Empowering B2B Sales Teams:

Unlocking Efficiency with Dynamic Territories

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Gradient Works

TAKING THE TERROR OUT OF TERRITORIES

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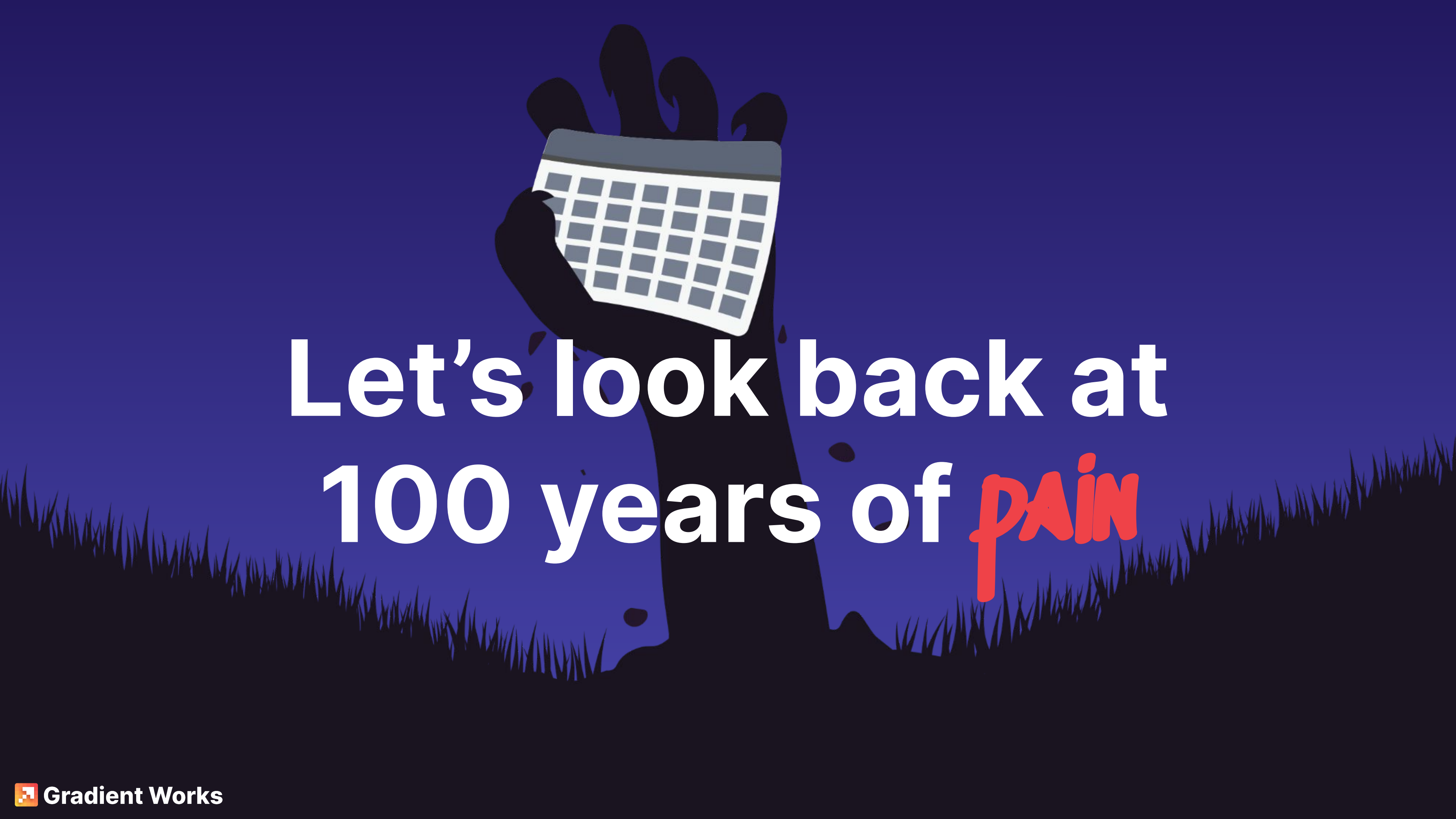
Let’s look back at
100 years of pain
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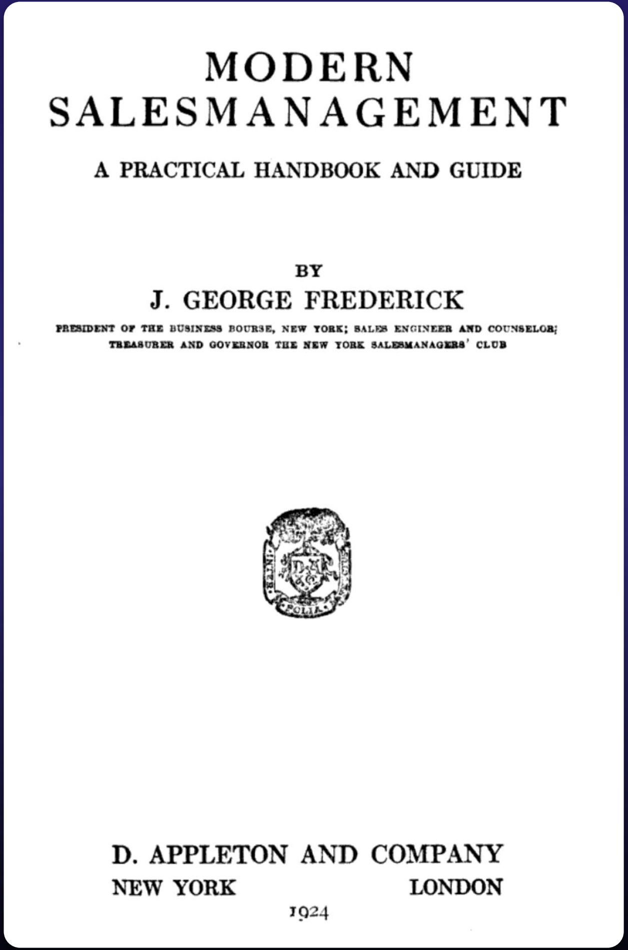
"The old fashioned way of dividing sales territory was roughly by states. Progressive firms have found this to be unsatisfactory because, as a rule, **a state… has no bearing whatever on the sales situation.**"

