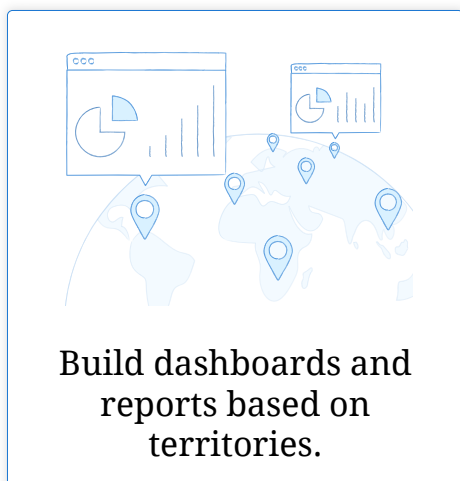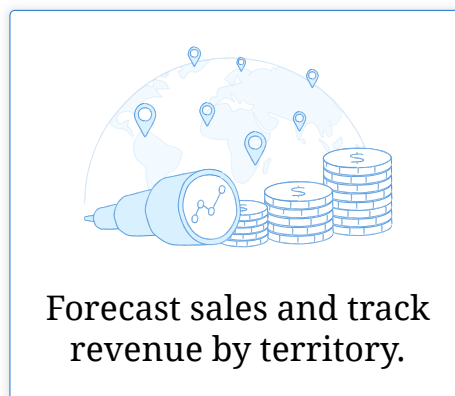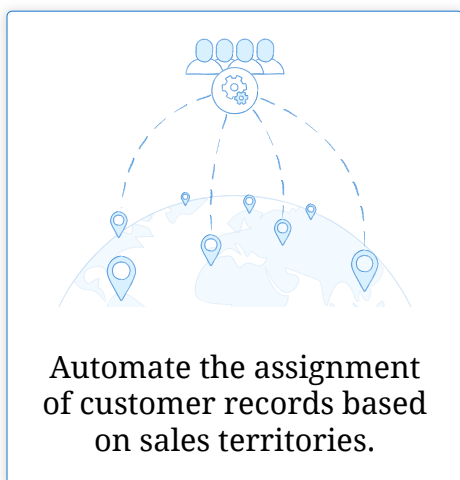# Decision Guide for Territory Management

ZOHO CRM

What is Territory Management in Zoho CRM?

When your business is spread across regions and you have multiple office divisions, departments and numerous products/services, it is not an easy task to assign customer accounts to sales teams without proper planning. In some cases, it is equally complex to provide access only to selective accounts, for individuals from different teams to work together for a common sales objective.

Territory Management is a system by which customer accounts are grouped based on a defined set of criteria. This makes for easy sharing of customer accounts among different sales teams in your company. It ensures proper and effective usage of the sales force to maximize sales opportunities, provide excellent customer service and expand the existing customer relationships.

Territory Management in Zoho CRM

Automate the assignment of customer records based on sales territories.

Forecast sales and track revenue by territory.

Build dashboards and reports based on territories.

ZOHO CRM

Key Benefits

Avoid complex data-sharing structure

Organizations with complex sales structures

can use territories to easily share records with users in different teams. It is also convenient to group records based on the account's characteristics rather than the individual ownership of the records.

Provide a focused work environment

Distribution of customer accounts by using

territories help in creating focused work environments that ensures better sales force engagement. It also increases the sales teams' efficiency by reducing the travel time and increasing the industry expertise.
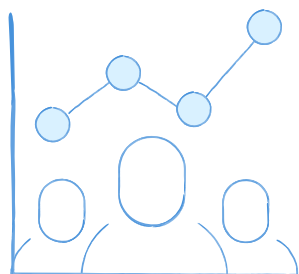
Get accurate evaluation of sales team's performance

Generate sales reports based on territories to

evaluate and measure the efficiency of sales teams by territory. Also, get a better insight into the sales contribution of each territory.

Forecast sales for each territory and set clear goals

Create separate forecast targets for each

territory a user belongs to. This will give a clear picture of the goals set for the different territories for users to stay focused.

Deciding if your Organization needs Territory Management

In Zoho CRM, the territory management feature lets you:

- Create territories and specify criteria that defines a territory.

