The essential guide to go-to-marketing planning

Build data-driven plans to hit your revenue goals

Anaplan

Table of contents

Foreword

Charting your path to revenue is no longer a straight line. Shifting investor sentiment, evolving customer preferences, and hyper-competition put unprecedented pressure on companies to deliver profitable growth at every level — from product and service lines, across geographies, and channels, in both existing and new markets.

As a result, your go-to-market planning has become exponentially more demanding and complex. Many businesses try to plan with manual or inadequately automated systems. Consequently, the search for and aggregation of data, the reconstruction of scenario models, and the reliance on disconnected spreadsheets make the process time-consuming, prone to error, and expensive.

An effective sales strategy can make or break your number. According to recent research by the Sales Management Association, firms that are not effective at planning see fewer reps achieve quota and are 40% less likely to achieve their sales objectives.
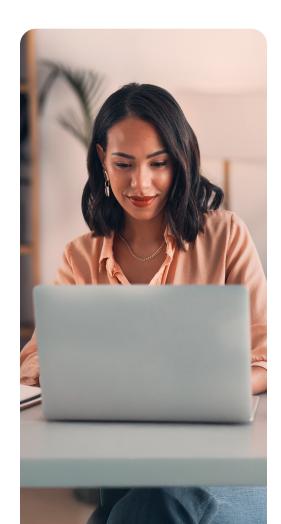
Poorly designed territory, quota, sales capacity, and compensation plans hurt sales productivity and your bottom line. The reason for this is that often salespeople, customer success teams, and partners get frustrated and lose selling time when territories and quota plans are released late, or when your plans need to be readjusted after delivery, which can lead to your best performers deciding to leave. Poor planning also leads to a lack of visibility into your accounts with the greatest revenue potential, possible coverage gaps, and missed opportunities.

To maximize sales productivity and beat the competition, your sales, marketing, and revenue operations teams need an efficient, step-by-step planning process that streamlines and improves your plan's effectiveness. This guide gives you an overview of this process and shows you the steps you need to take to achieve go-to-market planning success and hit your number.

> **"**
>
> If you want something new, you have to stop doing something old."
>
> **Peter Drucker**

STEP 1:

Organize your data and frameworks

Getting started

An integrated approach to go-to-market planning consists of multiple workstreams occurring in tandem: market segmentation, territory, quota, sales capacity, and incentive compensation planning. All these workstreams require accurate and complete data to drive more confident decision-making. That's why before any planning gets underway, getting your data in order is crucial.

You should seek to answer three important questions:

What data do I need?

Where do I get it?

How do I consolidate it in one place?

Depending on your business needs and IT system complexity, data may be downloaded to a flat file or pulled directly into a target system using connectors or APIs. In some cases, data processing is automated via extract, transform, load (ETL) applications, and stored in an enterprise data warehouse (EDW).

Once you have completed your data gathering, you should build a framework for who needs to contribute to models, how those models will fit together, and what data, metrics, or analysis will flow from one model into another.

Planning and managing go-to-market strategy may be centralized by team, or department, or decentralized across different groups. Either way, much of the data needed for these processes is common, such as sales and territory hierarchies, seller information, crediting rules, customer information, and product lists. This data feeds into your framework to provide structure, efficiency, and less duplication of effort.

While challenging to achieve, organizing your data and creating a repeatable framework will save a huge amount of time and work in the long term

— especially if this process will be replicated semi-annually or quarterly.

Sales capacity and coverage

One of the most basic questions that a sales leader can answer is: **Do I have enough resources to hit my annual number?** This question requires data from several disparate and often disconnected systems to answer.

First, it takes a reliable view of assigned quotas. Next, it takes analysis of past performance by seller — average win rate, deal size, deal velocity, or other metrics relevant to your business. Last, it takes data and insights into your workforce.

Out of all your sellers, how many are fully ramped, how many are new hires, and how many are still open headcount? How many do you expect to be promoted or leave the company?

Gathering and organizing all this data can be daunting, particularly if it needs to be repeated across multiple geographies, product lines, or other dimensions. Yet it is essential for making informed decisions around hiring and training — key levers for sales performance.

Data and framework challenges

Where do things go wrong?

Data is one of the most challenging aspects of planning — with data processes and workstreams often completed manually, making them prone to error.

Other challenging areas include:

Fragmented, inaccurate, scattered data: Data is difficult to gather from across the business and may be outdated by the time it arrives.

Data validation: Data needs to be cleaned and validated manually. Inconsistent character type, range, formatting, or other issues cause big errors downstream.

Inconsistency: Without global standards, planning results will vary from year to year, creating considerable recurring costs and confusion for your sellers and managers.

Scalability: Undocumented and manual processes require building (and then rebuilding) static models, and they become untenable as your strategy changes and organization grows.

Attrition risk: If operations experts leave the company, they take with them a wealth of internal knowledge including key planning assumptions, such as sales productivity assessments, capacity plans, or marketing influence.

Overcoming these challenges

Develop a strong system for gathering and standardizing data in a single hub to make it usable across every facet of your go-to-market planning. Some common types of data to look for here could include master data like product lists, metadata, financial actuals, and historical results.