Modern Salesmanagement
Published 1919



MODERN
SALESMANAGEMENT

A PRACTICAL HANDBOOK AND GUIDE

BY
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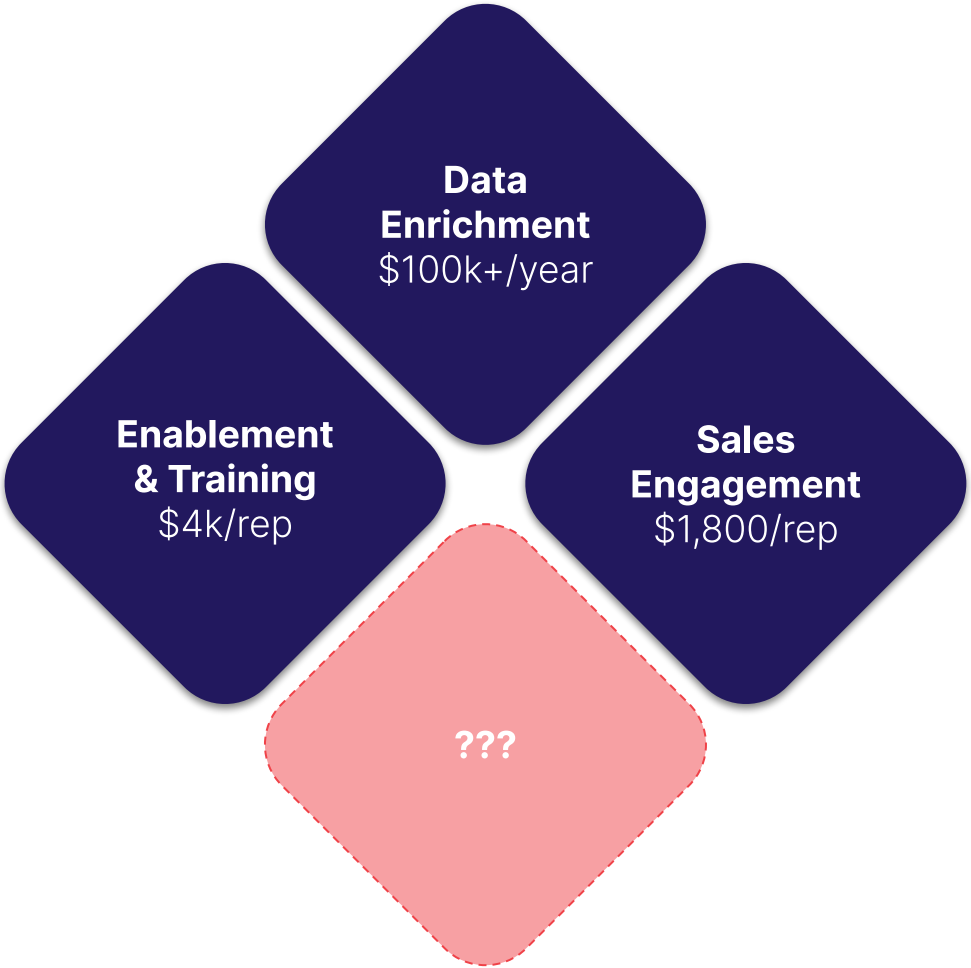
D. APPLETON AND COMPANY
NEW YORK LONDON
1924