- Build a territory hierarchy in addition to the role hierarchy in your account.

- Access predefined reports on territories, such as, Star performers across territories, Overall Sales Cycle Duration among territories, Revenue By Territories, etc.

- Create custom reports on territories.

- Set multiple forecast targets for users belonging to multiple territories.

Territory management need not be a requirement for every organization. You need to decide on the usage of territories for your organization's sales structure and data-sharing model. This document will guide you and help you decide if Territory Management is required for your company.

Role vs Territory

Let's take a look at the advantages that territory management has to provide, when compared to roles.

Role Hierarchy	Territory Hierarchy
Record ownership is with one owner.	Record ownership is with one owner.
Record is accessible to: • Owner of the record • Users who are superior to the record owner in the role hierarchy • Users who have access granted based on the data sharing rules.	**Record is accessible to:** • Owner of the record • Users who are superior to the record owner in the role hierarchy • Other users in the record's territory • Users in the territories that are superior to record's territory.
Segment customer accounts based on the record ownership.	Segment customer accounts based on the account characteristics.

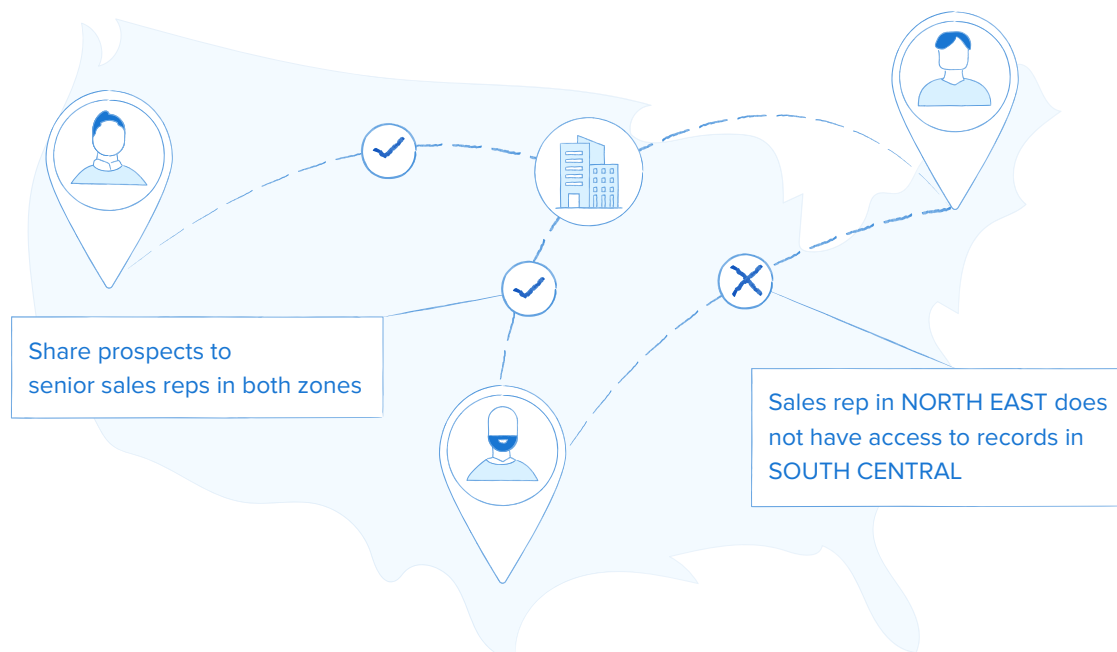| Role Hierarchy	Territory Hierarchy
User can be assigned to only one role.	User can be assigned to multiple territories.
User can have a single forecast target only.	Users can have multiple forecasts targets, one for each territory that they belong.

Here is a business scenario to explain better!

Let us assume that the sales force in Zillum Inc. comprises of six teams across the
United States - North Central, North East, North West, South Central, South East and South West.

In this sales structure:

- You do not want the sales team from any specific region to access the records of another region.

- There may be a few important prospects that you want to share with the senior sales reps

  from two different teams, in two regions.

It may become a complicated process to achieve this using roles and data sharing rules alone. On the other hand, with territories based on a defined set of criteria, you can extend the Zoho CRM data-sharing model in your Zoho CRM account and easily share records with various users in different teams. This will ensure that the teams are focused towards a goal to achieve the sales target set under the different times zones.

