The five phases of sales territory planning

1. **Analysis of status quo**
   - Input from as many sources as possible: controlling/reporting, sales team, external market information, customer & market analyses, SWOT analysis, identification of problems, estimation of future potential.
   - Tasks: Selection of planning structure (territory-, product- or customer-oriented), Selection of planning criteria (potential-, workload- or logistics-driven), Creation and comparison of various scenarios.
   - Those affected: Sales management with an external consultant.
   - Risks: A narrow-minded approach prevents the identification of existing or future problems. External influences place limitations on planning: existing customer relationships, natural barriers (mountains, rivers), cultural barriers, seasonality, employees' places of residence, locations of business sites.
   - Duration: 1-2 weeks

2. **Definition of goals**
   - Sales territory expansion or reduction, definition of planning criteria and priorities (e.g., visitation frequency, margin, turnover, workload, etc.), consideration of restrictions.
   - Tasks: Assessment of feasibility, consideration of special cases.
   - Those affected: General management, sales management.
   - Risks: Lack of acceptance of the new territory structure by the sales team. Often too many exceptions to the original plan are made.
   - Duration: 2-3 weeks

3. **Planning approach**
   - Tasks: Selection of planning structure (territory-, product- or customer-oriented), Selection of planning criteria (potential-, workload- or logistics-driven), Creation and comparison of various scenarios.
   - Those affected: General management, sales management with an external consultant.
   - Risks: External influences place limitations on planning: existing customer relationships, natural barriers (mountains, rivers), cultural barriers, seasonality, employees' places of residence, locations of business sites.
   - Duration: 1 week

4. **Fine-tuning & results controlling**
   - Tasks: Customer information and assignment, implementation of territory changes (e.g., new format for contract and provisions).
   - Those affected: Sales team and, in some cases, human resources.
   - Risks: In some cases new contracts have to be drawn up for sales representatives.
   - Duration: 2-8 weeks

5. **Implementation**
   - GfK GeoMarketing takes a customized, customer-specific approach to sales territory planning. We guide and support you in the realignment, expansion and optimization of your sales and service territories.
   - Our strengths: almost 20 years of experience, proven expertise and comprehensive geomarketing products and services from one source. These qualities bring objectivity, efficiency and success to your operations!
   - For more information, call +49 (0)7251 9295200 or visit our website: www.gfk-geomarketing.com/planning.