Gradient Works



We spend a fortune on

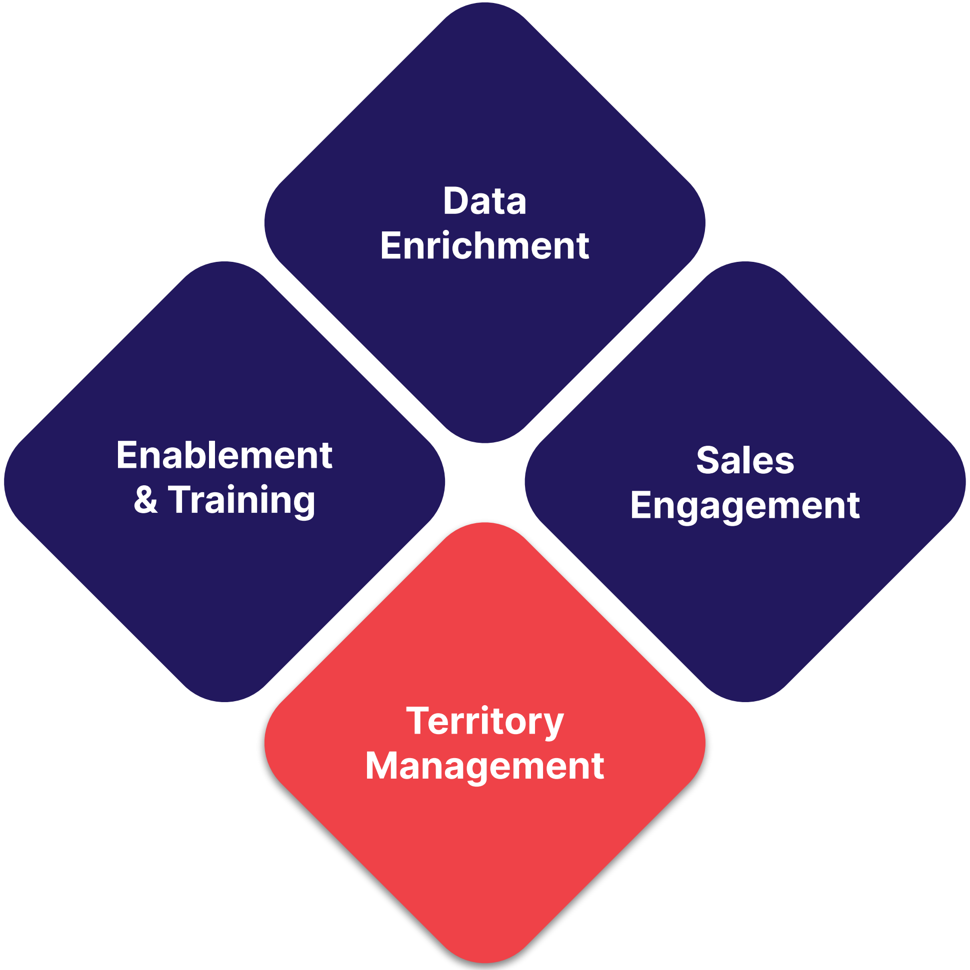
Rep Productivity

We spend **$10k per rep**

More than **$40B in enterprise value** for sales tech vendors

But still, **only 53% of reps** make their quota.

Source: TOPO/Gartner, Korn/Ferry



Territories kill

Rep Productivity

Bad territories can **reduce revenue** by 10%, yet...

76% of sale teams use geographic territories

83% do all territory planning manually

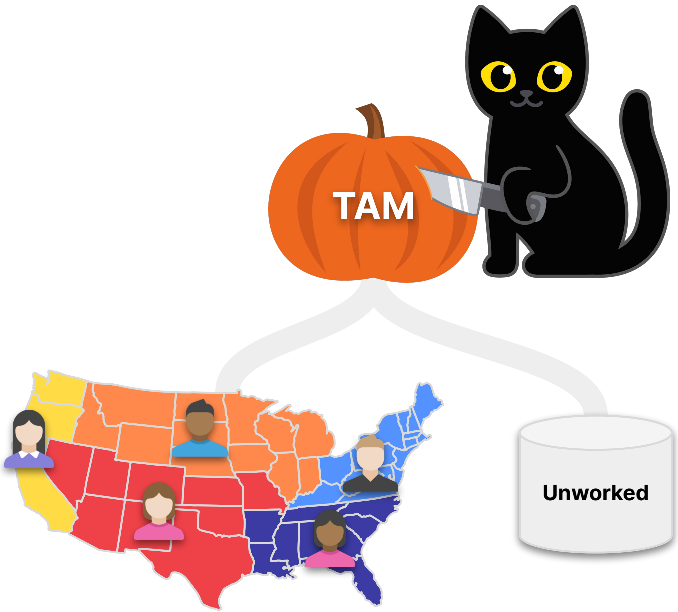
And **64%** aren’t satisfied with their territories

Source: SMA, HBR

Territories are the foundation of our sales motion...

