Solution Guide: Territory Planning

Anaplan

SOLUTION GUIDE: TERRITORY PLANNING

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FOREWORD

Every all-encompassing sales strategy aims to answer three questions:

- **Where should we sell?** *Sales planning that defines our universe—territories, quotas, account segments, and sales capacities—the building blocks of the sales strategy.*
- **How should we sell?** *Sales incentive programs that inspire the right behaviors that drive sellers to the results we need.*
- **What should we sell?** *Sales insights that determine the things we need to do to increase sales performance.*

Planning and managing the components of the sales strategy may be centralized within a single person, team, department, or managed de-centrally across different groups. Either way, much of the data needed for these processes is common; such as sales/territory hierarchies, seller information (internal and external), crediting rules, sales history, customer information, products, etc. The metrics from these processes feed into one another. Because of the shared data and metrics, Anaplan provides the flexibility to include all processes within the same model or separate them as business needs require. Processes can be separated into different models during implementation, and data can be shared across models using a Data Hub. This practice is useful where organizations have very large volumes. Processes may also be combined into a single model depending on size and usability requirements. This will vary from customer to customer.

The focus of this paper addresses the specific **territory planning** efforts that, along with quota planning, account segmentation, and sales capacity planning, help answer the first question of, "Where should we sell?" The following represents Anaplan's point of view on sales planning best practices based on industry-leading research and customer experience.

TERRITORY PLANNING

All organizations are faced with defining how to approach the market with the same universal constraints of people, time, and money. Sales leaders address this by creating a strategy that clearly answers, "where should we sell?" by defining quotas/goals, territories, target accounts, and, sales capacity.

Territory planning is the process of defining how to carve up your selling universe in a way that helps drive sales growth over time. Planning and designing sales territories can include many different factors. Examples include:

- Geography.
- Size/revenue/potential value.
- Industry/vertical markets.
- New business vs. account management.
- Products.
- Named accounts.
- Alphabetical.
- Channel vs. direct.
- Wide open.

Territory definitions are somewhat of an art—there isn't a single, universally best approach. But it is critical for organizations to optimize territory plans in a way that is effective and also seen as fair to motivate sellers, determine sales capacity requirements, and plan organizational and personnel decisions appropriately.

"Our research shows that optimizing territory design can increase sales by 2% to 7%, without any change in total resources or sales strategy." Harvard Business Review

https://hbr.org/2015/08/why-sales-teams-should-reexamine-territory-design

TERRITORY PLANNING PROCESS STEPS

More mature organizations include the following processes when planning for and managing territories:

- Segmentation
  - Identify high-yield categories of customers and prospects in order to increase sales revenue and retain existing accounts.
- Model market-condition scenarios
  - View total market revenue "what-if" scenario results using calculated relative account value and adjustment options.
- Sales coverage planning
  - Ratio of account assignments where salespeople can make their quota while effectively providing the optimal service to accounts and prospects.
- Territory allocation
  - Define territories based on location, accounts, products, sales potential, and any number of factors.
- Territory assignment
  - Associate sales reps and overlays to territories based on best fit and highest revenue potential.
- Sales performance analysis
  - Measure your sales progress over a period of time. Analysis allows you and your sales team to identify weaknesses in your sales strategy and make changes so that you can improve the results over the next period.

Quite often, Total Addressable Market (TAM), or Serviceable Available Market (SAM) are defined by Finance, or by specialized external services, and used as key metrics. These metrics are used as a starting point to help to define market segmentation. Once the overall target is defined, goals can be divided among sellers, and territories can be built. By segmenting customers using opportunity value in addition to historical sales value (potential spend), organizations can optimize their sales plans.

In order to define territories, organizations need to understand the target market, organizational goals, and the potential of their sales force in order to achieve these goals.

"Sales potential can be represented in a number of ways. Of these, the most basic is population—the number of potential accounts in a territory… Estimating the size of a territory might involve simply calculating the geographic area that it covers. It is likely, however, that average travel time will also be important. Depending on the quality of roads, density of traffic, or distance between businesses, territories of equal area can entail very different travel time requirements. In evaluating such distinctions, sales force records of the time needed to travel from call to call can be useful. Specialized computer software programs are available for these purposes."[1]

Many organizations allocate accounts to territories based on geographic location: states, regions, and countries. This type of allocation may work well for some types of businesses, for example pharmaceuticals, but there are often other factors that should be considered to enhance market coverage and maximize sales rep skills. In addition to geographic location, you can use territory definitions to leverage the sales potential of your team and maximize market coverage through an optimal combination of dimensions, including those listed above.

- Products (Who has more product-specific knowledge and where do some products do better than others?)
- Industry (Do certain industries buy more of one product than others? Can I increase interest for additional, targeted industries for my products?)
- Specific Accounts (Should certain high-value accounts be assigned to specific sales reps in order to nurture that relationship?)
- Historical Performance (Will my current customer base expand or renew?)
- Potential Revenue (What prospects are likely to buy?)

If sales reps sell a certain product, and this product is sold to a targeted industry, you might want to determine where those industry's companies are located and allocate those accounts equitably among this set of reps.

One of the main goals for territory planning is to provide an equitable balance of account assignments to the sales force. Territories are the basis of an organization's sales plan and the quality of territory design and account allocation greatly affects sales performance. Territories need to be fair and balanced to ensure that each rep has equal opportunity to attain their goals. If territories are unevenly designed, or even appear to be, it can be detrimental to sales team morale, which can lead to attrition and poor performance.

COMMON TERRITORY-PLANNING CHALLENGES

Territory planning is suboptimal in many organizations due to lack of data, lack of time, and/or manual, error-prone processes. It is most often a static one-time planning process performed right before the organization's next fiscal year, rather than a fluid, ongoing, process. Issues and limitations most often found in territory planning are as follows:

- Unbalanced and unequitable territories leading to poor morale and attrition.
- Challenges in prioritizing accounts used for territory planning.
- Cookie-cutter assignments and targets that don't consider account value, scoring, and scoring adjustment processes, and only consider account geo location.
- Geographic allocation is overly simplistic and lacks sufficient insights into buying motivation.
- Limited or no insight for business development purposes and on-going assignment of new accounts.
- Lack of understanding in territory coverage gaps.
- Difficulty in re-aligning and re-planning.
- Inability to optimize territory assignments.
- Limited or no ability to create and compare scenarios.
- Inability to consolidate customer (prior year sales), prospects, and net new account data.
- Complexity in sales models, channel and overlay assignments, and global impacts.
- Limited insight for business development purposes. It doesn't tell us how much effort should be expended on each account.
- Cannot inform the approach we should take for developing relationships with key individuals.
- Lack of insight to consider other factors aside from the historical sales when forecasting. They also need to look at factors such as cash flow, product delivery, customer profile, and each sales rep's sales history. For example, take into account average time to close to calculate total rep capacity.

TERRITORY PLANNING USING PREDICTIVE INSIGHTS

Advanced technologies such as machine learning (ML) and artificial intelligence (AI) allow for further analysis and predictive modeling using both first-party (internal) and third-party data. Anaplan's AI and Predictive Insights can help improve the territory planning process in many ways.

When modeling your customer successes and prospects using Anaplan's predictive engine, it first identifies an Ideal Customer Profile (ICP) based on common indicators. These indicators and intents are based on existing customer wins and those accounts who most resemble those "wins." Machine learning algorithms are applied to identify top Intents based on third-party online digital footprints and are appended to account and opportunity data. Once indicators and intents are identified, additional optimization is performed via propensity modeling, which applies additional machine learning logistic regression and gradient boosted decision trees. Final results are used to score and rank accounts. Modeling can be performed for single and multiple products. Multiple product models score and rank each product separately.

Ideally, your organization has planned segmentation and scoring with the help of the predictive engine's insights. Once account results are scored and reconciled within the segmentation planning model, this data is brought into the Territory Planning model. Additional insights and calculations based on predictive scoring are added to enhance the overall planning process within the model.

If starting segmentation with Territory Planning using Predictive Insights, account data can be pushed into the predictive engine, enriched, modeled, scored, and ranked. Data can then be imported back into the Territory Planning model and used in the following ways to enhance the planning process:

- Predictive Value is calculated based on score ranges for current and opportunity accounts. Accounts with a higher score, (0 to 100), and higher ranking, (A, B, C, D, and F), are assigned a higher potential dollar value.

    - Use Predictive Value to score the market and analyze potential by account revenue size, industry, and other metrics.
    - Optimize territory assignments using Predictive Value via the Optimizer engine.
    - AI can help sales team broaden their reach and focus their efforts by identifying *Net New Accounts* that aren't typically considered as part of the overall territory planning process. These accounts are "look-alike" companies based on top ICP Intents. Net New Accounts can be included in the initial planning process and/or included after territory allocation has occurred and assigned to specific territories as appropriate.

Scoring and Ranking accounts using a predictive model provides an objective data-based view and a great benchmark that sales and finance functions can use to compare numbers during planning. We've used this advantage to calculate an objective-based predictive score value, which is then compared to more subjective based values during the planning process. Although the accuracy of science-based algorithms is known to outperform human judgment, many organizations aren't yet ready to embrace AI and ML. The approach here is to augment human forecasting and planning.

Anaplan Predictive Territory Planning

- Provides the ability to easily create and use multiple metrics in calculating scores to assign account dollar values.
- Calculate and add adjustments to base and predictive scores—down to the metric level.

  - Revenue Band, Industry, Service Ratio, etc. Each Adjustment type has its own ranges where you can add specific growth % and overrides. Additional adjustments types are easily added to the model based on customers' needs.
  - Adjust differently for Current Accounts vs. New Accounts across products.
- Cover Capacity based on where resources will be most effective and have the greatest impact to revenue potential.
  - Utilize Base or Predictive Potential to identify the greatest impact.
- Automate territory assignments using Anaplan's built-in capabilities and/or Optimizer
- Optimize and automate territory assignments using Predictive or Base score values, along with additional customer-defined criteria.
- Perform "what-if" scenario planning.
- Provides the unique ability to reiterate territory assignments, and roll-back to different scenarios before finalizing territory plans.
- Plan and Assign using "Net New" accounts. These are accounts identified by Predictive AI not previously considered prospects.
- Use Workflow for the planning process.

ON-GOING TERRITORY PLANNING

Territory planning does not end once you have finalized territory assignments for next year's sales plan. It is most effective when seen as a continuous process and it is paramount that progress is measured to track how the plan impacts sales. Organizations should be prepared to fine-tune their sales plan on a regular basis when needed.

Territory Planning result metrics:

- Have sales increased or decreased in a specific region, for products, or account types?
- Are there any disparities among sales in different territories?
- What are the costs associated with each territory?
- Are any sales reps struggling to keep up with their leads?
- Are sales reps meeting their quotas?
- Are any markets under-served and in need of more assigned sales reps?

1. *Marketing Metrics: The Definitive Guide to Measuring Marketing Performance* by Farris, Bendle, Pfeifer and Reibstein.

DEMO MODEL LINKS

Link to download the model can be found in the Presales App Model

Link to NUX app in Demo Library Workspace:

https://us1a.app.anaplan.com/a/apps/app/1b685a59-b0b3-4c8f-af33-497543bfb694

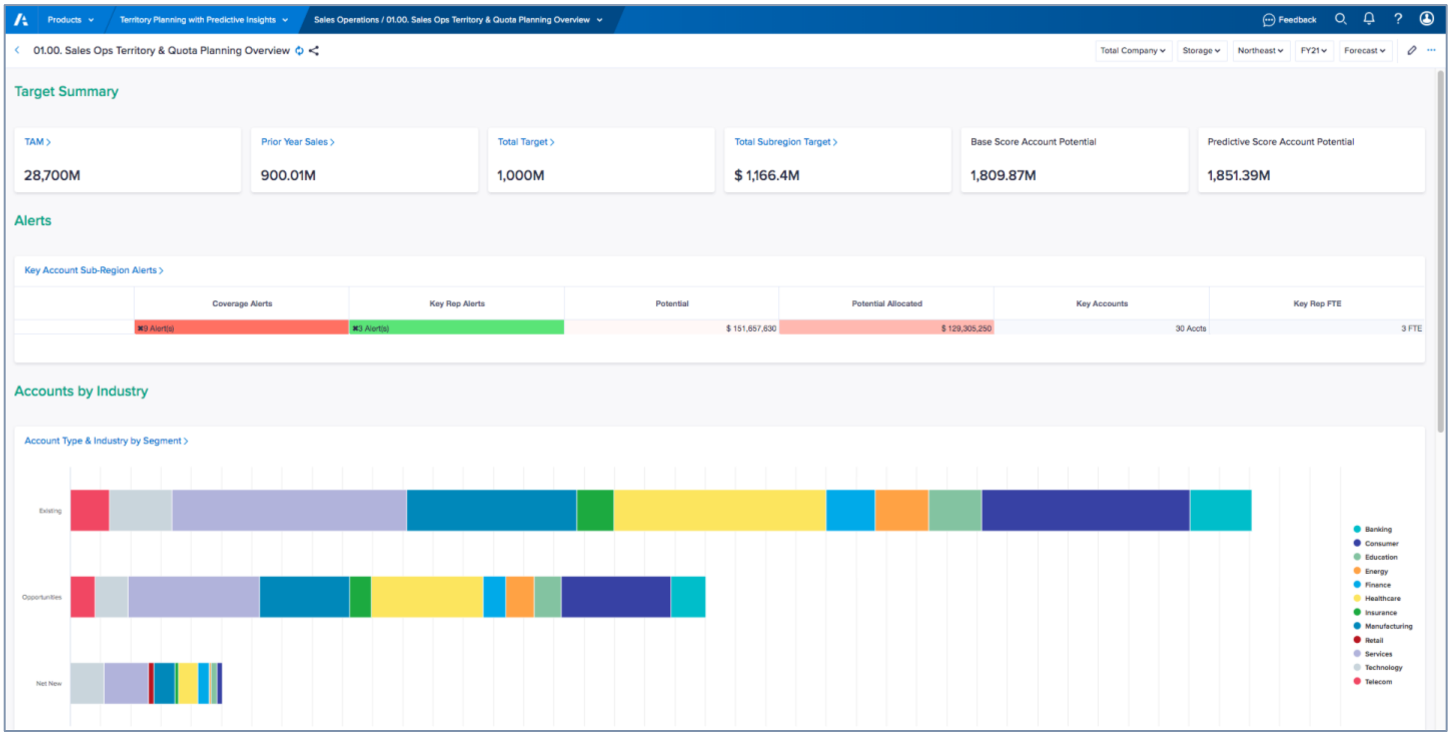
For access to the NUX, request Presales Ops add you to the Model as a User or have the NUX App copied to you Workspace.