Sales planning, and sales performance management (SPM) efforts more broadly, rely on continuous access to real-time, accurate data. With a single hub for this data, IT, operations teams, and analysts can avoid the painful exercise of manually extracting, normalizing, analyzing, and distributing different slices of data many times over. This cumbersome process causes delays and debates about your data instead of debating data-driven strategies and tactics to reach your goals.

It's also vital that you document everything. Leave notes and commentary in a place where people will find them, not a separate document. Next, identify and enumerate spreadsheets wherever they are used. Even where spreadsheets work well, they often represent manual steps in a process that will need to be rebuilt year after year.

> "
> We have integrations between the finance side and the sales ops side to share the information that both sides need to complete their planning."
>
> Director, Business Technology
> Okta

STEP 2:

Start modeling and planning

Getting started

Effective go-to-market planning is a critical part of running high-performing sales, marketing, and customer success organizations, and achieving revenue goals. Although every business is different, some of the most common planning components include market and account segmentation, territory, quota, sales capacity, and compensation models.

It's likely your organization follows a rough sequence in its planning process:

Annual financial targets set

Segmenting accounts, with resources aligned

Optimizing resource deployment with territories and quotas

Accounts assigned individually or within geographical/vertical territories

Individual quotas and compensation plans are designed and distributed

Throughout the year, plan execution is monitored, analyzed, reported upon, and adjusted as needed. Often, many teams and tools are involved in these efforts. But planning is most definitely a team sport, for example, many planning activities have important tie-ins to marketing, human resources, customer service and success, product, and finance.

Working together on planning helps prevent attrition because sales reps are happy with new territory assignments, quotas, and management hierarchy. It also helps to ensure teams from across the organization are aligned to the shared objective of maximizing revenue and profitability across the customer lifecycle, from prospect to happy client.

Quota planning and over-assignment

There are innumerable methods for assigning an overall financial target to sales reps. Many traditional methods for assigning targets at the region and sub-region levels are known as top-down methods — for example, dividing up the revenue target into equal percentages and spreading those across regions.

Sales operations leaders will sometimes intentionally assign more quota than they need to at these levels — effectively assigning more revenue than they expect those sellers to earn. There are many reasons to do this, including preventing excessively high commission expenses or encouraging other corporate leaders, such as the CFO, to approve increases in headcount.

While it can be a smart planning tactic, it must also be calibrated very carefully to avoid unachievable quotas. Other methods for assigning quotas are known as bottom-up methods. These typically factor in what each seller is capable of (also known as seller capacity), and might also include the current pipeline, and the revenue or growth potential of assigned accounts.

Many analysts and experts suggest a combination of top-down and bottom-up methods. This hybrid approach encourages a collaborative negotiation process among finance, sales operations, and sales management, which can result in more realistic and achievable quotas.

Modeling and organizational challenges

Where do things go wrong?

Manual process: Many steps are conducted in disconnected spreadsheets. The overall process often gets mired in tactical activities like data gathering from sources such as the CRM, ERP, and HR databases.

Too much involvement: Delayed decision-making and changing last-minute decisions by key stakeholders often contribute to an over-burdened sales operations team leading to hasty, error-prone work.

Too little involvement: With less involvement from stakeholders, you risk sacrificing important internal knowledge and on-the-ground experience — not to mention trust and rapport.

Distraction: During the final quarter, sales performance can veer off course because planning (and associated changes to territories, quotas, and the like) becomes a major distraction for sales reps and targets are missed.

Overcoming these challenges

Agility: Adopt agile project management practices such as scrum methodology and build cross-functional teams to tackle planning steps in short sprints rather than lengthy sequences.

Alignment: Connect planning models dynamically in real time with adjacent and downstream processes such as incentive compensation management and headcount planning.

Accuracy: The sales team needs a broader perspective on the performance and progress of their pipeline. Use real-time customer and seller data, and model capabilities for "what-if" scenarios.

Management framework: To unite teams with a shared planning goal, develop a project management framework with clear roles and responsibilities. A common scheme for assigning roles is responsible, accountable, consulted, and informed (RACI).

Communication: Streamline or automate planning where possible and avoid a tangled web of email chains, spreadsheets, and video chats.

> "
> Some sales managers say they save 40 hours in that critical first month. By helping them save time, we're setting the organization up for success that much quicker."
>
> Senior Manager of Sales Operations
> LinkedIn

Next steps

- Align sales planning with marketing for account and market segmentation.

- Model scenarios and accelerate and optimize with AI.

- Analyze the impact of your strategies by modeling "what-if" scenarios.

- Establish a collaboration plan within sales or revenue operations.

- Create real-time planning and workflows.

STEP 3:

Distribute plans and monitor

Getting started

Before plans can go into effect, they must be shared and accepted by individuals at all levels within your organization. Part of this step is the mechanics of distributing and communicating detailed plans such as territory and quota assignments in the most efficient way possible. The other part involves monitoring your planning and dealing with errors promptly.

Along with detailed information about their territories, quota assignments, etc., an explanation of how the plan was derived can be very beneficial for promoting fairness and transparency and preventing frustration. Your sales reps don't have to like their quotas and territories, but your sales or revenue operations teams do have an obligation to ensure they understand them.