Share prospects to
senior sales reps in both zones

Sales rep in NORTH EAST does
not have access to records in
SOUTH CENTRAL

Before you plan to set up Territory Management in your Zoho CRM account, consider the following topics that will help you determine if Territory Management suits your organization

Sales Structure and Sharing Needs - A CRM data sharing structure, which requires individuals belonging to multiple territories to access multiple customer accounts.

Forecasting - Forecasts based on territory hierarchy. The need to set forecasts targets for each territory a users belongs.

Administration - Territories can be managed as individual units to reduce the burden on the administrators.

Sales Structure and Sharing Needs

How is your data shared with other users? It is crucial to analyze if the role-based hierarchy, data sharing rules, groups and assignment rules provide the best options to share accounts as per your sale structure. Your organization may have the need to share records based on the products or services, revenue, zip code/region, or industry, and not based on the record ownership. For such a complex and collaborative sharing model, you need territories that ensure effective grouping of customer accounts and sharing records with different sales teams.

Does the sales structure in your organization require you to share customer accounts with many people from different teams? Take this as an example: You have a ground sales representative who makes calls to the prospect and arranges for a meeting. You also have a field sales representative to visit the prospect for a demo of the product. How do you share accounts with both these sales reps?

An organization's sales structure may either be linear or a complex matrix, where data sharing is one to many. Territory Management will be right for your organization, if

- Your company's sharing needs depend more on account's characteristics rather than the individual ownership of the records.
- Your organization has a matrix sales structure, which requires individuals belonging to multiple territories to access multiple customer accounts.

Forecasting

When you switch to Territory Management in Zoho CRM, forecasts will also change to suit the territory requirements. When a user is part of multiple territories you may need to set different sales targets for the user, as you will have different targets set for each territory.

Having a single forecast target for the user will not work then. By splitting your monthly/quarterly targets based on the territories and the customer accounts in them, you will have a clear picture of the sales forecast and the target to be achieved.

Administration

Does your administrator find it complicated to manage the numerous sharing rules that have to be monitored when there are changes in the sales structure? When there is a complex data sharing architecture, some of the challenges that you have to be aware of are:

Providing similar data access to multiple users, managing those permissions individually or on a role level for users, creating multiple sharing rules, maintaining huge data volume and monitoring frequent movement of sales reps to different sales groups.

Territories, on the other hand, are easier to manage. For example: Your sales structure is demarcated based on region. A sales executive who takes care of customer enquires that come from China is a star performer in your team. You decide to give this sales rep additional responsibility, to handle customers from Japan. In this example, territory management gives you the flexibility to add the user in China and Japan sales territory to where the sales executive can access the customer records from both the countries.

When complex data sharing rules and role hierarchy do not meet the requirements, territories are a much easier option to maintain as individual units that will also reduce the burden on the administrators. Visualizing your organization's sales structure in a territorial hierarchy can help decide if Territory Management is the option for you.