TERRITORY PLANNING WITH PREDICTIVE INSIGHTS: DASHBOARDS AND DEMO FLOW

Dashboards with talking points and differentiators.

Sales Operations Territory Planning Overview

This is the landing page (first dashboard) in the demo. 01.00. Sales Ops Planning Overview



Each persona has a landing dashboard where he or she can view the overall state of planning, alerts, and new tasks necessary to easily complete his or her job. The Sales Ops Overview dashboard presents high-level information re: key accounts, alerts for key account under-assignment, capacity, enterprise and mid-market allocation of potential (assignments), and general account segment information. Drill-downs (links) to detailed dashboards for each alert, task, and KPI are provided so Sales Ops can easily review and take action.

Planning KPI are displayed at the top of the dashboard. We've introduced a new calculated "Predictive Score Value" that is used throughout the planning model in various ways. The predictive score value is derived and based on the predictive account score, calculated by the Predictive AI Model. It can be compared to the base score and other metrics during the planning process.

Use this dashboard, KPI, and charts to introduce territory planning in general, and to discuss how we've folded Predictive Insights into the process.

- KPI values represent the total across all accounts and provide an overall view of territory planning measures.
  - The Sales Ops Manager can select different regions, products, territories, and time, and view KPI and chart information relevant to those selectors.
- Key Account alerts are displayed (if any) based on the region or sub-region selected.
  - Select the Northeast sub-region to view alerts for Key Account coverage gaps.
- Accounts by Industry displays the number of accounts per industry by account type and by segment. Account Types are Existing Customers, Opportunity Accounts, and Net New Accounts

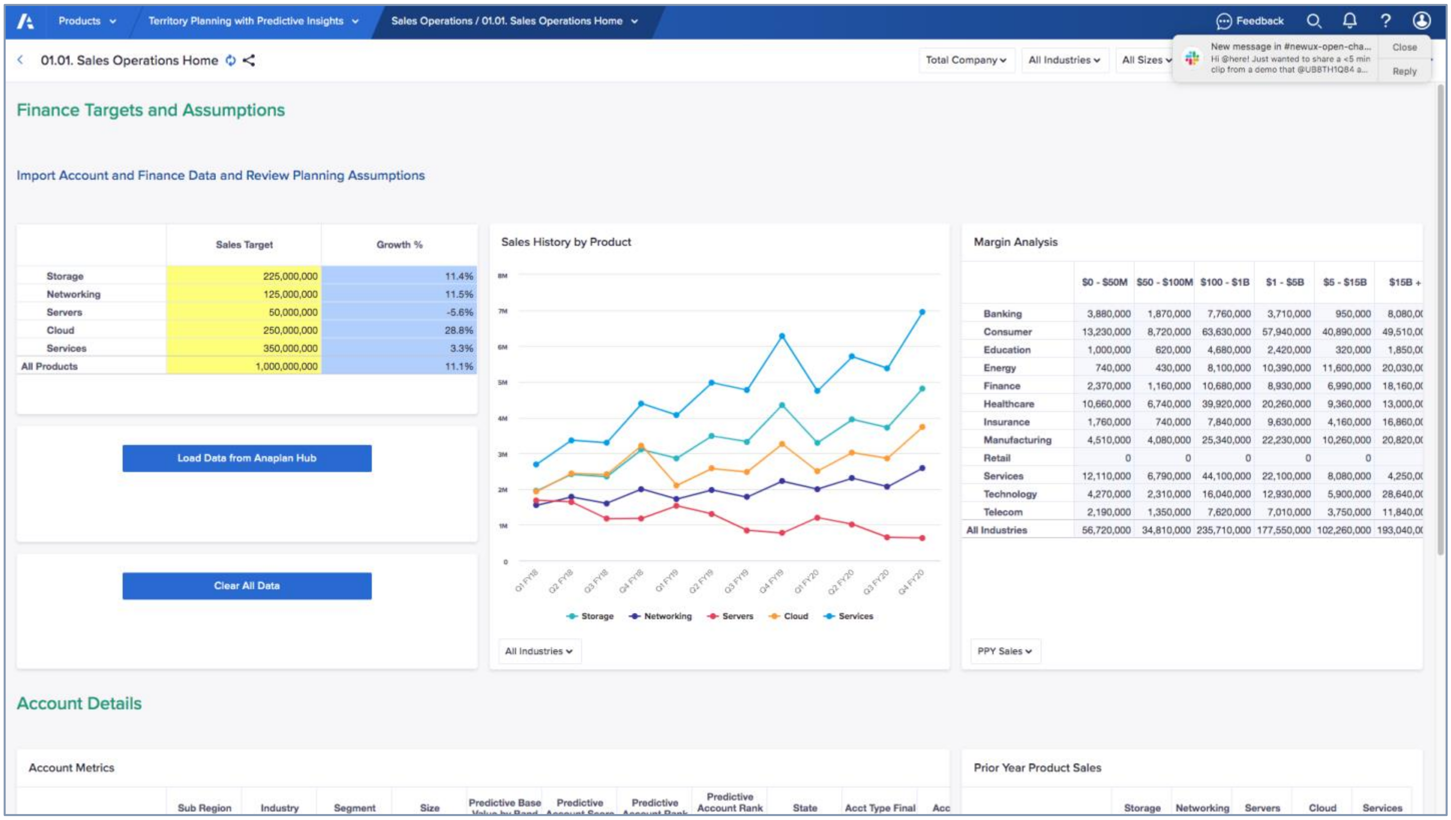
    - Net New Accounts are those accounts recommended by the Predictive Model based on the Ideal Customer Profile. This is a new concept introduced into the Territory and Quota Planning Model and is a product differentiator.
    - Select a segment to view account types by industry for that specific segment.
- Capacity is represented in the Headcount by Region and Sub Region chart.
- Enterprise and Mid-Market territory assignments can be reviewed in the chart, and more detailed reviews and overrides can be performed in the linked dashboards.

NOTE: Mid-Market and Enterprise assignments are displayed for only a single sub-region. The Optimizer process deletes sub region data prior to running, so typically, the Northeast region is selected as this is the first sub-region in the hierarchy and defaulted in many dashboards.

Select the link to "Prior Year Sales" KPI to navigate to the next dashboard in the flow "Sales Operations Home". Or use the menu to navigate.

Sales Operations Home

Sales Operations -> 01.01. Sales Operations Home



This was the original starting page for the prior demo build. The demo started with importing in the account and target data from the Data Hub. Prior to the import, the page was blank. After import, you see the data along with all of the metrics, calculation results, and charts. **DO NOT PERFORM** the import step when reviewing this page. Predictive scores, ranks, and account indicators are not included in the Data Hub data at this time.

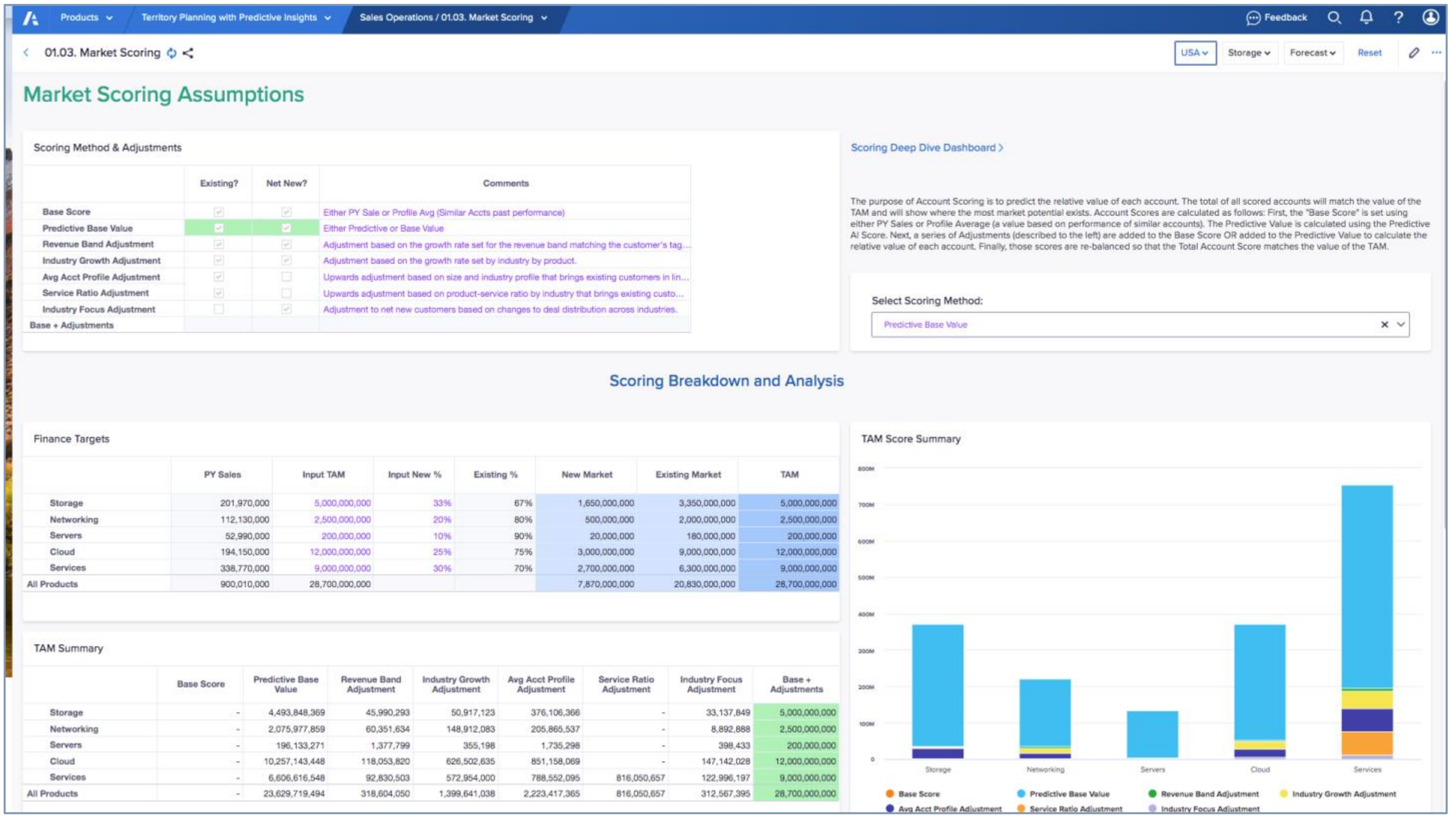
If including this dashboard in the new demo, keep it short and sweet. Simply discuss that this is where prior year sales history is imported, validated, and reviewed. It Is also where Targets from Finance are imported. Customers have a connection point here among Financial, Territory, and Quota Planning.

Summary information is displayed in the chart and table. Review account data by industry and review industry by company size in order to analyze trending for assignment planning. Account Details are provided below the chart and table.

- Sales History by Product displays sales trends over time.
- Margin Analysis breaks down different calculations by industry and account size (annual revenue). Compare Market Scoring or Prior Year Sales metrics to the new Predictive Value calculation.
- Account details are displayed below the chart and table. Some of the calculated metrics are displayed by account. **Predictive Score and Rank** are also provided at the product level.
    - Select a product at the top to view relevant Predictive Score and Rank for accounts.

Market Scoring

Sales Operations -> TAM KPI to 01.03. Market Scoring



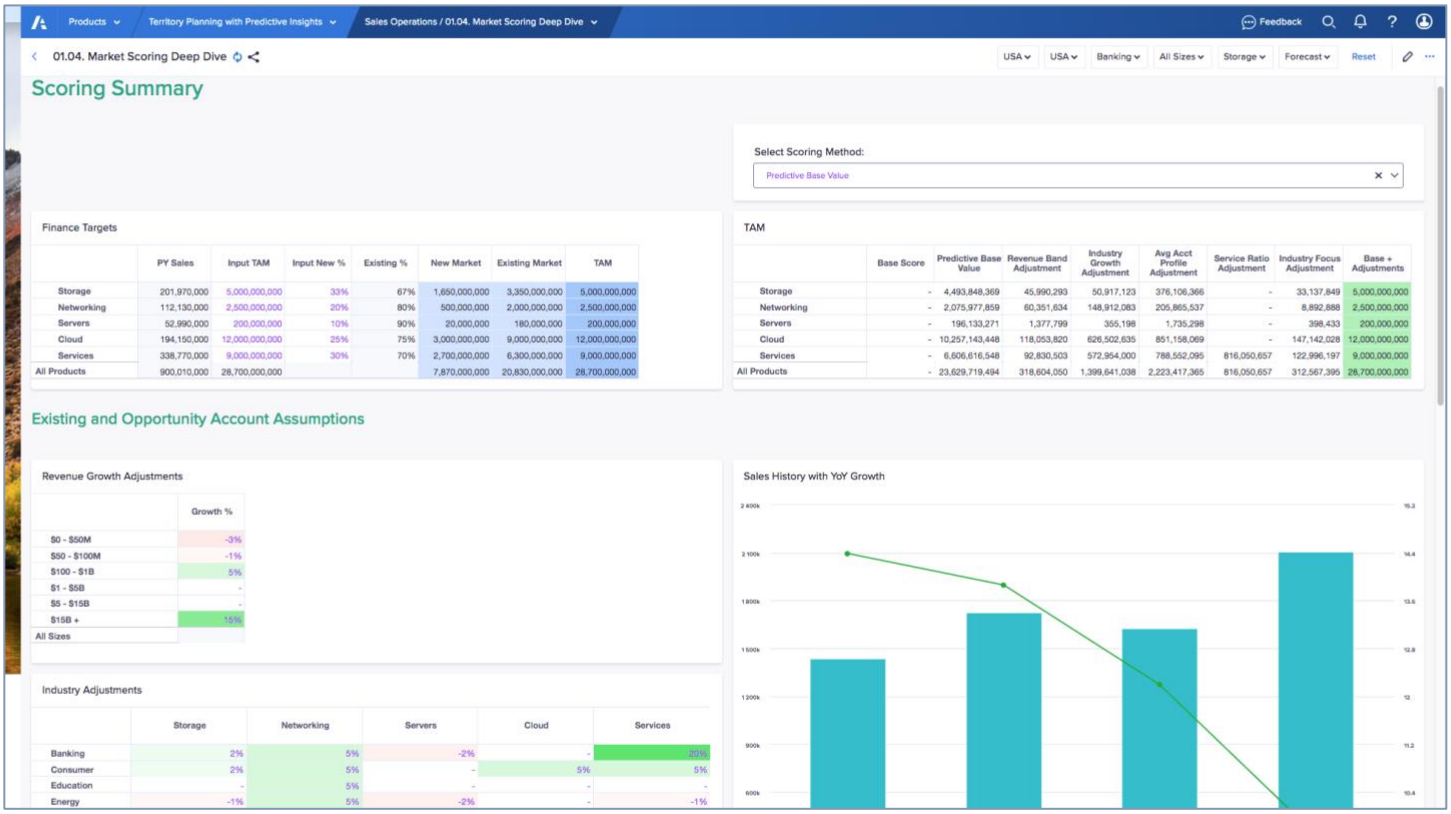
The purpose of account scoring is to predict the relative value of each account. This dashboard displays summary calculated scores. Adjustments are calculated and added to either the Base Score or Predictive Base Value methods. The total of all scored accounts will match the value of the TAM and will show where the highest market potential exists.

