

# Creating Equitable Sales Territories for Business Software and Services Company

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## The Situation



This \$230 million/year business software and services

company was in need of new opportunity sizing and territory alignment. Segmentation for them was based on management discretion with primitive factors. Inequitable territories were based on historical business and did not include opportunity/potential spend.

## The Challenge

This multi-million dollar company sought to restructure their territory sizing to create equitable territories across the region. Equal territories were needed for each segment to ensure fair sales opportunity for each sales representative. Overall, the company had to create a more scientific and robust model to measure Total Addressable Market (TAM).

## The Solution

The Alexander Group worked with this company to define equal territories, while minimizing disruption to the flow of the sales organization. After assessing the company's needs, a TAM model was built to determine segment breakpoints. This model was developed to identify segments through application of optimal factors.

## The Benefit

With the new dynamic TAM model, the company was able to allow for real-time adjustment of sizing variables. The redesigned equitable territory maps and assignments for each segment would promote equal sales opportunity within the sales team. The company also had a clear segmentation delineation of accounts.

**Territory Sizing:** The process of creating equitable territories across the region.



**TAM Model:** The process of identifying segments through application of several factors

