. Our innovative mapping, territory, and route optimization tools empower you to unlock new opportunities and propel your business forward.

**Set your sales team up for
success with mapping software.**

GET A 14-DAY FREE TRIAL

The logo for eSpatial, featuring the word "eSpatial" in a bold, blue, sans-serif font. The letter "e" is stylized with a cluster of small blue dots to its upper left.