(Revenue Band, Industry, Profile Average, and Service Ration Adjustments are set up in the Margin Scoring Deep Dive Dashboard.)

- Select the Scoring Method.
    - Before selecting the scoring method, select a region, e.g., USA, at the top of the page. The charts below are populated with **Input New %** used to calculate the New Market and Existing Market values in the Finance Targets grid. Inputs can be adjusted by sales ops.
    - When you select Base Value, the Grid at the top of the dashboard highlights Base Value. When Predictive Base Value is selected, that row is highlighted in the grid.
- Finance Targets and TAM Summary grids also update with different values based on the selected scoring method.
    - Scroll down on the page so the Scoring Method is positioned at the top of the dashboard.
- For each scoring method, review the grid results.
    - The base score value or the predictive score is populated and highlighted in the TAM Summary grid.
- The TAM Score Summary chart automatically updates based on the scoring method.
    - ***Deselect*** either Base Score or the Predictive Base Score legend when reviewing the results to compare the breakdown of adjustments applied against these scores. This shows which adjustments drive the total score by product.
        - Adjustments are set up in the Market Scoring Deep Dive dashboard.

Market Scoring Deep Dive

Sales Operations -> 01.04. Market Scoring Deep Dive



This is where scoring adjustment assumptions are entered. **Anaplan provides an advantage over most applications**. Growth percentage can be set at many different levels. Typically, it is a flat number set against all accounts or by product. Additional adjustments can and are applied in addition to Growth percentage.

Select a region at the top of the dashboard to input or edit adjustment percentage, per band, for each adjustment type. Adjustment percentage can be positive or negative values.

Summary scoring information is displayed at the top of the dashboard carried over from the previous Market Summary dashboard. Use the Product Selector to view the grid and Sales History Chart product-specific results.

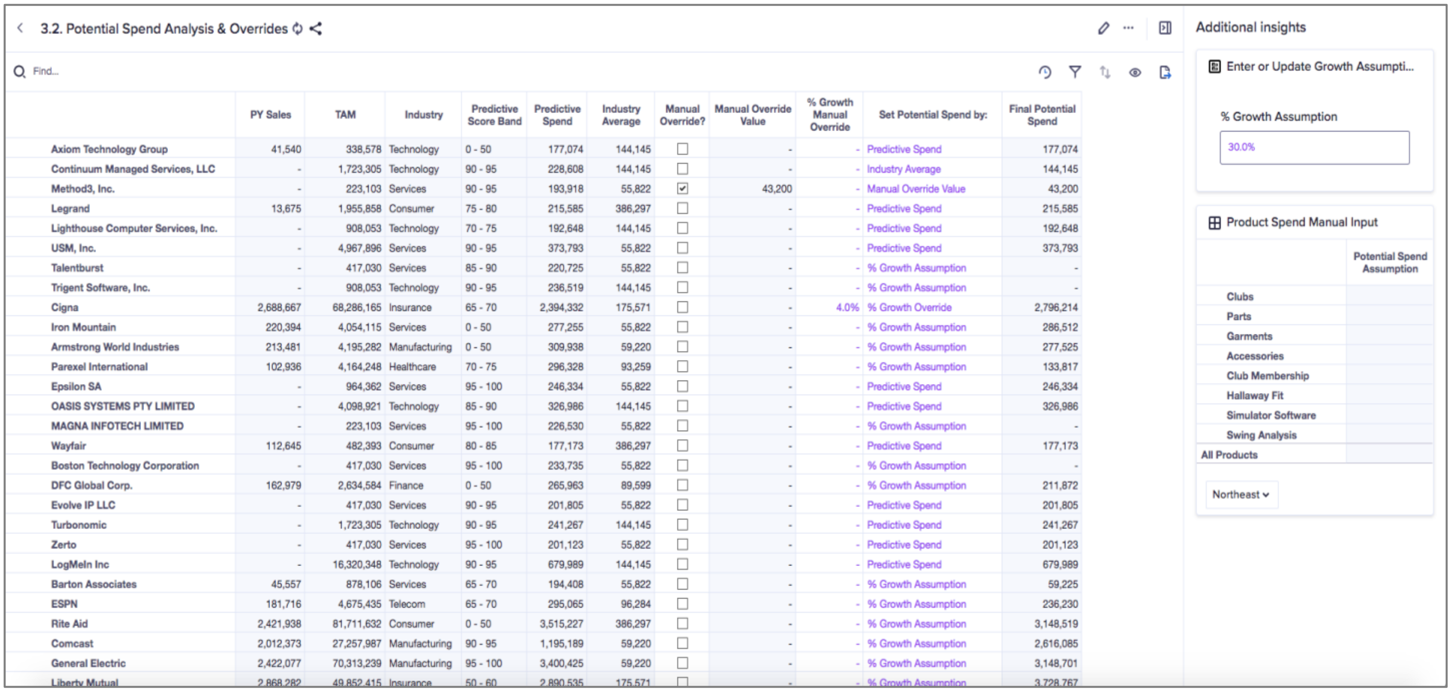
The Sales History with Year over Year Growth chart supplies helpful information when entering adjustment band percentages.

Enter or edit planning assumptions for:

- New and existing accounts.
    - Revenue growth adjustments.
    - Industry adjustments.
- Existing accounts only.
    - Bring to industry average.
    - Service ratio adjustments.
- New accounts only.
    - Industry adjustments.

Potential Spend

Market Scoring may be too complex a process for some organizations. Use Potential Spend is an alternative method to calculate and assign account values. These values are, in turn, used during territory assignments.



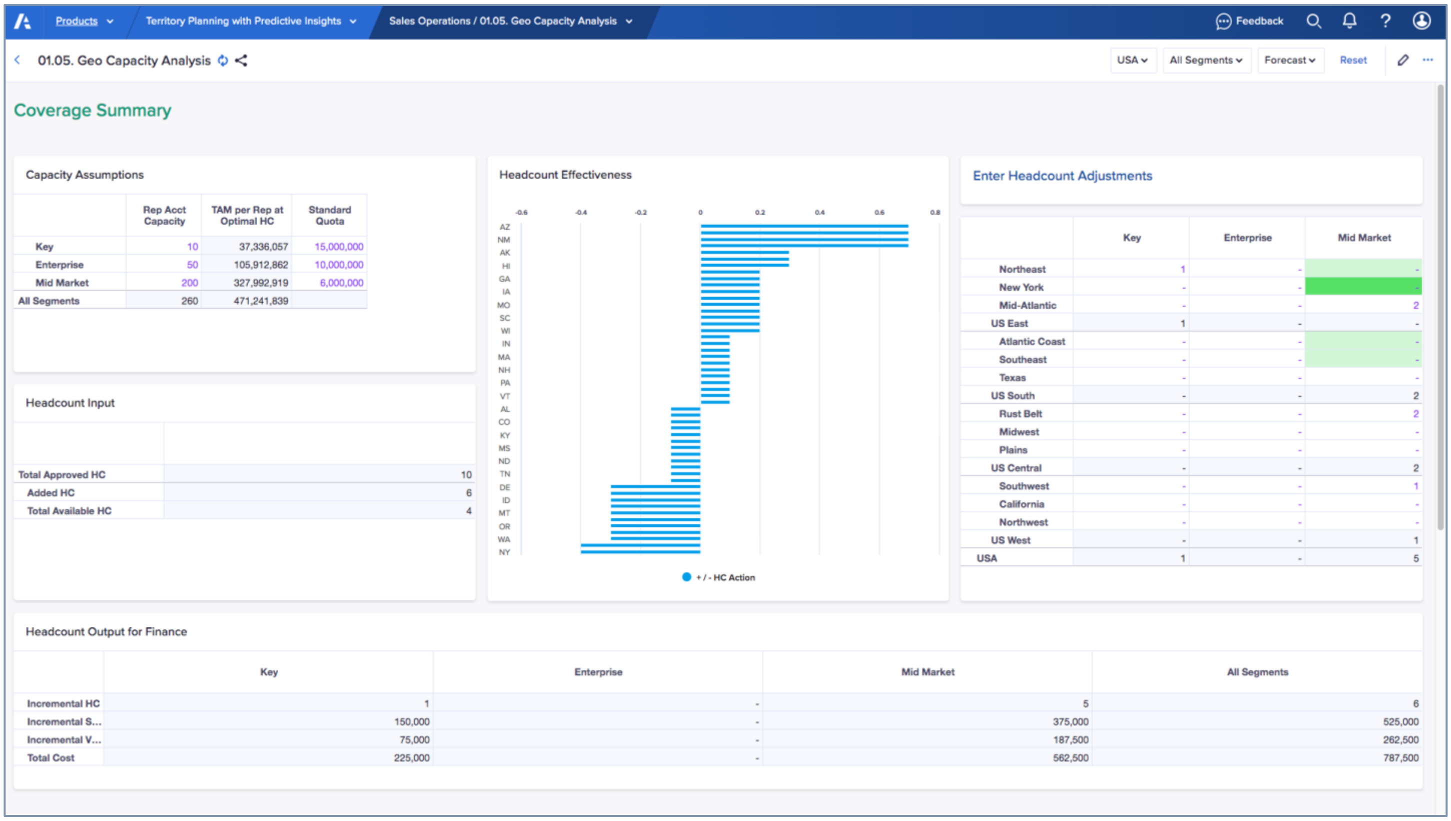
	PY Sales	TAM	Industry	Predictive Score Band	Predictive Spend	Industry Average	Manual Override?	Manual Override Value	% Growth Manual Override	Set Potential Spend by:	Final Potential Spend
Axiom Technology Group	41,540	338,578	Technology	0 - 50	177,074	144,145	☐	-	-	Predictive Spend	177,074
Continuum Managed Services, LLC	-	1,723,305	Technology	90 - 95	228,608	144,145	☐	-	-	Industry Average	144,145
Method3, Inc.	-	223,103	Services	90 - 95	193,918	55,822	☑	43,200	-	Manual Override Value	43,200
Legrand	13,675	1,955,858	Consumer	75 - 80	215,585	386,297	☐	-	-	Predictive Spend	215,585
Lighthouse Computer Services, Inc.	-	908,053	Technology	70 - 75	192,648	144,145	☐	-	-	Predictive Spend	192,648
USM, Inc.	-	4,967,896	Services	90 - 95	373,793	55,822	☐	-	-	Predictive Spend	373,793
Talentburst	-	417,030	Services	85 - 90	220,725	55,822	☐	-	-	% Growth Assumption	-
Trigent Software, Inc.	-	908,053	Technology	90 - 95	236,519	144,145	☐	-	-	% Growth Assumption	-
Cigna	2,688,667	68,286,165	Insurance	65 - 70	2,394,332	175,571	☐	-	4.0%	% Growth Override	2,796,214
Iron Mountain	220,394	4,054,115	Services	0 - 50	277,255	55,822	☐	-	-	% Growth Assumption	286,512
Armstrong World Industries	213,481	4,195,282	Manufacturing	0 - 50	309,938	59,220	☐	-	-	% Growth Assumption	277,525
Parexel International	102,936	4,164,248	Healthcare	70 - 75	296,328	93,259	☐	-	-	% Growth Assumption	133,817
Epsilon SA	-	964,362	Services	95 - 100	246,334	55,822	☐	-	-	Predictive Spend	246,334
OASIS SYSTEMS PTY LIMITED	-	4,098,921	Technology	85 - 90	326,986	144,145	☐	-	-	Predictive Spend	326,986
MAGNA INFOTECH LIMITED	-	223,103	Services	95 - 100	226,530	55,822	☐	-	-	% Growth Assumption	-
Wayfair	112,645	482,393	Consumer	80 - 85	177,173	386,297	☐	-	-	Predictive Spend	177,173
Boston Technology Corporation	-	417,030	Services	95 - 100	233,735	55,822	☐	-	-	% Growth Assumption	-
DFC Global Corp.	162,979	2,634,584	Finance	0 - 50	265,963	89,599	☐	-	-	% Growth Assumption	211,872
Evolve IP LLC	-	417,030	Services	90 - 95	201,805	55,822	☐	-	-	Predictive Spend	201,805
Turbonomic	-	1,723,305	Technology	90 - 95	241,267	144,145	☐	-	-	Predictive Spend	241,267
Zerto	-	417,030	Services	95 - 100	201,123	55,822	☐	-	-	Predictive Spend	201,123
LogMeIn Inc	-	16,320,348	Technology	90 - 95	679,989	144,145	☐	-	-	Predictive Spend	679,989
Barton Associates	45,557	878,106	Services	65 - 70	194,408	55,822	☐	-	-	% Growth Assumption	59,225
ESPN	181,716	4,675,435	Telecom	65 - 70	295,065	96,284	☐	-	-	% Growth Assumption	236,230
Rite Aid	2,421,938	81,711,632	Consumer	0 - 50	3,515,227	386,297	☐	-	-	% Growth Assumption	3,148,519
Comcast	2,012,373	27,257,987	Manufacturing	90 - 95	1,195,189	59,220	☐	-	-	% Growth Assumption	2,616,085
General Electric	2,422,077	70,313,239	Manufacturing	95 - 100	3,400,425	59,220	☐	-	-	% Growth Assumption	3,148,701
Liberty Mutual	2,868,282	49,852,415	Insurance	50 - 60	2,890,535	175,571	☐	-	-	% Growth Assumption	3,728,767

Use "*Set Potential Spend By*" calculation methods to determine potential spend across accounts. A 30% Growth Assumption is applied to all accounts and various other calculation methods are applied to groups of accounts in the screen shot. For example, use "Predictive Spend" for accounts/prospects with no sales history; override known accounts with individual spend value based on personal knowledge.