… So we need to talk about carving

The perils of carving (and recarving)

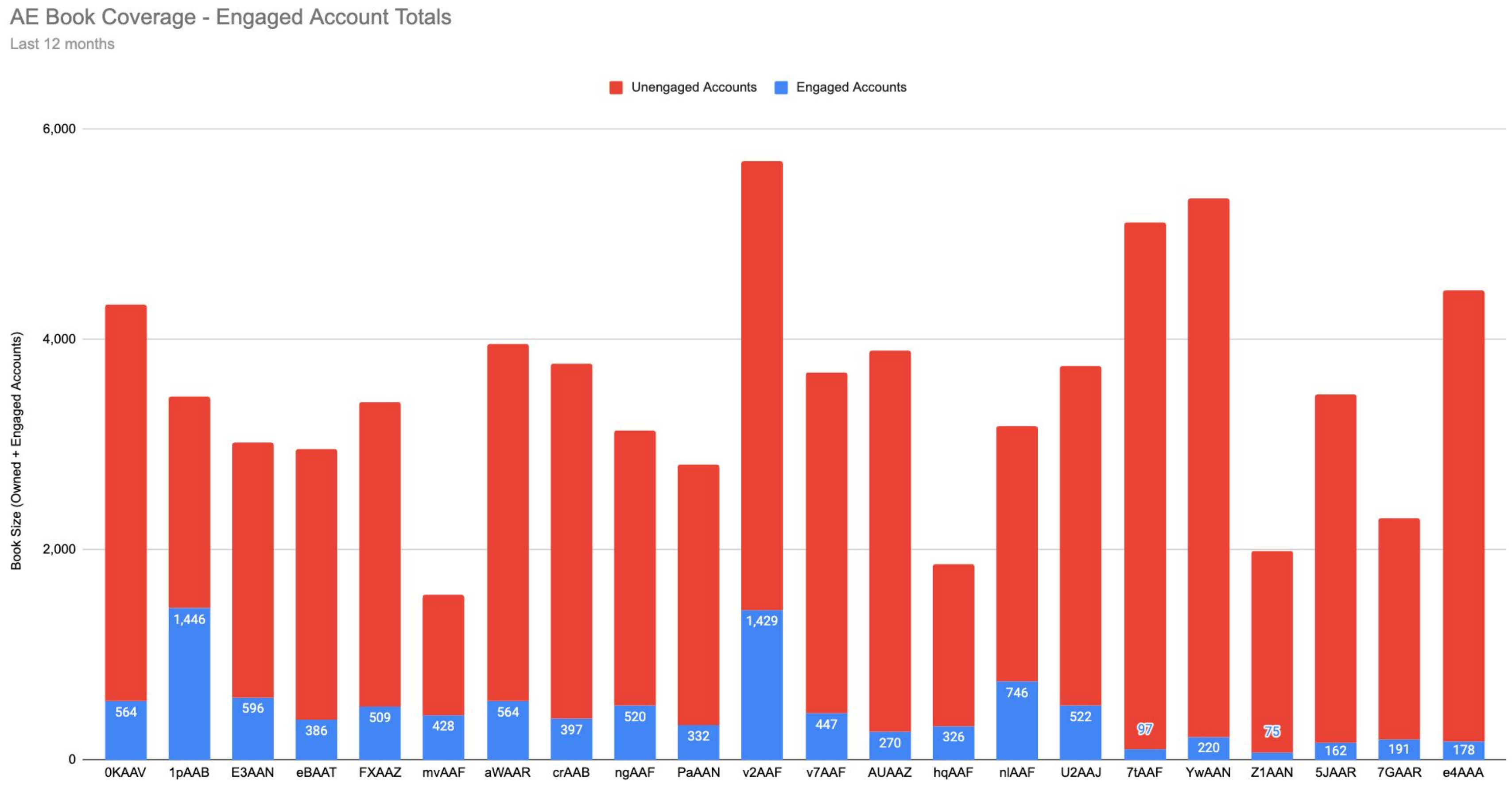


High stakes, low information

Feast or famine

Poor prioritization

