Welcome
Optimal Territory Planning with Tableau

Hunter Barcello
Senior Sales Operations Analyst
Tableau

Justin Kruger
Manager, Sales Operations
Tableau
What About You?
Session Overview

Why use Tableau for territory planning?

General best practices

Choosing your metrics

Demo
<table>
<thead>
<tr>
<th>State</th>
<th>Ideal Index Per Territory</th>
<th>Index</th>
<th>DELTA: Index - Target</th>
<th>Sales Last 24 Months</th>
<th>Number of Customers</th>
<th>Lifetime Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bay Area</td>
<td>2.051</td>
<td>3,151</td>
<td>-1,100</td>
<td>500,863</td>
<td>214</td>
<td>224</td>
</tr>
<tr>
<td>Downtown Bay Area</td>
<td>2.051</td>
<td>2,375</td>
<td>-324</td>
<td>389,873</td>
<td>161</td>
<td>167</td>
</tr>
<tr>
<td>Mountain West</td>
<td>2.051</td>
<td>1,489</td>
<td>-562</td>
<td>227,889</td>
<td>105</td>
<td>105</td>
</tr>
<tr>
<td>New England</td>
<td>2.051</td>
<td>347</td>
<td>-1,705</td>
<td>43,947</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td>PNW</td>
<td>2.051</td>
<td>2,366</td>
<td>315</td>
<td>414,534</td>
<td>155</td>
<td>160</td>
</tr>
<tr>
<td>Southern California</td>
<td>2.051</td>
<td>2,041</td>
<td>-10</td>
<td>301,635</td>
<td>145</td>
<td>146</td>
</tr>
<tr>
<td>Other</td>
<td>2.051</td>
<td>22,050</td>
<td>18,999</td>
<td>3,393,306</td>
<td>1,449</td>
<td>1,466</td>
</tr>
</tbody>
</table>

MAP: Territory Builder Driver

Ideal Target = 2.051 (±/- 7.82 Points)

MAP: Territory Overview
Why Tableau for Sales Territory Planning?

Better value than territory specific software that’s only used seasonally

Faster territory creation

Better, more constructive dialog with sales team and leadership

Happier people
Best Practices
Keys to a Successful Territory Rollout

Defined timeline

Engaged stakeholders

Clearly defined segmentation or rules of engagement

Headcount and growth plan

Clear definition of a customer and key metrics
End-to-End Sales Planning Process

Go to market (1–3)  Duration ~ 2 months

Territory and quota creation (4–6)  Duration ~2 months

Compensation plan distribution (7–8)  Duration ~1 month

- Issue plan documents
- Revenue target by geography
- Segmentation
- Resource model
- Territory construction
- Quota distribution
- Quota to sellers
- Sellers to territory
## Revenue Targets by Geography

<table>
<thead>
<tr>
<th>Region</th>
<th>Sub-region</th>
<th>Revenue Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td></td>
<td>$193 Million</td>
</tr>
<tr>
<td>Region</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMEA</td>
<td>United Kingdom</td>
<td>$50 Million</td>
</tr>
<tr>
<td></td>
<td>DACH</td>
<td>$30 Million</td>
</tr>
<tr>
<td></td>
<td>East</td>
<td>$90 Million</td>
</tr>
<tr>
<td></td>
<td>West</td>
<td>$20 Million</td>
</tr>
<tr>
<td></td>
<td>Japan</td>
<td>$13 Million</td>
</tr>
<tr>
<td></td>
<td>India</td>
<td>$10 Million</td>
</tr>
<tr>
<td>USCA</td>
<td></td>
<td>$110 Million</td>
</tr>
<tr>
<td>APAC</td>
<td></td>
<td>$23 Million</td>
</tr>
</tbody>
</table>
## Segmentation

<table>
<thead>
<tr>
<th>Geography</th>
<th>Vertical markets</th>
<th>Line of business size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Postal code or country</td>
<td>Customers require specific use cases</td>
<td>Enterprise vs. commercial</td>
</tr>
<tr>
<td>Localization across customers and prospects</td>
<td>Sellers with expertise</td>
<td>Duration of sales cycle</td>
</tr>
<tr>
<td></td>
<td>Large opportunity for expansion overtime</td>
<td>Deployment considerations</td>
</tr>
</tbody>
</table>

- **Revenue target by geography**
- **Segmentation**
Resource Model (Blueprint)

- Strategic field sellers
- Named field sellers
- Mid-market inside sellers
- Small medium business sellers
- Selective list of accounts
- Small list of accounts

- Revenue target by geography
- Segmentation
- Resource model

Geographic based
Territory Construction

- Revenue target by geography
- Segmentation
- Resource model
- Territory construction
Quota Distribution