This calculation module and Dashboard is pulled from the Predictive Account Segmentation & Scoring Model.

Capacity Analysis

Sales Operations -> 01.05. Geo Capacity Analysis



This dashboard provides sales ops with strategic suggestions as to where the most potential will be gained by indicating where headcount should be placed by role and by region.

Select the USA region. Based on approved headcount (or desired headcount) and standard quota (upper left grid), sales operations can enter headcount by role and for region in the top right table. The Headcount Effectiveness chart displays ***plus*** and ***minus*** headcount counts across states and updates when headcount is entered into the Capacity Assumption grid.

- The darker the highlight in the grid, the more impact adding headcount will have based on scored market numbers that roll up to each region and sub region. **Enter 1 or 2 in the most impacted regions for a role in the grid.**

The Finance Output table is automatically updated with costs as adjustments are entered. This information can be easily exported and sent to Finance.

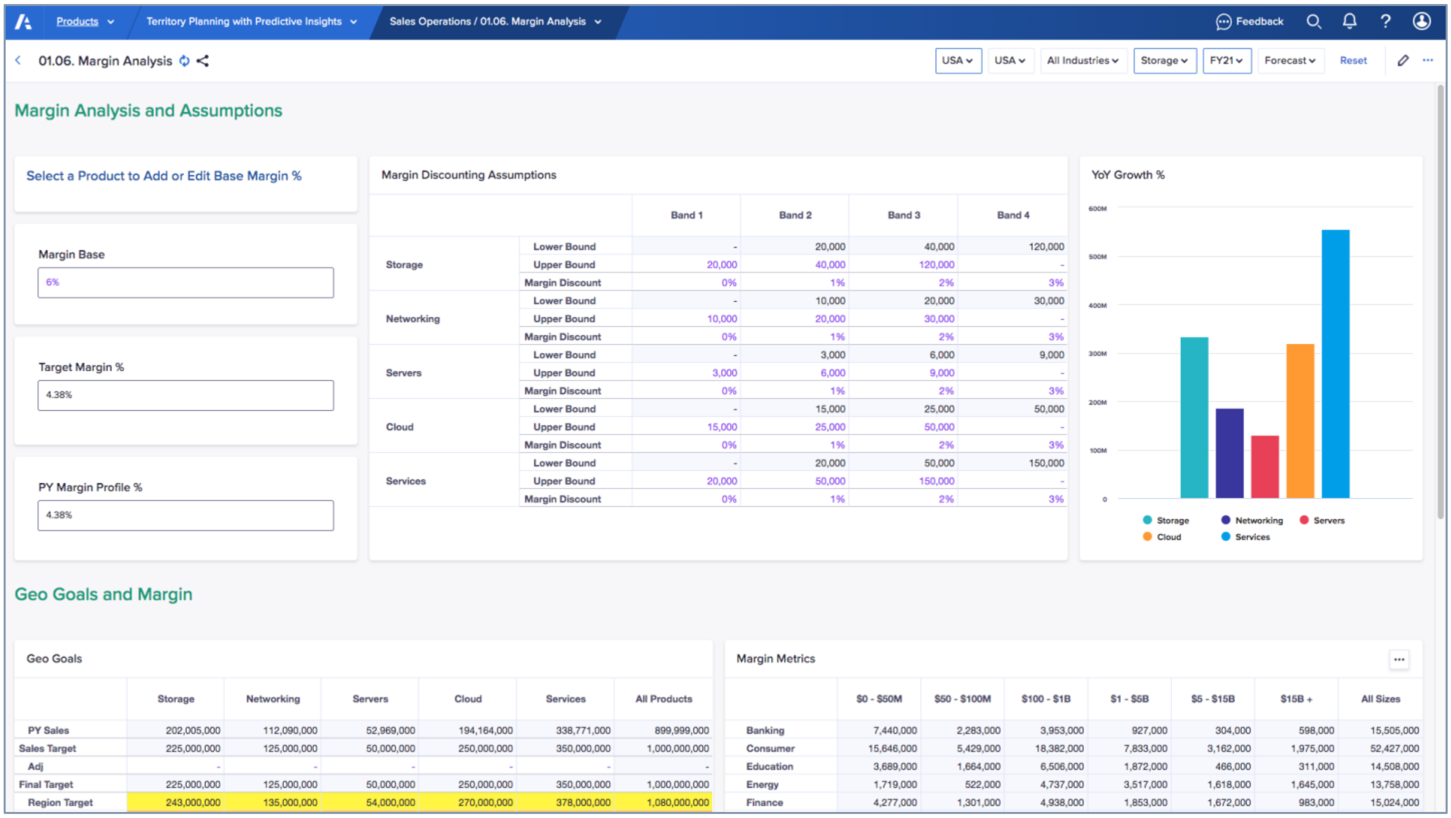
Coverage Capacity and Gaps are located at the bottom of the dashboard. This table displays coverage, potential, number of accounts, gaps, and impact details.

NOTE: Suggest that the impact is enhanced by including an option to use Base or Predictive Score values to calculate the impact. This isn't included in the current demo model but can easily be added.

Margin Analysis

Sales Operations -> 01.06. Margin Analysis

This dashboard is **not** usually **included in the demo flow**.



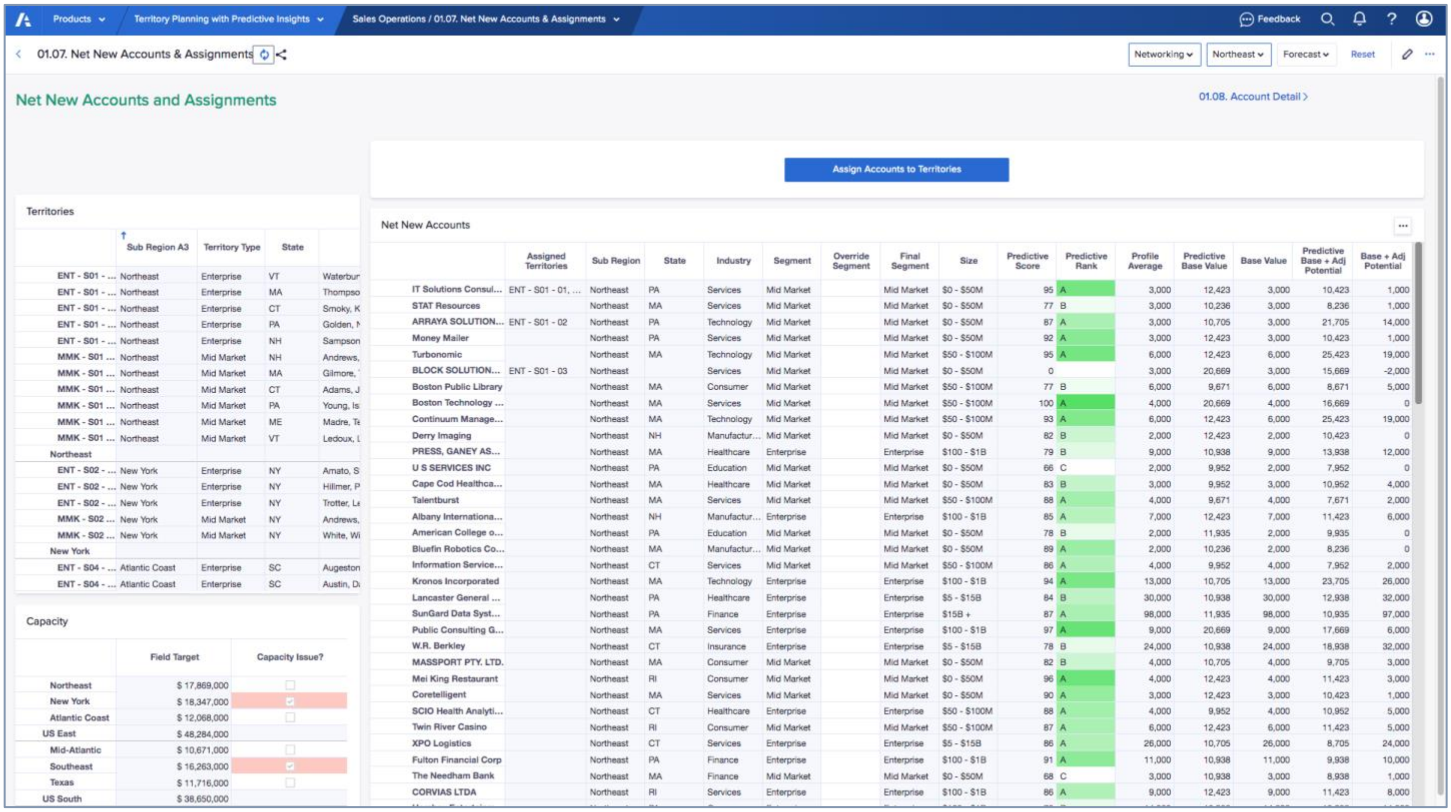
This dashboard is another example of applying weighting to account value calculations. Region and Sub-Region Goals can also be overridden at the Product level.

Analyze and edit margin discounting assumptions by Product in this dashboard. Discounts are applied as adjustments to the final adjusted base score value in Market Scoring.

- Year over Year Growth % chart information assists while adding margin discounts.
- Margin Metrics, for example Predictive Value, assist if overriding Region and Sub-Region quota.

Net New Accounts and Assignments

Sales Operations -> 01.07. Net New Accounts and Assignments



Net New Accounts are “look-alike” companies based on top Ideal Customer Profile (ICP) fit indicators and intents. The predictive model’s engine scores and tags these look-alike accounts that are likely not yet on your sales team’s radar. Predictive Insights can help sales teams broaden their reach and focus their efforts by identifying Net New Accounts that aren’t typically considered part of the overall territory and quota planning process. This capability is a competitive differentiator.

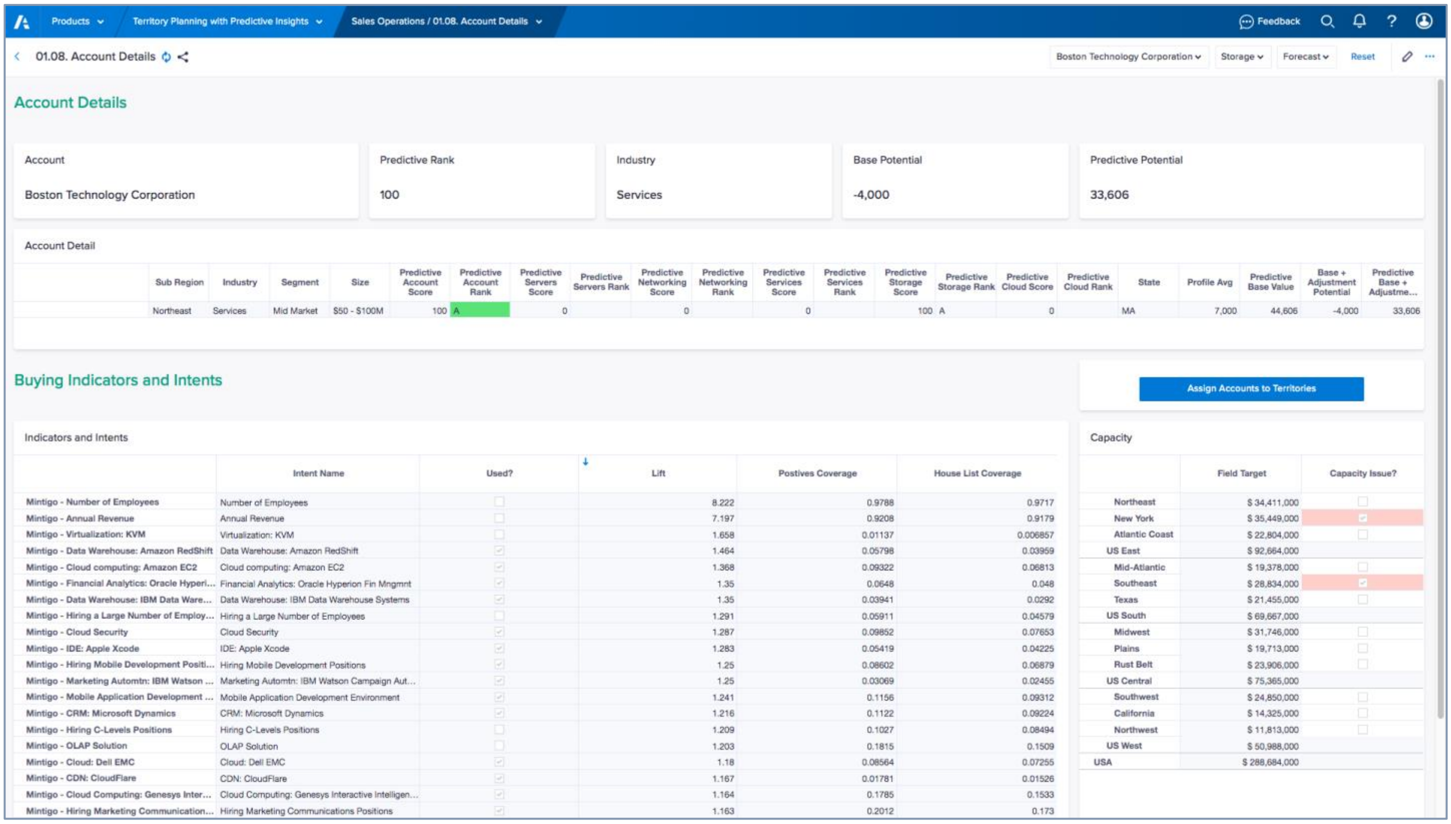
These Net New Accounts can be included in the initial planning process and/or included after Territory Allocation has occurred and assigned to specific territories, as appropriate.