Headcount headaches

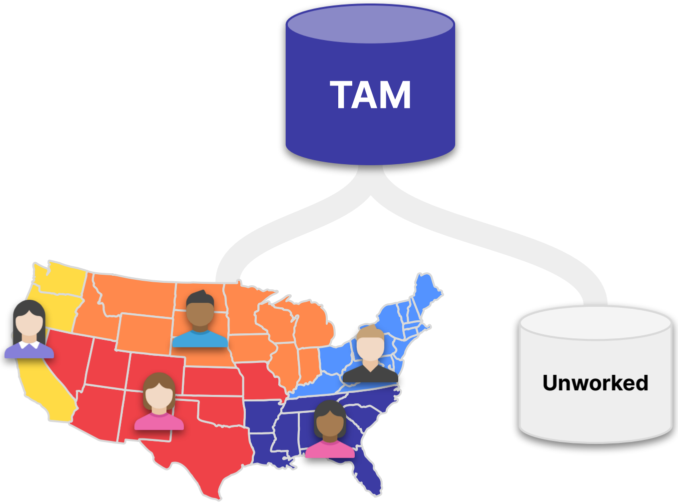


Gradient Works

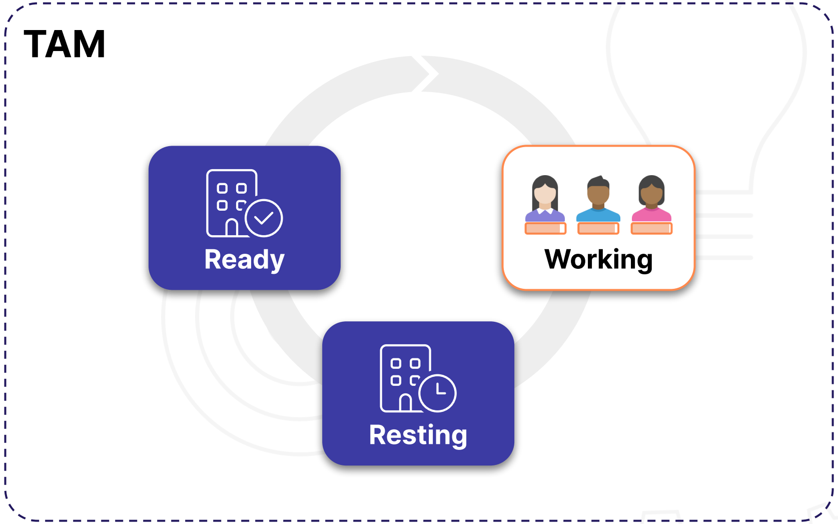
Gradient Works

We can't keep doing the same thing. We need a **new model**.