<table>
<thead>
<tr>
<th>Title</th>
<th>Model</th>
<th>USCA</th>
<th>APAC</th>
<th>EMEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial TM</td>
<td>Commercial</td>
<td>$750k</td>
<td>$600k</td>
<td>$700k</td>
</tr>
<tr>
<td>Senior commercial TM</td>
<td>Commercial</td>
<td>$900k</td>
<td>$750k</td>
<td>$800k</td>
</tr>
<tr>
<td>Commercial AM</td>
<td>Commercial</td>
<td>~$1M</td>
<td>~$800k</td>
<td>~$900k</td>
</tr>
<tr>
<td>Senior commercial AM</td>
<td>Commercial</td>
<td>~$1.1M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Account executive</td>
<td>Enterprise</td>
<td>~$2M</td>
<td>~$1M</td>
<td>~$1.5M</td>
</tr>
<tr>
<td>Strategic account executive</td>
<td>Enterprise</td>
<td>~$3M</td>
<td>~$2M</td>
<td>~$2.5M</td>
</tr>
</tbody>
</table>
Sellers to Territory

<table>
<thead>
<tr>
<th>Territory name</th>
<th>Direct seller</th>
<th>Customer success</th>
<th>Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC-JAPAN-1</td>
<td>Ainu Sato</td>
<td>Agnes Tanaka</td>
<td>Riku Fujimoto</td>
</tr>
<tr>
<td>USCA-EAST-2</td>
<td>Sue Miller</td>
<td>Brad Walters</td>
<td>Frank Coors</td>
</tr>
<tr>
<td>EMEA-UK-1</td>
<td>Jacob Clarke</td>
<td>Colleen Switz</td>
<td>Charlie</td>
</tr>
</tbody>
</table>

Revenue Target by Geography
Segmentation
Resource Model
Territory Construction
Quota Distribution
Identifying Key Metrics for Optimization

What are your key, measurable, business drivers, or KPIs?

Examples:

- Number of customers
- Transactions
- Customer spend
- New customers
- Product adoption
- Renewal spend
- Leads
Identifying Key Metrics

For best results, understand how these metrics affect future sales.

Develop at least one training data set to help guide your selection and weighting process. Validate with data from another time period.

Example:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>$17,482.00</td>
<td>35</td>
<td>$12,158.00</td>
</tr>
<tr>
<td>29</td>
<td>$14,082.00</td>
<td>43</td>
<td>$18,648.00</td>
</tr>
<tr>
<td>5</td>
<td>$3,041.00</td>
<td>7</td>
<td>$2,779.00</td>
</tr>
<tr>
<td>1</td>
<td>$4,698.00</td>
<td>1</td>
<td>$384.00</td>
</tr>
<tr>
<td>3</td>
<td>$18,759.00</td>
<td>6</td>
<td>$5,868.00</td>
</tr>
<tr>
<td>2</td>
<td>$8,121.00</td>
<td>34</td>
<td>$3,587.00</td>
</tr>
</tbody>
</table>
Example Use Cases
Business Scenario

We need to plan territories for 3 account managers in 2019

We have determined that our 3 key metrics for predicting future territory success are:

- Lifetime transactions (30%)
- Number of customers (30%)
- Spend in the last 2 years (40%)
Business Scenario

We have our sales information at the transaction level.

We need to aggregate upwards to customer postal code.
Readying Metrics for Territory Creation

Normalize or scale measures

Enables easier comparison between two different types of numeric data

Example:

Number of employees and dollars of spend

Without scaling…

2000 employees + $100,000 sales = ???
Readying Metrics for Territory Creation

Scaling preserves the linear relationship and lets us compare across measures more easily

Once data is aggregated appropriately

Divide by the maximum observed value, multiply by what you want to the maximum to be (we like 1,000)
Readying Metrics for Territory Creation

Previous example continued:

2,000 employees + $100,000 sales = ???
If our maximum is 10,000 employees and $1,000,000 in sales

\[
\frac{100,000}{1,000,000} \times 1,000 = 100 \text{ Sales Index}
\]

\[
\frac{2,000}{10,000} \times 1000 = 200 \text{ Employee Index}
\]

100 Sales Index + 200 Employee Index = 300 Total Index
Demo
Takeaways

Build territories faster, cheaper and better with Tableau

Ensure your group is aligned and engaged before beginning territory creation

Once a segment is large enough that states and provinces need to be split up, optimization can get challenging. We can use a clustering algorithm to solve this problem.

Key feature is using custom geography from a field. Use the cluster ID, generating geography from postal code.
Informational Links

Git Repo: Clustering script and data from this demo are all located here
https://github.com/hbarcello/TC18_SalesOps

R Studio : Open source ML
https://www.rstudio.com/products/rstudio/download/
Q&A
Thank You!

Hunter Barcello
hbarcello@tableau.com

Justin Kruger
jkruger@tableau.com
Please complete the session survey from the Session Details screen in your TC18 app.
TABLEAUCONFERENCE