View account rank and score in the Net New Accounts grid.

- Click the Assign Accounts to Territories action to assign the account.
    - Search for the account name and select the territory (parent) to assign.
    - **NOTE**: Only one account can be assigned at a time in the new UX currently. This is a usability issue that will be addressed when the new Assign function is added to the new UX.
- Select an account and click the Account Details link at the top of the page to view additional account information, including all of the indicators and buying intents used to score and rank the individual account.
    - You can also assign accounts to territories in this page.
- Territory and Capacity information is available in context to help when making an assignment.

Account Details

Sales Operations -> 01.07. Net New Accounts and Assignments -> 01.08. Account Details



This dashboard displays account information, including rank and score, along with all of the top indicators and buying intents used for scoring and ranking the individual account. This information assists in determining **if** a particular account should be assigned to a specific territory or sales rep, and where it should be assigned.

To view product-level score and rank, **select a specific product** from the drop-down at the top of the page.

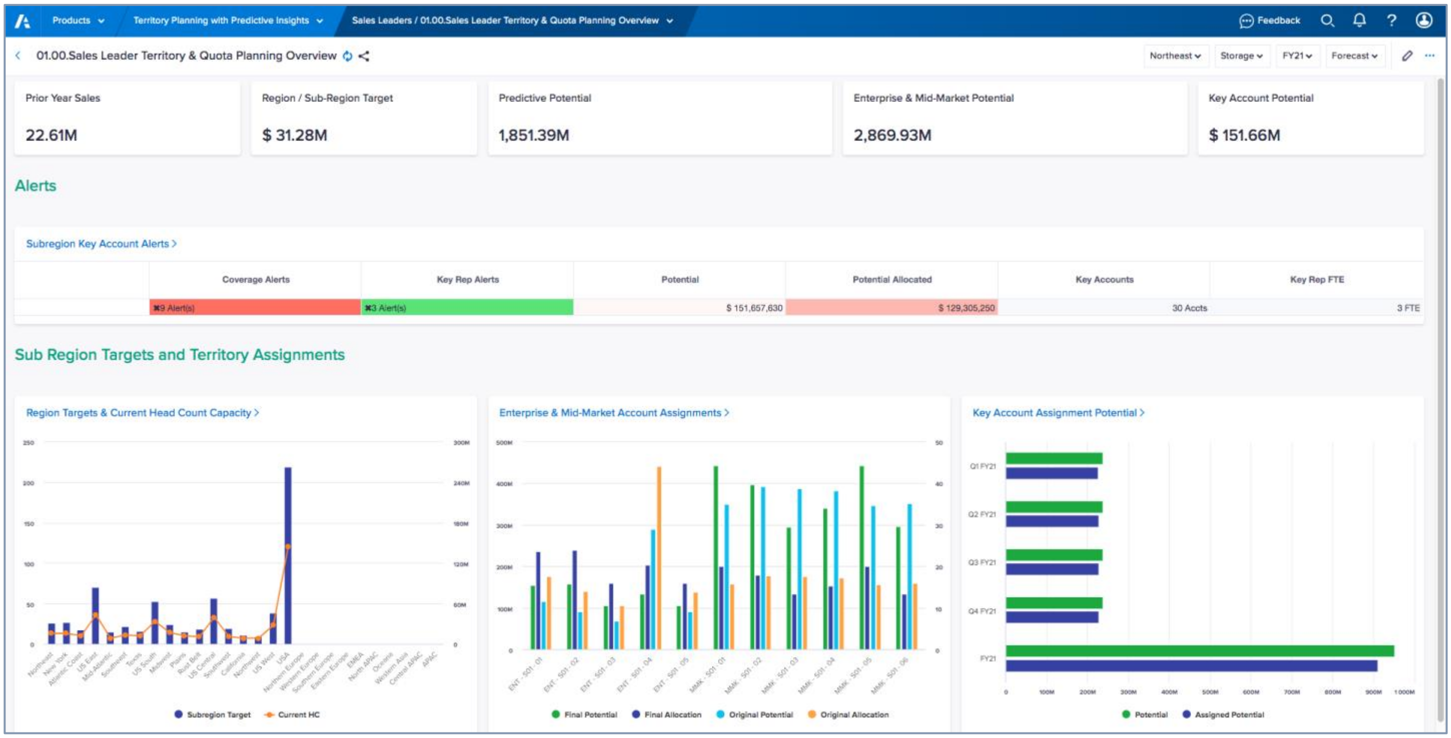
Territory assignment for this account can also be performed on this page.

This dashboard should also be accessible by sales leaders.

NOTE: Territory Assignments are made to Enterprise and Mid-Market Accounts only through the Assign action.

Sales Leader Territory and Quota Planning Overview

Sales Leaders -> 02.00. Territory and Quota Planning Overview



The Sales Leader Overview dashboard presents high-level information about key accounts, alerts for key account under-assignment, capacity, enterprise and mid-market allocation of potential (assignments), and key account assignment information. Drill-downs (links) to detailed dashboards for each alert, task, and KPI are provided so each sales leader can easily review and take action for his or her region or sub-region.

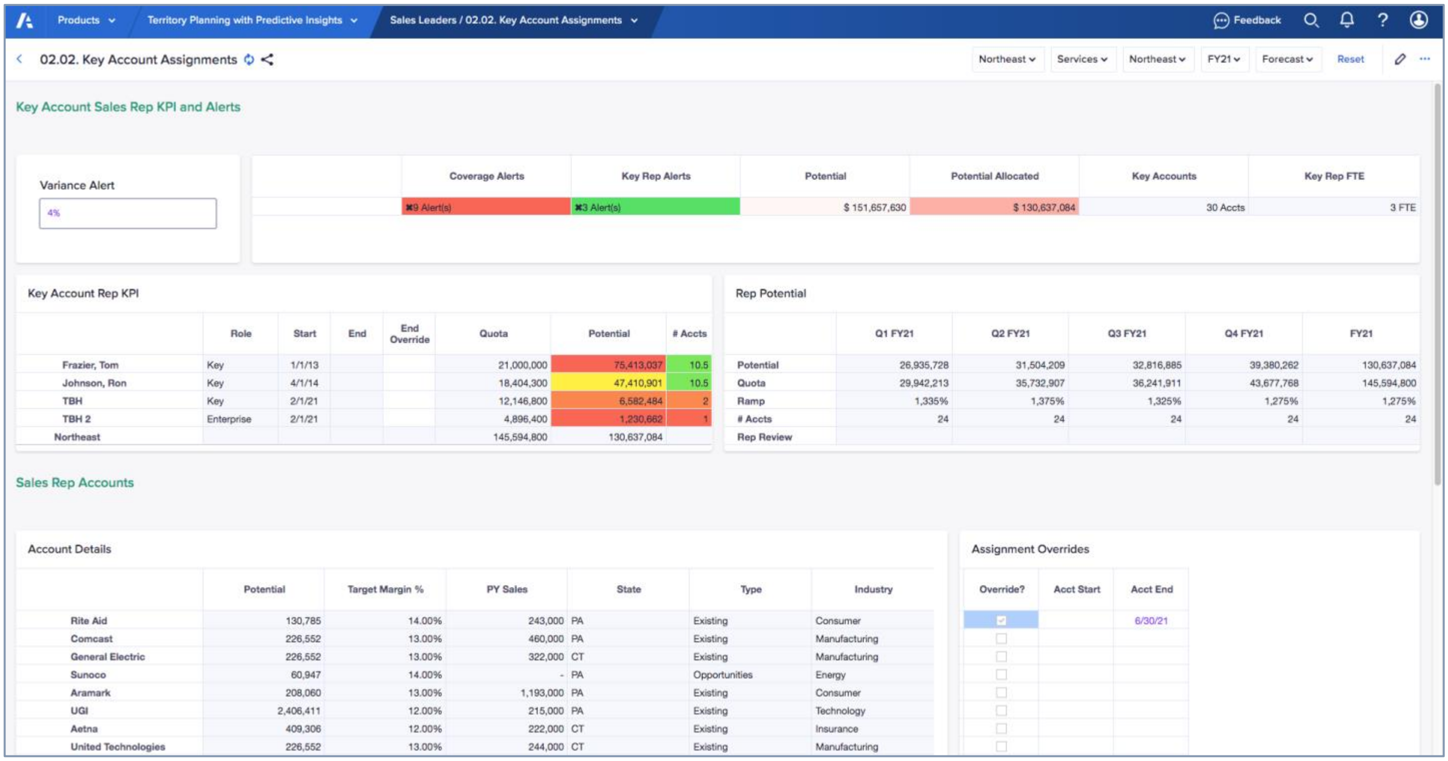
Planning KPI are displayed at the top of the dashboard. Anaplan has introduced a new calculated “Predictive Score Value” that is used throughout the planning model in various ways. The Predictive Score Value is derived and based on the Predictive Account Score, calculated by the Predictive AI Model, and can be compared to the base score and other metrics during the planning process.

This dashboard allows Region and Sub-Region Managers to easily monitor their territories, capacity, and assignments. Links are provided to detail dashboards with analysis, so sales leaders can easily take action to correct any alerts and assignment issues.

- KPI values represent the total across all accounts for the region or sub-region. KPI provide an overall view of territory planning measures.
    - Sales leaders can select different regions or sub-regions if he or she has access, products, and view KPI and chart information relevant to those selections.
- Key Account alerts are displayed (if any) based on the region or sub-region selected.
    - Select the Northeast sub region *to* view alerts for Key Account coverage gaps.
- Capacity is represented in the Headcount by Region and Sub-Region chart.
- Enterprise and Mid-Market territory assignments can be reviewed in the chart and more detailed reviews and overrides can be performed in the linked dashboards.
- Key Account Assignment information is provided in the bottom right graph.

Key Account Assignments

Sales Leaders -> 02.02. Key Account Assignments



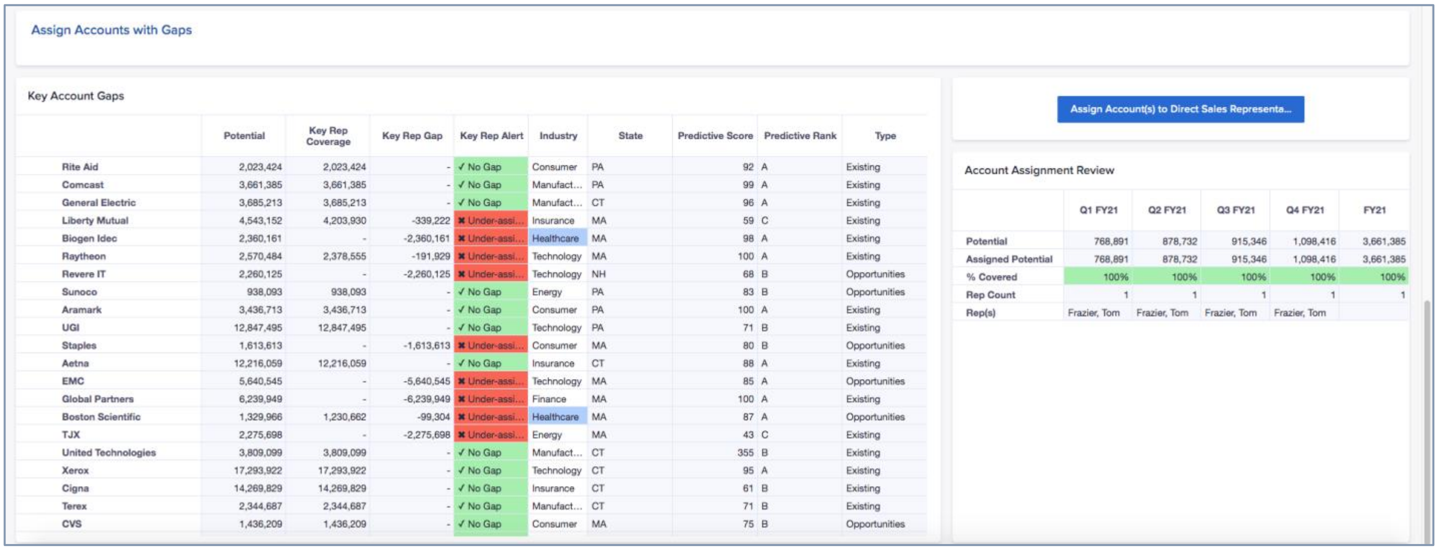
Territory Assignments are performed using two methods in the demo. Key Account assignments are manually assigned to Direct Reps, which is typical of many organizations. Enterprise and Mid-Market accounts are assigned to territories automatically via the Optimizer Engine.

This dashboard is where Key Account Assignments are reviewed for coverage gaps and assignments performed to address these gaps. There are two types of direct rep coverage gaps: The first type is where accounts are not fully covered. These are flagged by conditional formatting in the first and second grids. The first grid highlights the Potential Allocated when account potential is over-assigned to direct sales reps. The second grid, directly below, displays the Quota, and the Potential Assigned for the number of accounts assigned.

The screen shot above shows that Tom Frazier and Ron Johnson are both over-assigned: The maximum number of accounts is greater than expected. Direct Sales Reps are typically assigned 10 accounts each to manage.

The second type of direct rep coverage gap is where reps are under-assigned accounts. To-Be-Hired direct reps are currently under assigned. Their quota is greater than their current account potential and they both have fewer than 10 accounts. These reps have the capacity for additional account assignments. To balance these assignments, assign additional accounts to the TBH Direct Reps.