Reasons to Use Territory Management

Do you need to avoid uneven distribution of the customer accounts to enhance focused sales and team responsibilities?
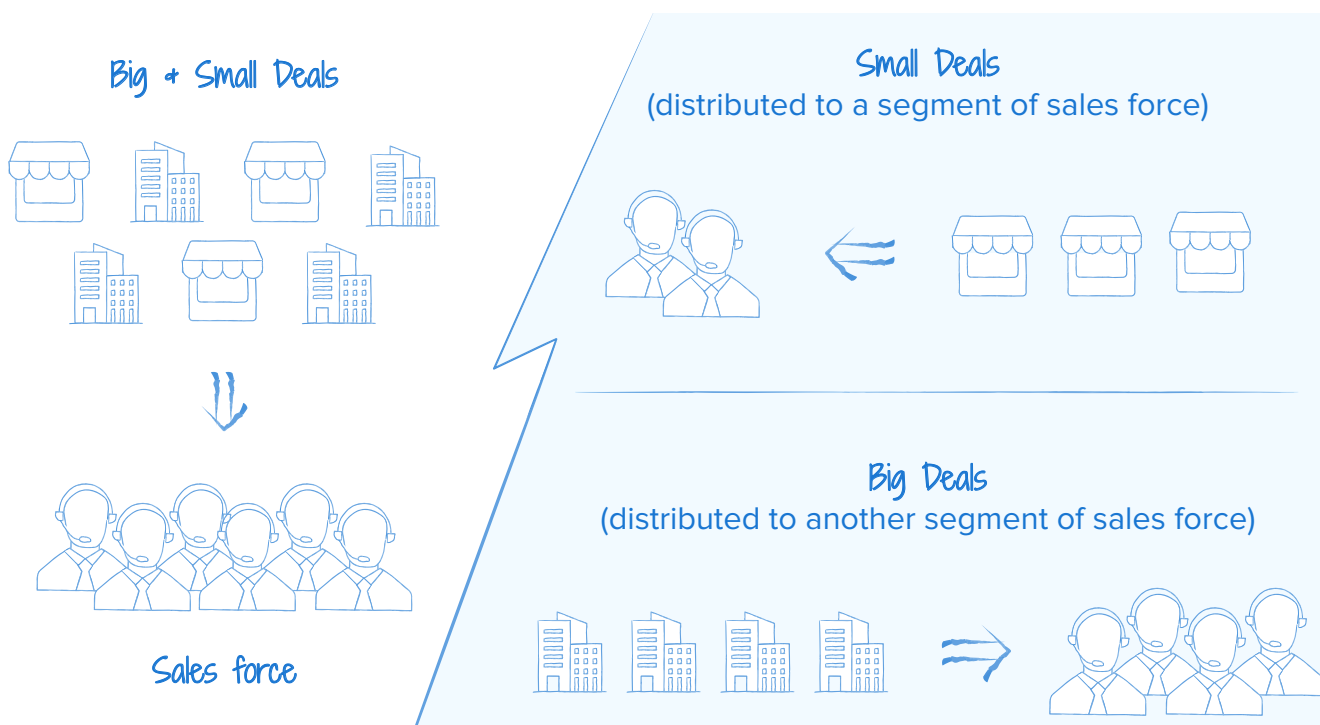
Your sales reps may either have too much work or too little work. This could potentially lead to wasted resources and lost revenue. The workload needs to be properly distributed to give your existing customers and prospects the attention that they need.

Say your customer account segmentation range from small businesses to large corporations and the opportunities are handled by the sales people based on the deal size. In such a structure, use territories to divide your sales team and assign prospects by business size to gain flexibility over data visibility and sharing.

One group of sales reps can handle deals with maximum 50 licenses, another group can be assigned to deal with 50 plus licenses. In case of dynamic sales teams, having territories also facilitates easy movement of sales reps, as they may need to switch between territories.

Does your organization's business and data sharing model depend more on account's characteristics (geographical divisions, customer account's size, multiple products lines, industry, etc.) and less on the individual ownership?

Using territorial hierarchy is a big advantage as territories provide more flexibility over data visibility and sharing.

Let's say you sell furniture for schools in different districts. Each sales group takes care of sales in their respective school districts. Within each district there are numerous schools (pre schools, high schools, college) that would like to buy furniture. Depending on the district and the quantity of order placed, you assign the deal to your sales reps. Here, it's the account's characteristic of the account that decides the overall sales structure.

Using the territories here, will benefit you. It will provide focus and simplify the process of record sharing among individuals of different teams.

Are your customers spread across various geographical locations?

If so, do you want to reduce travel time and expenses for your sales team?

Geographical locations?