From Legacy Territories



To Dynamic Books

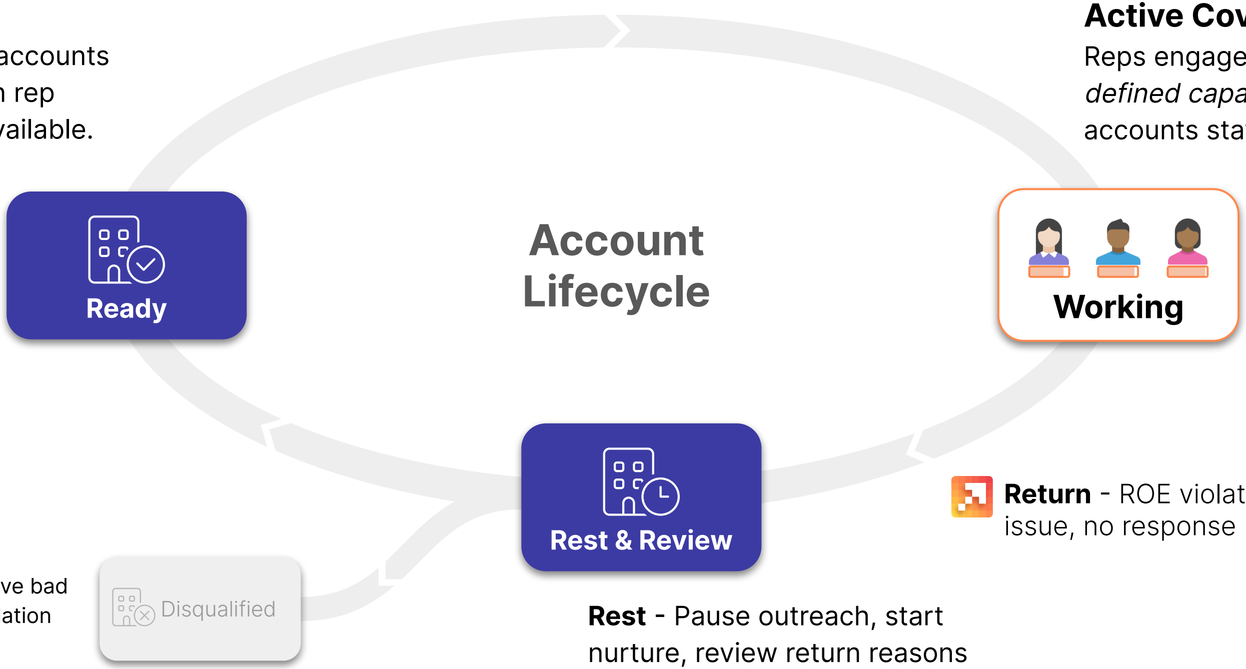


The dynamic books model

Assign - Inbound routing, ABM signal, account distribution

Ready Pool
Unassigned high-fit accounts eligible to work when rep capacity becomes available.

Active Coverage
Reps engage account book with *defined capacity and criteria*. Other accounts stay in ready pool.



Return - ROE violation, data issue, no response

Disqualified - Remove bad accounts from circulation

Rest - Pause outreach, start nurture, review return reasons omnipresent

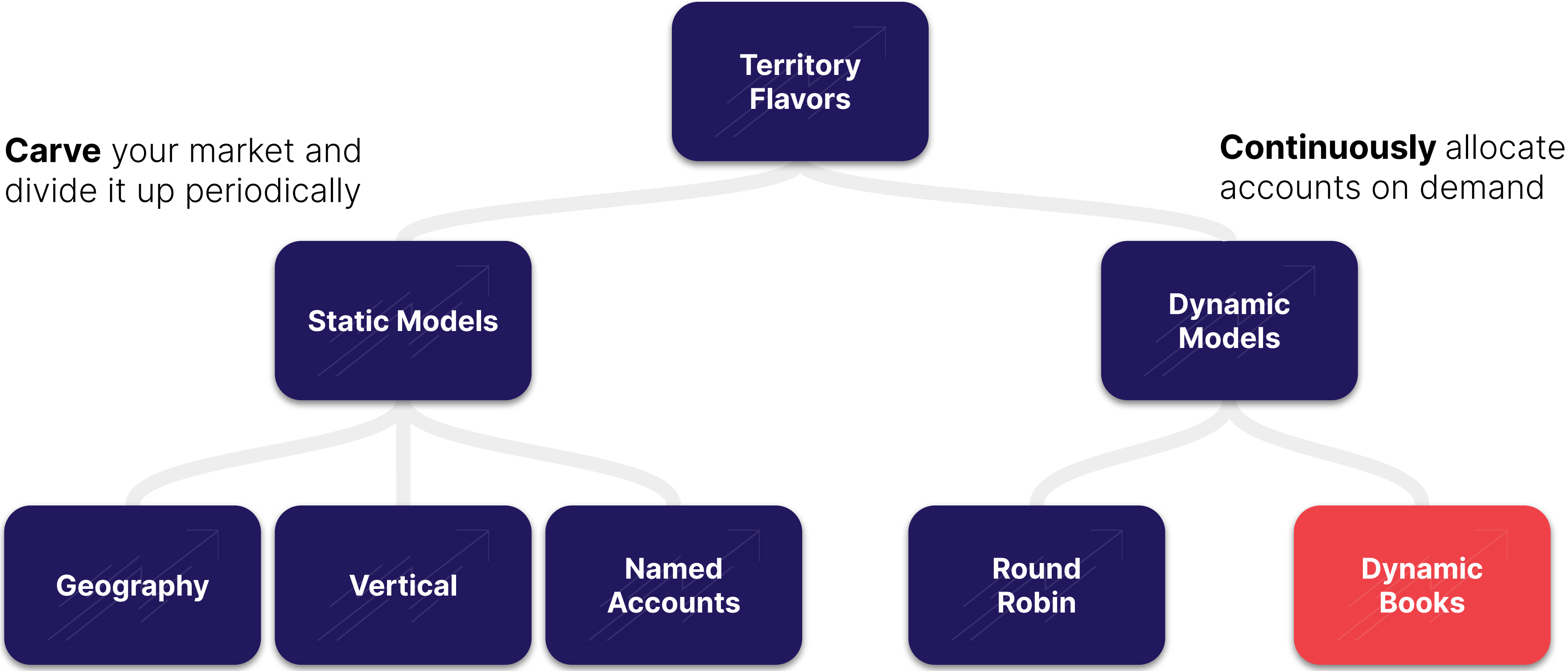
SDRs set **16% more meetings**, worked **20% more accounts**, and **saved 1.5 hours** of effort every day.