The grid at the bottom of the dashboard displays Accounts with Gaps:



	Potential	Key Rep Coverage	Key Rep Gap	Key Rep Alert	Industry	State	Predictive Score	Predictive Rank	Type
Rite Aid	2,023,424	2,023,424	-	✓ No Gap	Consumer	PA	92	A	Existing
Comcast	3,661,385	3,661,385	-	✓ No Gap	Manufact...	PA	99	A	Existing
General Electric	3,685,213	3,685,213	-	✓ No Gap	Manufact...	CT	96	A	Existing
Liberty Mutual	4,543,152	4,203,930	-339,222	✖ Under-assi...	Insurance	MA	59	C	Existing
Biogen Idec	2,360,161	-	-2,360,161	✖ Under-assi...	Healthcare	MA	98	A	Existing
Raytheon	2,570,484	2,378,555	-191,929	✖ Under-assi...	Technology	MA	100	A	Existing
Revere IT	2,260,125	-	-2,260,125	✖ Under-assi...	Technology	NH	68	B	Opportunities
Sunoco	938,093	938,093	-	✓ No Gap	Energy	PA	83	B	Opportunities
Aramark	3,436,713	3,436,713	-	✓ No Gap	Consumer	PA	100	A	Existing
UGI	12,847,495	12,847,495	-	✓ No Gap	Technology	PA	71	B	Existing
Staples	1,613,613	-	-1,613,613	✖ Under-assi...	Consumer	MA	80	B	Opportunities
Aetna	12,216,059	12,216,059	-	✓ No Gap	Insurance	CT	88	A	Existing
EMC	5,640,545	-	-5,640,545	✖ Under-assi...	Technology	MA	85	A	Opportunities
Global Partners	6,239,949	-	-6,239,949	✖ Under-assi...	Finance	MA	100	A	Existing
Boston Scientific	1,329,966	1,230,662	-99,304	✖ Under-assi...	Healthcare	MA	87	A	Opportunities
TJX	2,275,698	-	-2,275,698	✖ Under-assi...	Energy	MA	43	C	Existing
United Technologies	3,809,099	3,809,099	-	✓ No Gap	Manufact...	CT	355	B	Existing
Xerox	17,293,922	17,293,922	-	✓ No Gap	Technology	CT	95	A	Existing
Cigna	14,269,829	14,269,829	-	✓ No Gap	Insurance	CT	61	B	Existing
Terex	2,344,687	2,344,687	-	✓ No Gap	Manufact...	CT	71	B	Existing
CVS	1,436,209	1,436,209	-	✓ No Gap	Consumer	MA	75	B	Opportunities

	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21
Potential	768,891	878,732	915,346	1,098,416	3,661,385
Assigned Potential	768,891	878,732	915,346	1,098,416	3,661,385
% Covered	100%	100%	100%	100%	100%
Rep Count	1	1	1	1	1
Rep(s)	Frazier, Tom	Frazier, Tom	Frazier, Tom	Frazier, Tom	

Information is provided in the Key Account Gaps grid to help when assigning gap accounts. The Key Rep Coverage column is blank where there is no rep assignment. Industry is highlighted where the organization wants to focus; State, Predictive Score, and Rank are also included along with Account Type. Select an account or two where the account type exists, the industry is Healthcare, and the Rank is A. Predictive Rank helps Sales Ops and Sales Leaders prioritize account assignments.

- **Select an account with a gap** (highlighted in red) from the Key Account with Gaps grid, with approximate potential equal to one of the To-be-Hired's (TBH's) capacity.
  - The Account Assignment Review grid to the right updates with the selected account's potential.
- Click the "**Assign Account(s) to Direct Sales Representative**" button. Search for the account and assign the selected account to the To-be-Hired direct sales rep (parent).

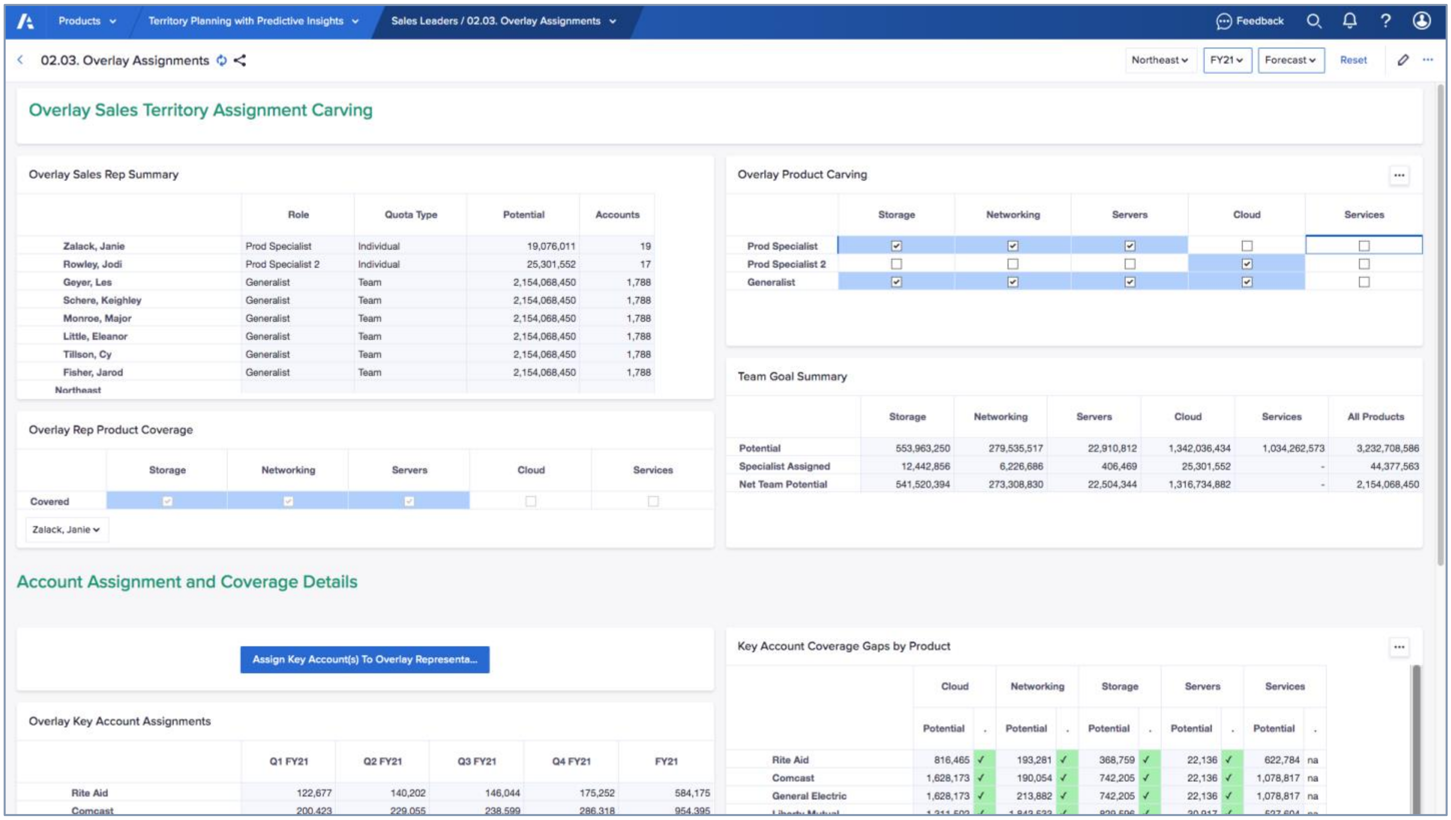
Another important concept that should be called out in the dashboard is the idea of ***effective dating***. Multiple assignments to accounts or territories can occur over time. The ability to assign sales reps and accounts to territories using effective dating is not supported by most Point and Niche Solutions. Click on the Tom Frazier row in the list of direct reps at the top and the Account Details grid will update and display Tom's accounts. Assignments to each account can be overridden in the adjacent Override Assignments grid. Tom was assigned to the Rite Aid account up until 06/30/2021. Click Ron's name and view his accounts below. Ron is assigned to the Rite Aid account starting 07/01/2021.

When managing initial territory assignments, Anaplan provides the ability to import assignments via spreadsheets as well as automating assignments using Rules and Optimizer. This dashboard provides sales leaders with insight and alerts when managing assignments on a day-to-day basis; when sales reps leave the company or change roles, when new reps are on-boarded, and as new accounts flow into the system.

Additional details for Direct Rep Account information can be reviewed in the Direct Sales Rep dashboard.

Overlay Assignments

Sales Leaders -> 02.03. Overlay Assignments



There are two types of overlay reps represented in the model: Account-Specific or Product Specialists, and Product-Specific or Generalist. Other types of relationships can easily be configured such as Direct Rep, Zip Code, Industry, etc.

The top two grids provide information about overlay coverage. The Overlay Sales Rep Summary shows that Prod Specialist and Prod Specialist 2 are assigned to specific accounts and cover specific products in the Overlay Product Carving grid. Generalist's have a Team Quota type and are assigned to all products except for Services. Generalists inherit all Non-Key Accounts, and all have the same Potential.

- Click a Product Specialist Name in the top grid to review all of the Key Accounts assigned in the Overlay Key Account Assignments grid below. These are all of the Key Accounts assigned to the Specialists.
- Coverage and Gaps are displayed in the Key Account Coverage by Product grid to the right.

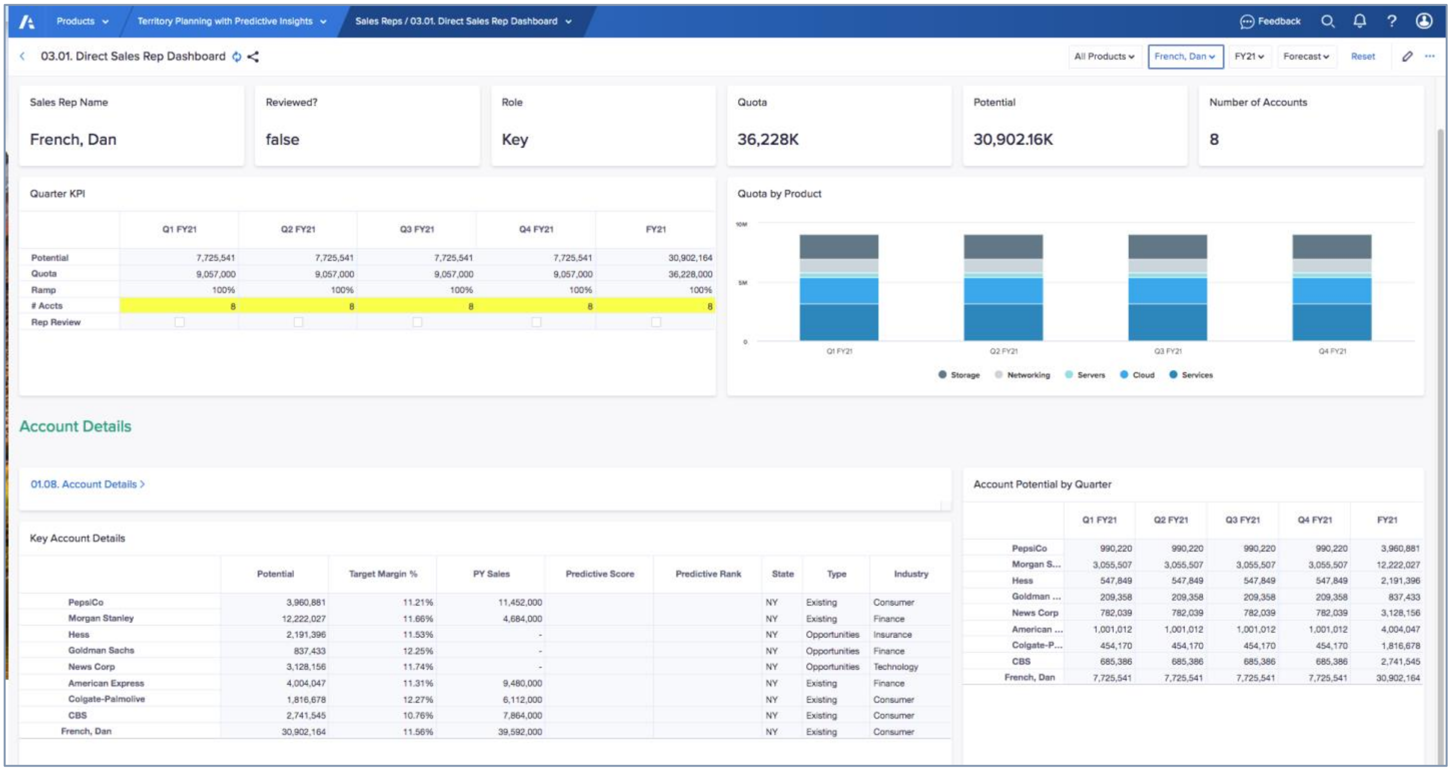
The coverage model can be easily changed.

- Click on Prod Specialist and check the **Services** box in the Overlay Product Carving grid. Point out that the Services column in the Key Account Coverage Gaps by Product grid now displays gaps (or no gaps) instead of NA.
- Select the Generalist role in the Overlay Product Carving grid and then click the **Services** coverage box. The Team Goal Summary grid directly below updates with Services Potential for the Services column. (Key Account grids below are not updated because this is information for Product Specialists only.)

Many types of overlay and direct rep scenario can be handled in the Territory Planning model. Multiple salespeople, with different roles and date effectivity, can be assigned to a single account and multiple accounts. Multiple salespeople can receive credit for those assignments based on many different criteria such as Product, Account-Specific, Data, and Geo Factors, etc.

Direct Sales Rep Dashboard

Direct Sales Rep -> 03.01. Direct Sales Rep Review



This dashboard can be used by sales managers to review Territory accounts and quota set up for their team members during the planning process. It is specific to Key Account (Direct) Reps in this model.

