

OPTIMIZING SALES TERRITORY DESIGN WITH A DATA-DRIVEN APPROACH

SITUATION

Xactly is the leading provider of cloud-based sales performance management (SPM) solutions for enterprise companies. Powered by a robust, sales performance AI platform, Xactly's product portfolio spans the entire SPM value chain.

The company was experiencing hyper sales growth following its acquisition by Vista Equity Partners. Xactly had also recently acquired AlignStar, a best-in-class territory design and planning solution. As a result of these changes and the strong market demand for SPM technologies, Xactly had doubled the size of its sales force in approximately six months.

As Xactly started the sales planning process for its new fiscal year, it became clear that its manual, spreadsheet-based approach to territory design would not be able to scale with the company's projected growth.

CHALLENGE

The current approach required the sales operations team to manually import data from the company's Salesforce CRM system and "sift through" all the data, looking at criteria, such as account, company and employee size, and zip codes in order to build territories.

The territory design process was tedious and time-consuming, taking almost a month from start to finish. Conducting territory design in this manner was also highly unscientific, based more on gut instinct than hard data. Territories were set by general locations rather than the total addressable market in each area – which often created doubt across the sales force regarding the efficacy of the territories.

With information spread out in more than 37,000 spreadsheets rows, errors were also a concern and there was little agility to make quick and necessary territory adjustments.

- Intelligent and transparent territory design
- Maximized sales coverage
- Hundreds of hours in time savings
- 10% or less variance in sales potential across territories

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In addition to making territory alignment more transparent and fair, AlignStar ensures that we're allocating sales resources strategically. By automating territory design and optimization, we maximize our market opportunity, as well as lower the time needed to design sales territories.

– Lisa Puzar, Manager,
Sales Operations, Xactly

SOLUTION

By equally weighing the number of accounts, account ranking, and priority vertical segments according to their value, sales operations ensured equitable potential for each territory – with an optimum 10 percent or less variance for each area.

AlignStar's intuitive, user-friendly interface made it easy for the planning team to view different scenarios and refine the formula. With a dynamic, map-based interface, the sales operations and executive teams could easily make adjustments and quickly see the impact on territories.

For example, they could change the weightings of the verticals, the expansiveness of regions, the quality of the prospects, and the number of accounts to model the impact on each rep.

AlignStar's Territory Expert® Scorecard gave the team an immediate analysis regarding the territory balance across reps, as well as prescriptive recommendations to maximize coverage and travel efficiencies.

In addition, the Territory Expert® Scorecard was able to automatically analyze alignments and provide suggestions on how to improve design, balance, or travel efficiency of territories with a simple, visual map-based interface.

RESULTS

Xactly introduced the FY19 territory assignments at its annual sales kickoff. According to the sales management team, it was the best way the company had ever conducted the territory planning process.

With a single, automated system for territory planning and optimization, Xactly has reduced the time spent designing territories from a month down to a week and is better positioned to handle its hyper sales team growth. Significantly expanding its sales force both in the U.S. and EMEA, AlignStar provides Xactly the agility and intelligence needed to quickly add new sales reps and set and adjust areas accordingly.

Moreover, by giving reps visibility into the process, AlignStar has increased reps' confidence and understanding regarding their territory alignment and the opportunity potential.

By using its own AlignStar technology, Xactly was able to add a whole new level of intelligence and transparency to territory planning – ensuring a fair distribution of potential for all sales representatives and maximizing sales coverage.