Should you go dynamic?

The Territory Taxonomy

Carve your market and divide it up periodically

Continuously allocate accounts on demand



Which model is right for you?

	Model	Use if...
Static	Geographic	You have field sales, extensive market data and highly predictable sales patterns OR there's a material variation in sales process across geos.
	Vertical	Your GTM requires high specialization for different verticals and you have enough market data to be confident about demand in those specific verticals.
	Named	You have a long sales cycle that requires building relationships and value over time along with high confidence in specific accounts that you want to target.
Dynamic	Round Robin	Your GTM is mostly inbound-driven, sales cycles are relatively short, you have a small sales team and those reps have mostly the same length of tenure.
	Dynamic Books	You have relatively fast sales cycles, have a hybrid inbound/outbound model, and are dealing with demand and headcount uncertainty OR you're trying to maximize coverage of a known TAM.

How to get started with dynamic books

Adopting dynamic books

Prerequisites

- Account-based
- Ownership model
- Rep capacity model
- ICP & segmentation

Rollout

- Define & clarify ROE
- Account dispositions
- Core plays (e.g. “get back to me)
- Communicate!

Processes

- Reactive: inbounds & signals
- Proactive: distributions, retrievals & returns
- Analytics & accountability
- Prioritization

Foundation: Clear comp plans and transparent communication

Defining books with rep capacity

Input:
Rep activity, segmentation

Output:
Book size

Validate:
Compare with quota

Inputs	
Touches / Day	100
Quota / Month	10
Cadence Touches / Contact	7
Contacts / Account	3
Reps	15
Rep Territory Size	250
Accounts to Work (TAM)	3,000

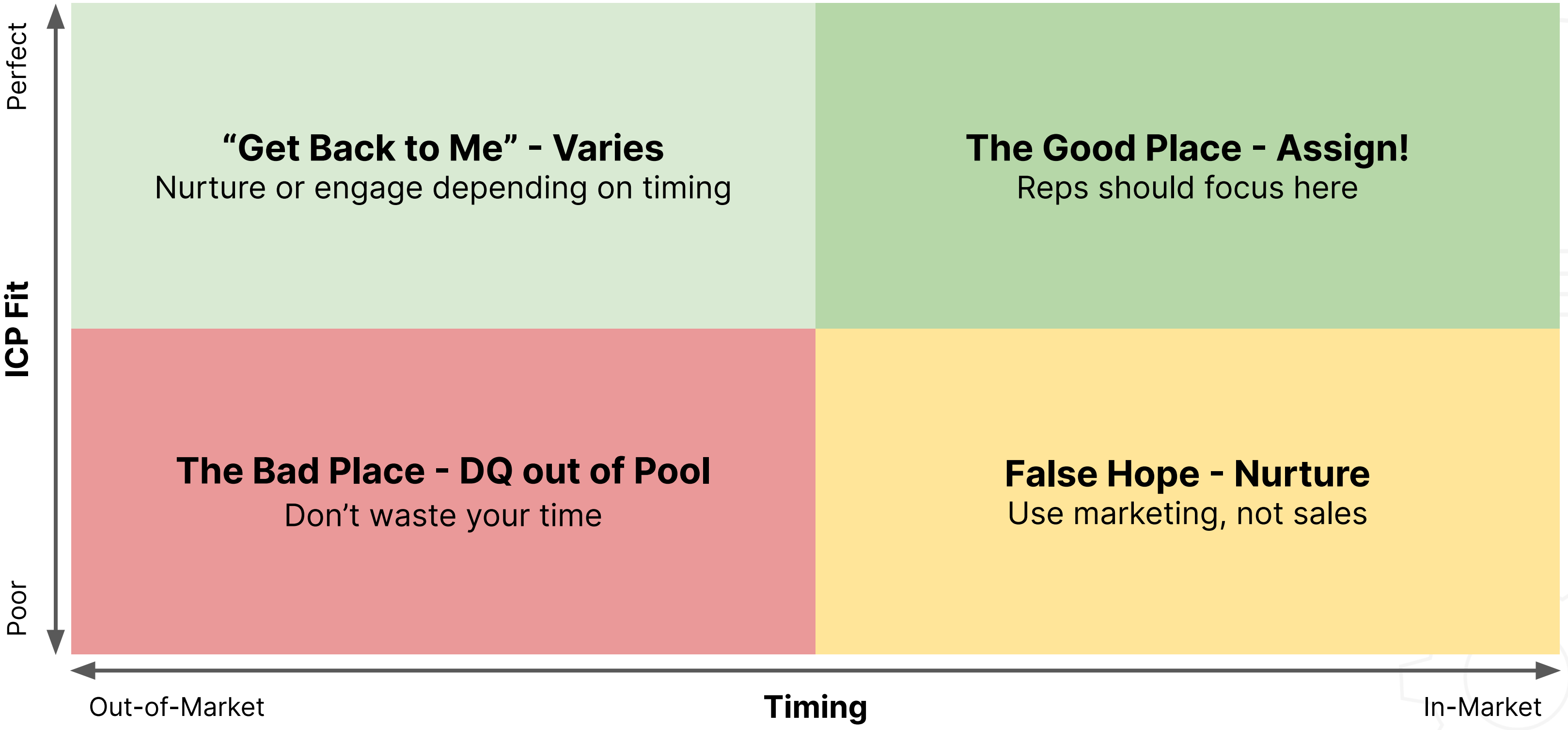
Capacity Analysis (Bottoms-Up)	
Touch Requirements	
Touches / Contact	7
Contacts / Account	3
Touches / Account	21
Rep Capacity	
Touches / Day	100
Touches / Mo	2,000
Accounts Covered / Month	95
Accounts Covered / Year	1,140
Rep Territory Capacity	
Territory Size	250
% Covered Accounts	456%
Uncovered Accounts	0
TAM Capacity	
Reps	15
Accounts Covered / Month	1,425
Accounts Covered / Year	17,100
Total Accounts	3,000
Max % TAM Coverage	570.0%
Uncovered Accounts	0
Actual Covered Accounts	3,750
Actual % TAM Coverage	125.0%