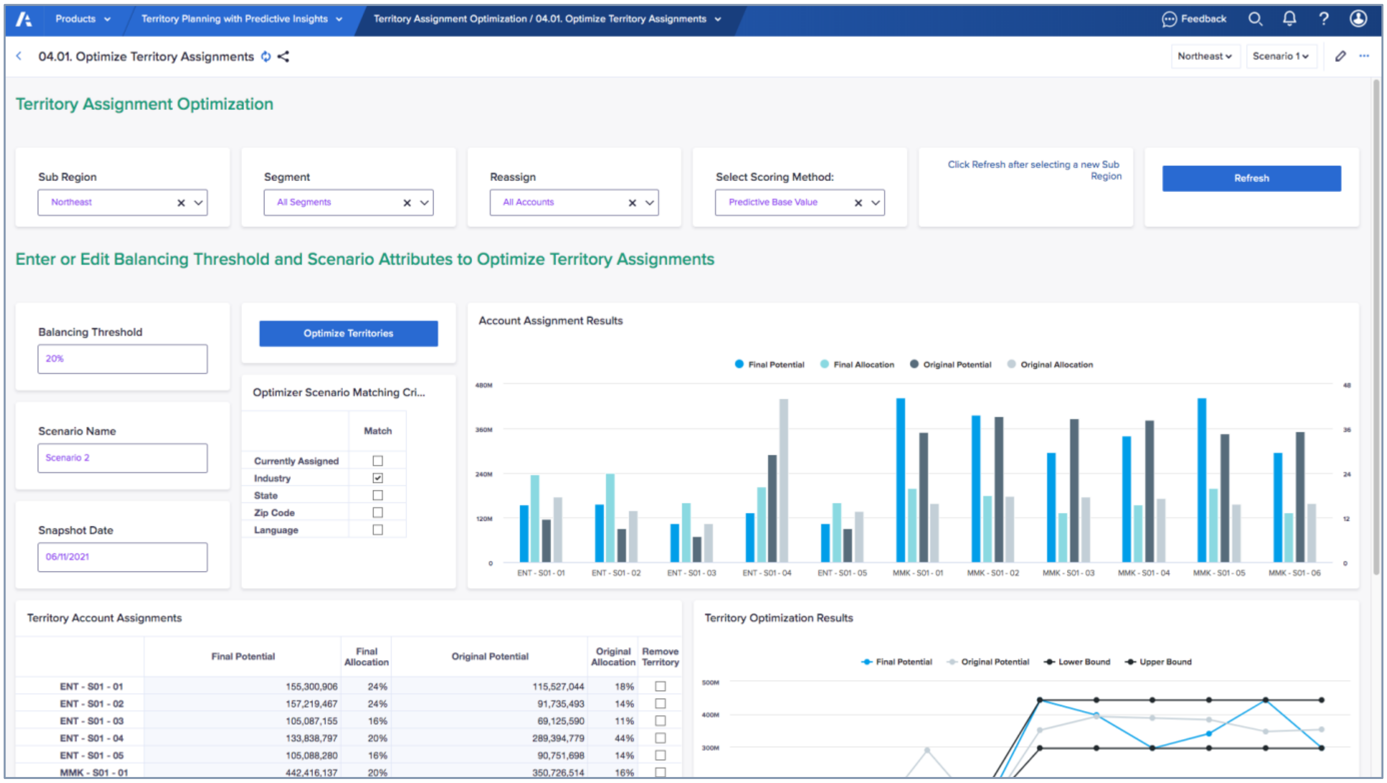
It can also be used by Direct Reps during and after planning for reviewing any changes to account and territory assignments, hi-level account information, including predictive score and rank by product.

- Quarterly KPI accounts is highlighted when over or under assigned.

A link is provided to the Account Details dashboard where account level, indicators, and buying intents can be viewed.

Optimize Territory Assignments

Territory Assignment Optimization -> 03.01. Optimize Territory Assignments



Another differentiator of Anaplan's is Optimizer. One of the main goals for territory planning is to provide an equitable balance of account assignments to the sales force, providing each rep with the opportunity to hit their quota. Optimizer does just that.

Optimizer is set up to assign Enterprise and Mid-Market accounts to territories as fairly as possible, given the criteria used. Base Score or Predictive Base Value are used as the main (hard) criteria along with the Scenario Matching (soft) criteria when Optimizer is run. Matching is performed against account attributes compared to territory attributes. In the demo, Enterprise and Mid-Market accounts are assigned to territories. Enterprise and Mid-Market sales reps are assigned to territories.

Select and enter criteria for the Optimizer Process:

Hard Criteria: When running Optimizer for a different region, select the Sub-Region. Select All Segments or a single segment. Select All Accounts or selected accounts. Select Base Score or Predictive Base Value from the Scoring Method drop-down. After initial selections are made, click the **Refresh** button. This creates a subset of accounts based on the sub-region and segment type.

Soft Criteria: Next, ensure that the balancing threshold is what you'd like, e.g. 15–20% and check any scenario-matching you'd like to use. Balancing Threshold designates the amount of potential that each territory can be assigned. Attributes to Match prioritizes assignment to territories based on account attributes. For example, if "Currently Assigned" is checked, Optimizer tries to leave account assignments to territory as one of the priorities.

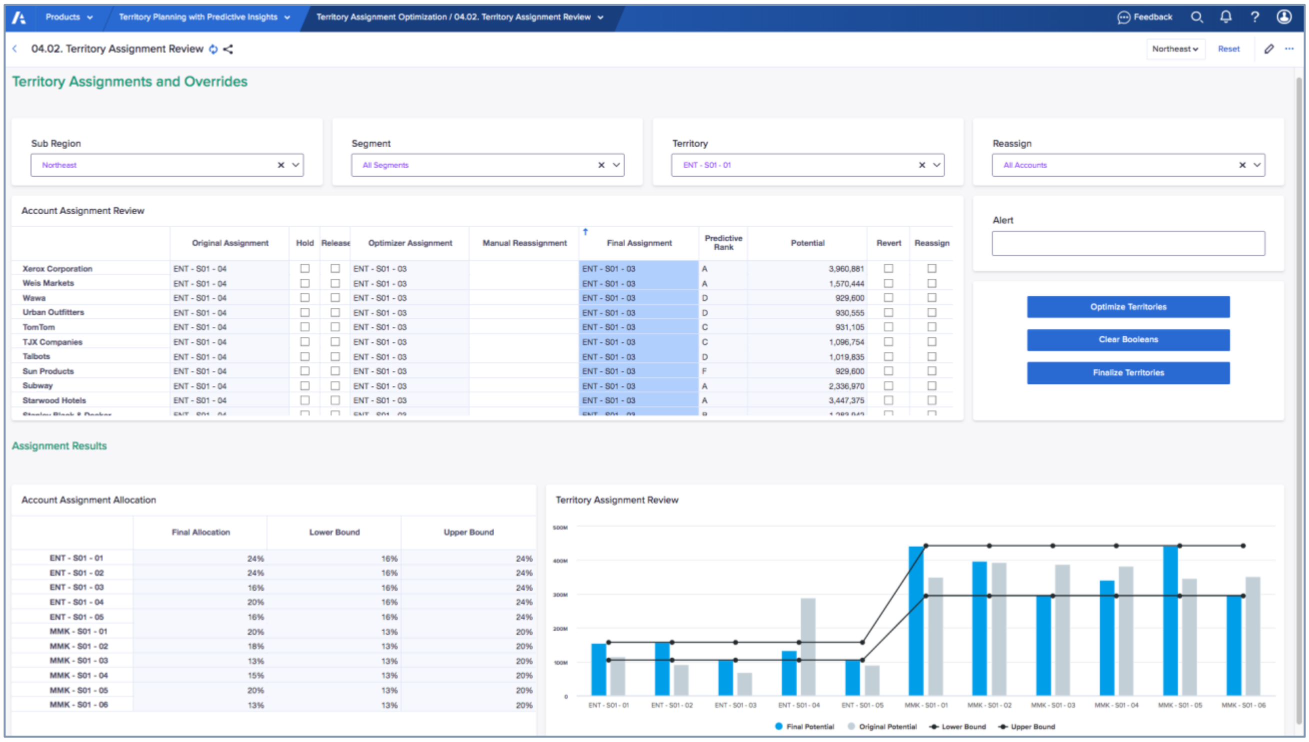
- After the Sub-Region, Scoring Method, Threshold, and Scenario Criteria are set, click **Optimize Territories**.

In the above screen shot for the Northeast sub-region, compare Base Value to Predictive Base Value scoring methods. You can see in the Territory Optimization Results chart, bottom right graph, that when using Predictive Base Value, territories are more balanced, and the final potential used for assignment falls within the upper and lower boundary thresholds in the graph.

Checking the Remove Territory check box In the Territory Account Assignments grid removes all account assignments to that territory the next time Optimizer is run. Compare the different scenario results to find the most optimal assignments. Revert to a particular scenario if desired. Select the scenario to revert back and click **Revert**.

Territory Assignment Review

Territory Assignment Optimization -> 03.02. Assignment Review

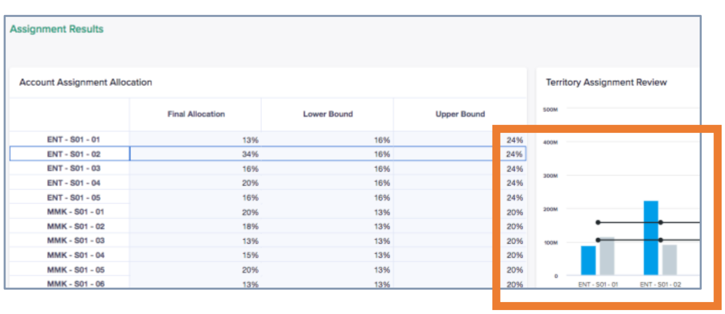


Review territory assignments by territory for all accounts and make override adjustments in this dashboard. Sales Leaders can manually reassign an account using the Manual Reassignment selector. If a manual reassignment is selected, this account assignment becomes the Final Assignment. Click the **Dashboard Refresh** icon after selecting a different Segment or Territory to review.

Check the Hold or Release check boxes if planning to rerun Optimizer. Hold means that the account will remain with the current territory (the Final Assignment); Release means that the account must be reassigned to a different territory.

The Reassign check box controls specific accounts to be re-assigned when selecting “Specific Accounts” in the Reassign selector option in the top right of the screen. Choices for Reassign are All Accounts or Specific Accounts. Click the Optimize Territories button to reassign, hold, and release territories.

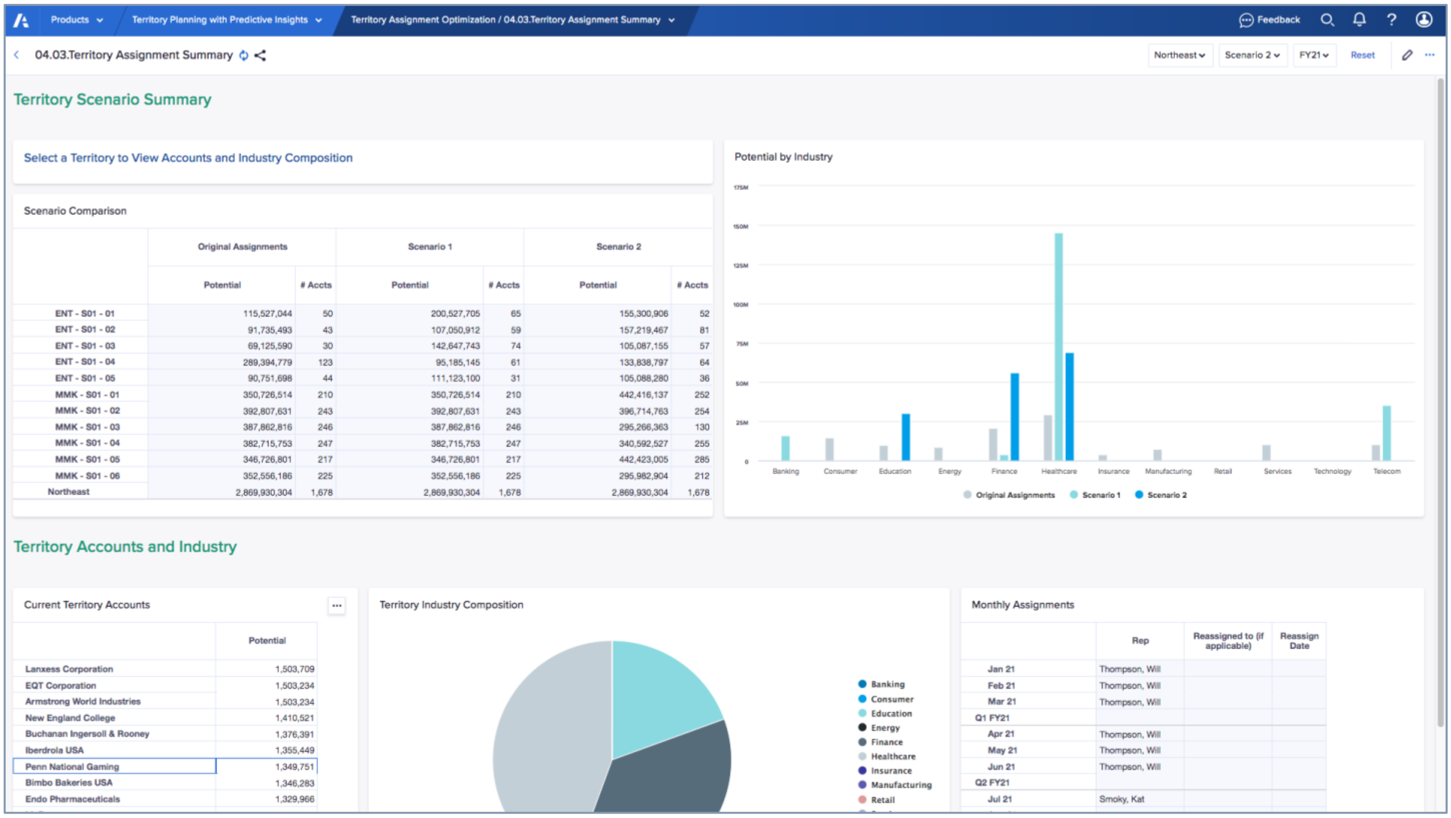
When reassigning accounts to different territories manually, the Account Assignment Allocation Grid and Chart at the bottom of the page are updated. For example, if a chunk of accounts is manually reassigned from ENT - 001 - 01 to ENT - 001 - 02, the territory grid and chart indicates that the new territory is over-allocated and the final potential will move up above the upper bound thresholds line in the chart.



Once the sales leader reviews and adjusts sub-region account assignments for his or her territory, he clicks the Finalize Territories button to complete the assignments.

Territory Assignment Summary

Territory Assignment Optimization -> Territory Assignment Summary



Optimizer scenario analysis is performed in this dashboard. Sales Leaders and Sales Ops can review potential by industry across regions and by potential across scenario. One scenario may over- or under-assign accounts of a particular industry to a territory where this may not be optimal.