Creating territories based on geographical locations of the market, and strategically placing sales reps within their native country's sales territory can be of great advantage for the business. This reduces the time on travel as business opportunities are centered in one demarcated area. Also, this will help your sales team overcome the cultural and language barriers that different territories have.
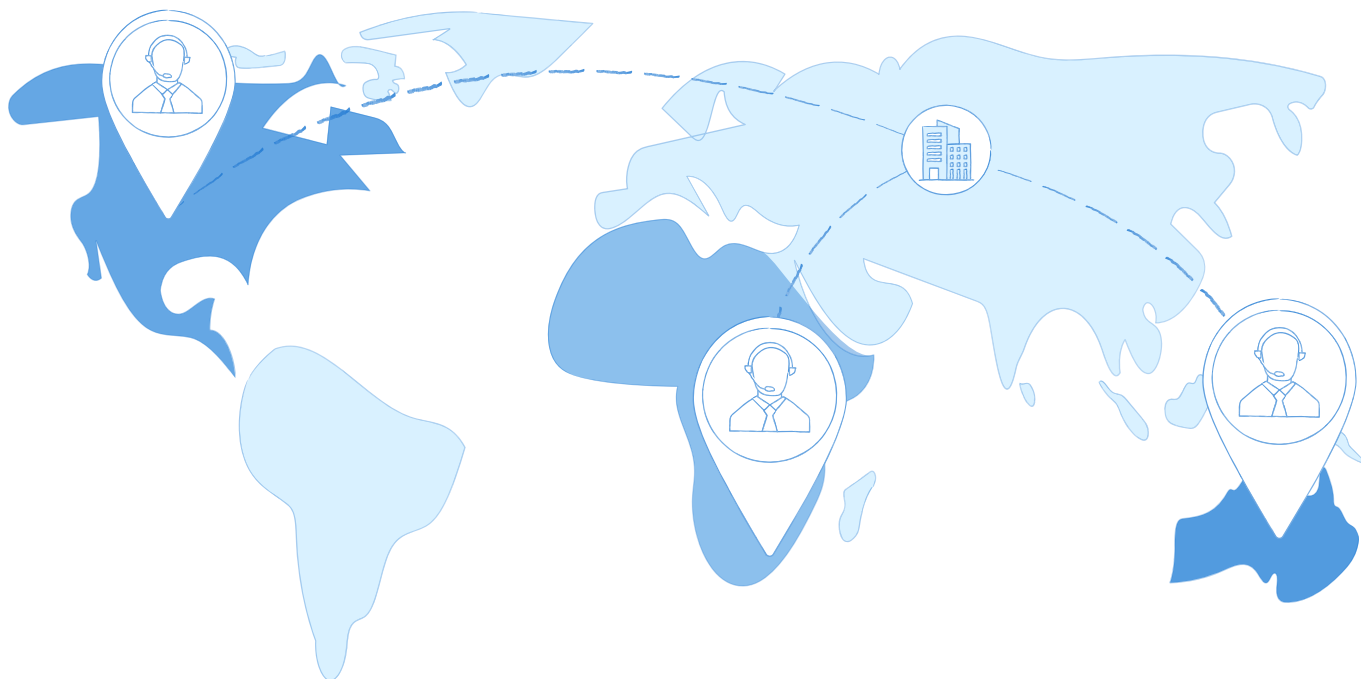
Would you look for industry expertise in your sale reps, if your company deals with multiple product lines and verticals?

Sales reps need a thorough product/service knowledge and expertise that help boost sales. In travel business, if you are in charge of a Caribbean cruise, you have to be familiar with the tour packages, the pricing, itinerary, ship information, its special features, excursions and so on.

Create a territory that includes customer accounts interested in the Caribbean cruise. Belonging to this territory that gives you enough experience and opportunities to develop your proficiency and negotiating skills is definitely good for sales.

> Does your business structure provide cross-selling opportunities? If so, do you need a flexible data sharing system that helps cross-selling to promote both customer retention and revenue growth?

With a business that deals in software for HR management, financing, staffing, and project management you may have a sales group focused on each of these products. When a prospect is interested in two of these products, how do you share the customer account with individuals from different teams who are involved in the sales cycle! Having a territorial hierarchy based on the product lines and granting access to sales reps from multiple teams is an efficient way to manage this scenario. It helps in collaborative cross selling for your business.

Your Decision

Make sure you choose the right data-sharing model for the smooth running of your business. If you would like to find out how Territory Management will suit your business needs, you can also refer to the online help for more details on how it works.

To conclude, use territory management if you:

- Have a complex sales structure with the need to often change users to different sales teams/territories.

- Need to segment customer accounts based on the account characteristics rather than the record ownership.

- Want an easy to maintain process for the administrators to manage sharing of data among multiple users of different teams.

- Require multiple forecasts targets for users belonging to different sales territories.

ZOHO CRM

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Zoho CRM Resources

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