Book Productivity (Per Month)	
Touches	2000
Accts Covered	95
Quota	10
Required Productivity Rate	**10.5%**

The percentage of accounts worked that need to be converted to demo set/meeting/opportunity for a rep to hit 100% attainment.

Get this worksheet @
gradient.works/gtm2023

Prioritization for dynamic books



Communicating the rollout to reps

- **How:** Be transparent about the decisions that went into book and process design
- **Why:** Reps should understand strategy behind the plan and what you're trying to achieve
- **What:** Help reps understand expectations and how things might change for them
- **Who:** Make sure there's a voice for reps and managers. Ensure frontline managers are bought in and ready to handle questions

Thank you!

Dynamic books resources @
gradient.works/gtm2023

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Ranking for fit and timing

	ICP Fit	Timing
Goal	Determine which accounts fit your ICP better than others and should be more likely to become customers and/or better customers.	Determine which accounts are potentially looking for a solution like yours.
Inputs	Firmographic data that's relatively easy to see externally and doesn't change too quickly over time. e.g. Country, Industry, Employees, Revenue	Data that indicate interest such as marketing activity, product usage (for PLG), intent from an intent provider like 6Sense or ZoomInfo.
Process	Start simple, using a score based on weights for the different attributes. Add AI customer lookalikes with tools like Market Map.	Some products provide an intent score but you can also use a similar weighted approach for this score.
Outputs	Either a score (e.g. 0-10) or a classification (e.g. A-D). I recommend starting with classification.	Either a score (e.g. 0-10) or a classification (e.g. A-D). I recommend starting with classification.

Getting timing signals right

Signals	Description	Tools
Direct inbound	Demo request forms, contact sales, etc	Marketo, Hubspot, Pardot, Adobe (various), Eloqua, Calendly, etc
First-party marketing	Engagement data and marketing activity captured on your own sites via your MAP or CMS	
Third-party intent	Capture behaviors from various sources aggregated in ABM products	6Sense, DemandBase, Terminus, ZoomInfo
First-party product	For PLG motions, capture signals about product usage	Pendo, Heap, custom code
Ecosystem	Connect your CRM data with partners to see overlaps and identify mutual selling opportunities	Crossbeam, Reveal; Bonus: UserGems
First party sales	Capture data and dispositions (e.g. “under contract until X”) in your sales process that you can use to engage at the right time	Gradient Works, custom code

The journey

1. Prepare
Review current coverage, analyze target accounts.

2. Design books
Determine rep capacity, criteria & account supply

3. Clarify ROE
Set activity expectations & update ownership rules

4. Implement
Update CRM to support core processes, reporting

5. Roll out
Explain change, do first retrieval & distribution

6. Optimize
Cover accounts, analyze and adjust accordingly

Core Processes (Cadence)

- **Prioritization** (Weekly or monthly)
- **Distributions** (Weekly or monthly)
- **Routing** (Continuous)
- **Retrievals** (Weekly or monthly)
- **Returns** (On-demand)
- **Analysis** (Continuous)