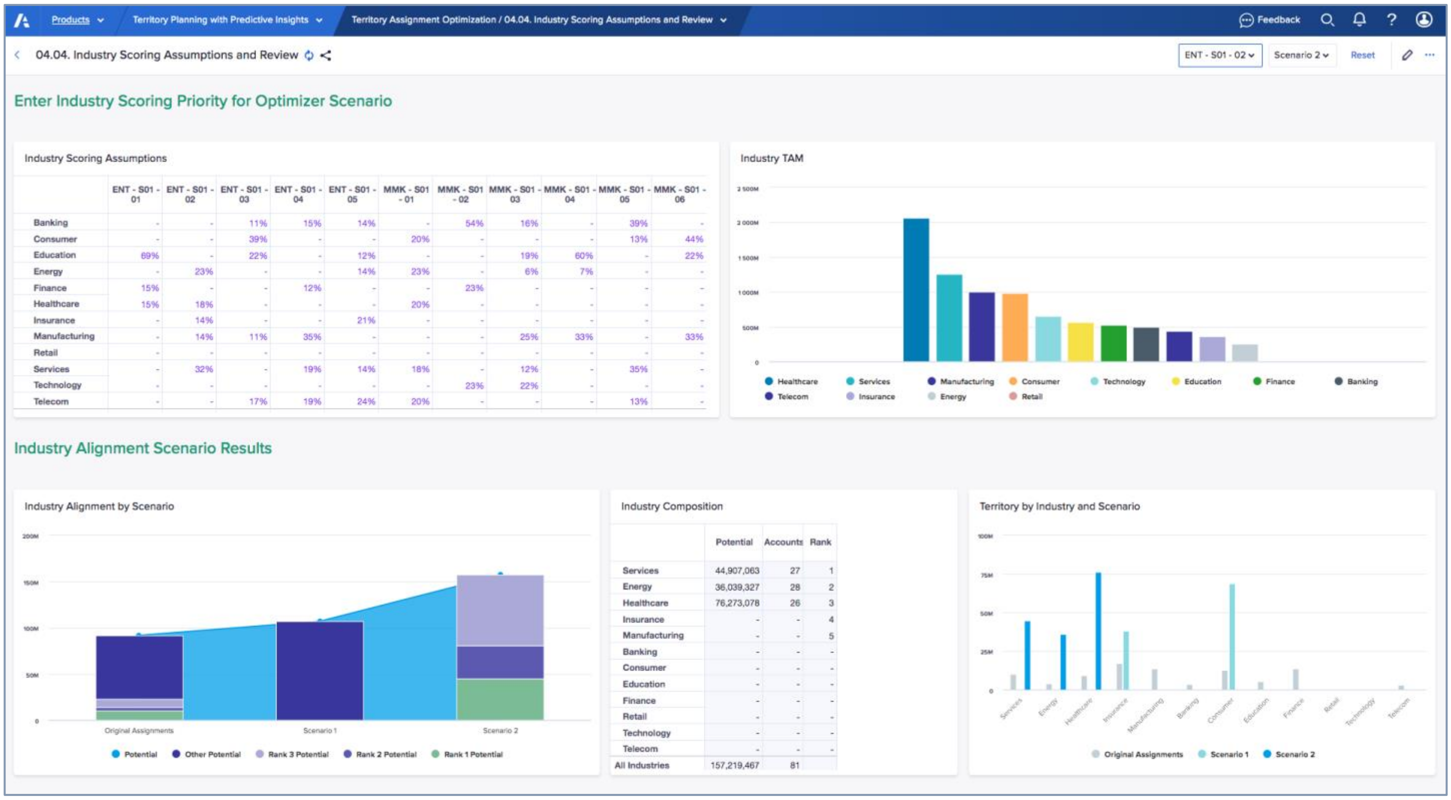
Select a specific territory in the Scenario Comparison grid in the top right of the page to view a breakdown of potential by industry across scenarios for the territory.

The bottom grid and chart provide additional account and industry details for selected territories.

Select an account in the Current Territory Accounts grid and the Monthly Assignments grid refreshes with Sales Rep assignment information. In the screen shot above, Penn National is selected, Will Thompson is assigned to the account via Territory for the first half of the year, Kat Smoky is assigned for the second half of the year.

Industry Scoring Assumptions

Territory Assignment Optimization -> 03.04. Industry Scoring Assumptions



This is where industry assumptions are entered for each territory. Optimizer uses this priority if the Industry Priory Attribute Matching Criteria is selected for a scenario.

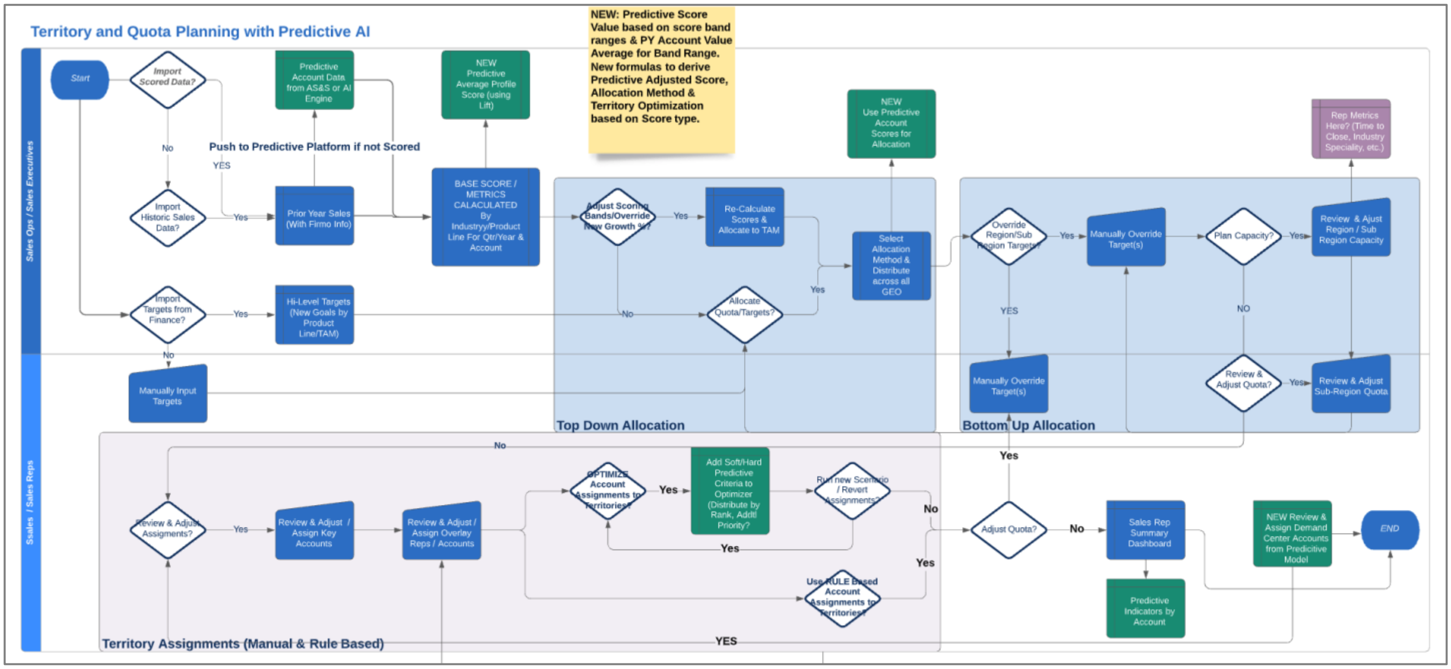
The industry priority percentage can be entered manually or potentially calculated based upon past successes selling into particular industries.

- Select a territory from the Page Selector or *click a territory in the top-left Assumptions Grid.*

The bottom-left graph shows how Optimizer assigned accounts to the territory by scenario. If comparing Scenario One to Scenario Two, the graph displays Scenario One with all Energy accounts assigned to the territory; in Scenario Two, Optimizer has assigned more services with a mixture of Energy and Healthcare, which results in more earning potential.

TERRITORY AND QUOTA PLANNING WITH PREDICTIVE INSIGHTS: PROCESS FLOW

The following is the process flow depicted in the new Model.



The planning model encompasses all of the process steps necessary for applying best practices to territory and quota planning. It also incorporates Predictive Insights, which enhances the overall planning process.

Many organizations have separate Quota, Territory, and Capacity planning processes. These processes may even be performed within different departments. However, much of the data needed for planning is common, such as Sales/Territory Hierarchies, Sales Reps, Sales History, Customer Information, Roles, and Products. Metrics from these processes feed into one another. Because of shared data and metrics, the underlying model includes all three processes. They can be separated into different models during implementation and data shared across models using a Data Hub. This practice is useful where organizations have very large volumes.

ANAPLAN MODEL

The Anaplan Model used as the basis for the Predictive Territory and Quota Planning Model was downloaded from the Anaplan Demo Library. This model includes processes for Territory and Quota planning and modeling, Market Scoring, Capacity Planning, Quota Allocation (top down and bottom up), and Territory Assignments. Territory Assignments are performed manually for Key Accounts and Automatically (using Optimizer) for Enterprise and Mid-Market Accounts. Predictive Insights are layered into the model where it made sense and there are four new dashboards in the new UX in addition to the dashboards in classic.

The model also contains Optimizer scenario analysis and the ability to model Potential Account Value. Potential Value is calculated by account and aggregated across all accounts, by segment, product, territory, region, etc. It's represented by several different metrics: Industry Average, Prior Year Sales, Predictive Value, Industry Penetration %, etc.

For Market Scoring, a Base Score is calculated; either the prior year's sales revenue or, if a new account, the industry average from the prior year's sales. Additional growth and discounting adjustments, along with a final "Balance Factor" are added and applied to the Base Score to come up with a Final Score. The final aggregated score of all accounts is how TAM is calculated in this model. The purpose of Market Scoring is to predict the relative value of each account. Final Score is used as potential amount for territories.

Some organizations may find Market Scoring calculation too complex. In these cases, use the **Potential Spend calculation** (above) as an alternative method.

When comparing calculated metrics in some of the summary analysis dashboards, we've used two new line items for comparison: **Base Score + Adjustments** and **Predictive Account Value + Adjustments** in order to have like-for-like comparisons. Net New Accounts and Account Details dashboards include the new line item values.

When running Optimizer, we now select either the Base Score or the Predictive Base Value as the first criteria. These two scores provide a basis for like-for-like territory assignments.

Predictive Score Allocation method is added to the model for Allocating Quota. Quota values (Target) is already included in the demo model and so does not need to be imported. Targets can be updated easily in the Sales Operations Home page or in the Geo Goal Setting module.

Processes are included to clear data from the model, to populate accounts, and to target (quota) lists. However, you'll want to use the Account and AI data included in the demo.

We recommend using existing demo data because it is enriched with predictive scores and ranks (overall and by product) and associated to account indicators and buy intents. Original account data was exported and imported and used to create a predictive model within Predictive Insights. Customer Successes and Opportunities were used to create the predictive model and then enriched, scored, and ranked. Scores, ranks, and indicators were then imported into the Anaplan Model.

IMPORT PREDICTIVE ACCOUNT DATA

Ideally, customers will take their modeled and scored account data from the *Predictive Account Segmentation & Scoring* Anaplan Model and import the account, indicators, and intents into their Territory Model. If this approach is not used, customer data can be fed directly to Predictive Insights, modeled, enriched, tested, and scored. Or account data is imported into Anaplan and pushed into Predictive Insights via direct integration. (Integration is not yet available, but we expect something by the end of 2020 We also expect to have automated integration for updating account scores, intents, and buying stages.)

If pushed directly into the Predictive AI Engine from Anaplan (recommended approach), the predictive model will be able to retain the unique Anaplan code and match this during re-import. Data will still need to be modeled, enriched, and scored within Predictive Insights before re-importing back to the Anaplan Model. See basic Predictive Insights Set-Up Steps below.

The advantage to using the push from Anaplan is that you won't need to massage the data before re-importing. Firmographic metrics are easily retained and mapping to create a geo hierarchy won't be needed.

Anaplan is working on integrations between Anaplan and Predictive Insights models. Initial integration actions to be included in the demo model and available for customers are:

- Account push from Anaplan to Predictive Insights: Positive List (customers) and House List (prospects).
- Account indicators: Populates Predictive Insights indicator lists and modules.
- Account attributes: Updates account list and modules with appended data from Predictive Insights. Includes additional firmographics, including Account Annual Revenue, Employee Count, Industry, and Geo information, Indicators, and Intents with lifts and lift coverages.

PREDICTIVE INSIGHTS PLATFORM PREDICTIVE MODEL SET-UP

See the Predictive Insights Modeling Guide and the Integration Guide on Anaplan Community for more detailed information. What follows is a simple set up description.

As mentioned above, it's suggested that data be pushed into Predictive Insights from the Anaplan model. Accounts roll up the Geo hierarchy configured within the Territory and Quota Planning model. Customer Accounts (wins) along with prospects are imported into Anaplan along with any firmographic attributes. Be sure to populate the Account (L4) Code with a unique identifier.

In order to score accounts, you need to create a model in Predictive Insights using the newly imported account data. Manual steps to accomplish this follow.

Set up your customer's Predictive Insights account: Create a new password, if needed, and log into the account.

Create a new Market: If this is a new Predictive Insights account, you'll be asked to create a Market (name), which you create the model for.

Data: Account data should include fields to identify the account as Existing (closed/won) which is the Positive List, and Opportunities (new prospects), known as the House List. It's best to have separate files for each source type. Account Name should be provided and if possible, provide the account domain URL. This is known as **conversion** data.

Also include any other Interaction data if possible. For example, product(s) purchase history, or other behavioral data. During manual import, you'll need to set up mapping from the source (export) to the target fields. When data is imported into Predictive Insights, it is validated, matched to Predictive Insights existing account data, and appended with all data that Predictive Insights has for that account record.

Create Model: Select the model type—either single product or multiple products. A simple wizard walks you through this process. Machine learning algorithms are applied to accounts to identify top Intents based on third-party online digital footprints and are appended to account and opportunity data. Once indicators and intents are identified, additional optimization is performed via propensity modeling that applies additional machine learning logistic regression and gradient-boosted decision trees. Final results are used to score and rank accounts. Once accounts are scored, account information is pulled back into the Anaplan model and used for analysis.