After plans are finalized, there are many ways of cascading them down throughout the organization and automating parts of the process. Some smaller organizations send out plan letters. Others, often in larger organizations, will deliver plans verbally via VPs or CROs to create buzz, and some organizations will automate parts of this process with SPM platforms.

However, while releasing sales plans accurately and on time is a massive achievement, and a critical step in providing direction for your salesforce, the process does not end there.

What must follow closely thereafter — and is often started concurrently with planning — is incentive compensation planning and management. Next, you need to continue to monitor and calibrate your plans throughout the year to ensure mistakes are rapidly rectified, alterations are made to performance targets, and planning is adjusted for market conditions.

Named account selection

Sustaining and building relationships with a company's largest accounts is often a key ingredient to efficient revenue growth.

These accounts are hand-selected based on their attributes and history, and they often receive dedicated treatment from marketing, sales, customer support, products, and more.

Selecting accounts consistently and objectively is difficult enough. This might require qualitative and quantitative account data, information on past transactions, alignment with go-to-market direction, and more.

Once the list has been generated, ensuring this information is shared cross-functionally — and flows seamlessly into activities such as territory planning, marketing budgeting, and workforce planning — is the next frontier.

Distribution and monitoring challenges

Where do things go wrong?

Speed: Distributing plans is an extremely time-sensitive activity that often gets pushed to the final moments before the start of a new year. This places disproportionate pressure on sales operations teams to run final numbers through their models and still release plans on time.

Scalability: As your organization adds new channels, product lines, or geographical territories, the number of plans expands, and each adds a new layer to the planning process and may require alternative distribution strategies.

Accuracy and trustworthiness: Added go-to-market complexity may increase the number of plans, but it does not diminish the importance of getting each plan right. Sales reps might assess the quality of their territory and quota plans by examining the reasoning behind them, and failure to provide justification results in eroded trust.

Overcoming these challenges

Automate workflows: Once plans have been decided, distribution and communication should flow as effortlessly and efficiently as possible across teams and geographies.

Use a planning platform: Leading planning platforms provide a single source of truth for plans and associated data. This information can then be connected to processes further downstream, including incentive compensation planning and distribution.

Monitor, monitor, monitor: Planning is an organic process and should be continually monitored throughout the year. Organizations that do this well equip themselves with a powerful set of tools to adjust sales performance, regardless of the internal or external forces that affect business.

> "
>
> Sellers that are using the insights we provide to them, they're closing deals much faster than those that do not".
>
> Senior Manager of Enterprise
> Data Science and Advanced Analytics,
> CDW

Next steps

- Distribute your plans horizontally/vertically, with sufficient detail so that all stakeholders know what is expected of them.

- Confirm buy-in from the field, and track plan sign-off.

- Highlight accounts with the greatest potential within territories to facilitate account planning.

- Include monitoring triggers to ensure plans are updated and adjusted when necessary.

Afterword

Things are likely going to get harder, not easier, over the next several years because of increasing go-to-market complexity, economic instability, and increased pressure on leaders to deliver efficient growth.

The status quo in sales planning is to build and rebuild each new year, with much of the management's focus on sales execution. When a quarter ends successfully, sales reps get rewarded for closing deals. Similarly, when a quarter ends with poor results, sales managers often look for weaknesses in the most minute sales actions.

However, this will not deliver the growth, agility, and business resilience you need.

- **Step 1:** Get your data in order and get it organized into repeatable frameworks for modeling.

- **Step 2:** Start modeling and working with teams across the business to create a single source of truth with "what if" scenarios that help align behaviors with revenue goals.

- **Step 3:** Distribute your plans and use data to justify why quotas and territories are correct, monitor planning, and adapt to your strategy.

While planning is more complex than just a three-step process, following these steps will deliver a foundational sales planning strategy that you can build upon for your specific requirements.

Outpace the competition and hit your revenue targets with solutions that optimize go-to-market investments and streamline resource allocation.

Learn more about Anaplan for Sales and Marketing

Many Anaplan customers have completed this process and are already reaping the rewards:

Go-to-market planning is transformed at LinkedIn with 7,500 hours saved creating bandwidth to support sellers.

Global telecommunications company, Telus, transformed company culture by implementing a new incentives platform, reducing their margin of error from 15% to 1%.

Adobe sees a 15% increase in average deal size and an 81% increase in win rates with Anaplan guiding its go-to-market strategy.

Effective, efficient, and dynamic sales planning is no longer a luxury item on the corporate list. Taking proactive steps to shape the future of your sales planning today can pave the way for a prosperous future for your organization tomorrow and beyond.

About Anaplan

Anaplan is the only scenario planning and analysis platform designed to optimize decision-making in today's complex business environment so that enterprises can outpace their competition and the market. By building connections and collaboration across organizational silos, our platform intelligently surfaces key insights — so businesses can make the right decisions, right now.

More than 2,400 of the world's best brands continually optimize their decision-making by planning with Anaplan.

To learn more, visit www.anaplan.com

/\naplan