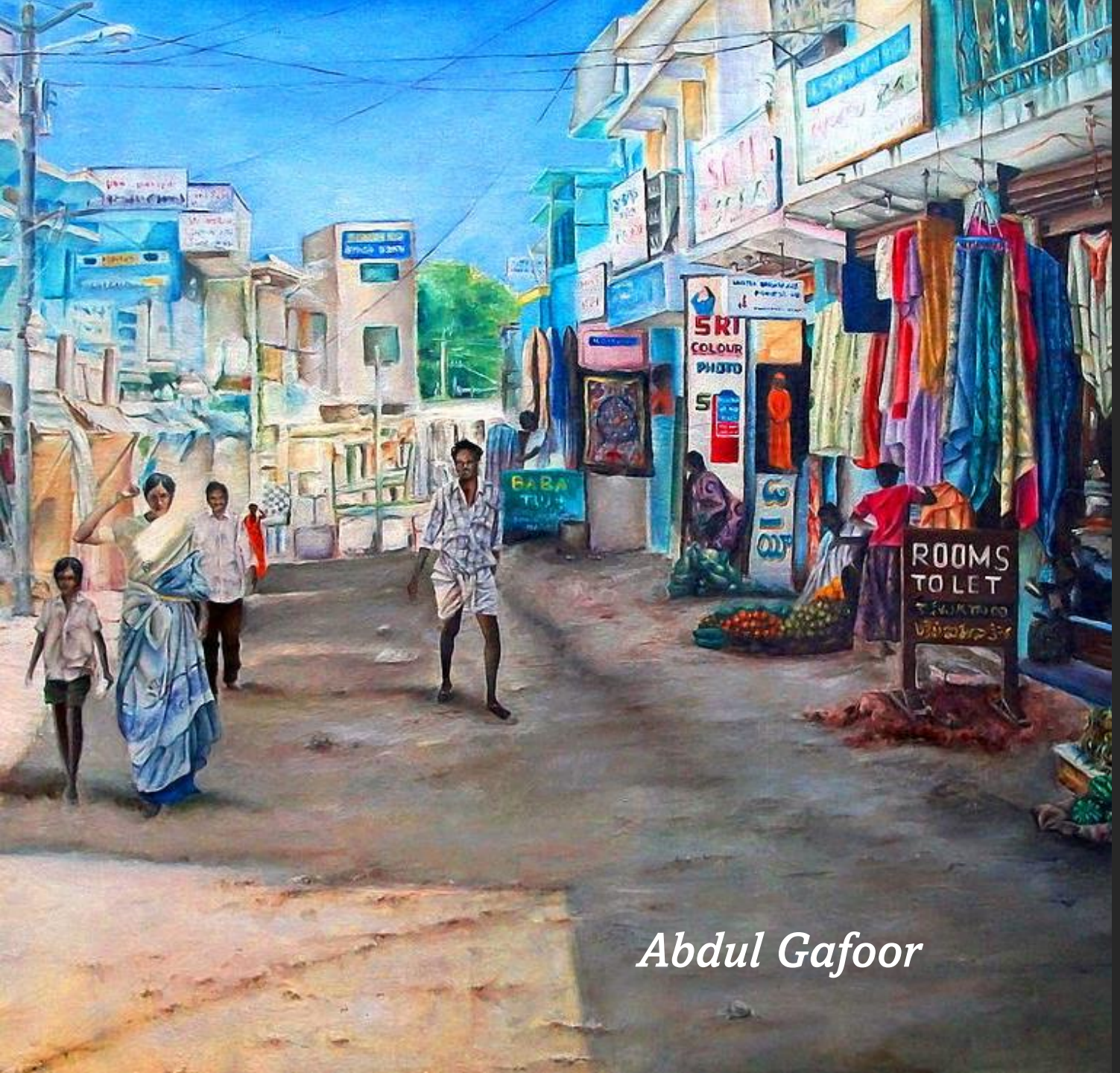

Abdul Gafoor

ROUTE-TO -MARKET (RTM)

EXTENSION

HOW TO CALCULATE FIELD FORCE REQUIREMENT

What is sales territory:

Group of towns, areas, localities, retailers , markets specific geographical area, etc. assigned to a salesperson

Territory size depends on market potential, number of customers, market share, frequency of visits, number of SKUs, Callage & productivity, quality & experience of salesperson, travel time & expenses, profit contribution.

Reasons & Benefits of sales territory

- Better, regular, planned retail coverage.
- Adequate market coverage .
- Maximized sales.
- Time management and control selling/ travelling expenses.
- Evaluation of field force performance.
- Improve customer relations.
- Avoid repetition.
- Better clarity of coverage.

Factors considered for designing sales territory

- Geographic area.
- Business potential.
- Workload.
- Travel time & Expenses.
- Frequency of callage & Productivity.
- Service requirement.
- Competition.
- Seasonality.
- Profitability.

Steps to design a sales territory.

- Number of countries/ states/ towns planned.
- Number of localities/ areas/beats planned.
- Number of wholesales/ supermarkets/ retail outlets planned.
- Coverage frequency – monthly/ fortnightly/ weekly/ daily planned.
- Number of beats per day planned.
- Number of outlets coverage per day planned.
- Business per country/ state/ town planned

Step by step process to calculate the field force required

	Case-1	
No	State: Tamilnadu	
1	Number of towns planned to cover	8
2	Number of localities in each town	12
3	Outlets planned to cover per beat	40
4	Coverage frequency : weekly	4
5	Field Force calls per day	35
6	Number of days working per month	24

	Solution-1	
A	Total beats in 8 towns	96
B	Total outlets in 8 towns	3840
C	Total calls in a month	15360
D	A field force can make calls per month.	840
E	Total Field Force required	18.29

Formulas
A = 1x2
B= Ax3
C= B*4
D=5x 6
E=C/D

	Case-2	
No	State: Tamilnadu	
1	Number of towns planned to cover	8
2	Number of localities in each town	12
3	Outlets planned to cover per beat	40
4	Coverage frequency 50% weekly	4
5	Coverage frequency 50% fortnightly	2
6	Field Force calls per day	35
7	Number of days working per month	24

	Solution-2	
A	Total beats in 8 towns	96
B	Total outlets in 8 towns	3840
C	Total calls in a month (weekly coverage)	7680
D	Total calls in a month (fortnightly) coverage)	3840
E	Total calls per month	11,520
F	A field force can make calls per month.	840
G	Total Field Force required	13.71

	Case-3	
No	State: Tamilnadu	
1	Number of towns planned to cover	8
2	Number of localities in each town	12
3	Outlets planned to cover per beat	40
4	Coverage frequency 25% weekly	4
5	Coverage frequency 25% fortnightly	2
6	Coverage frequency 50% monthly	1
7	Field Force calls per day	35
8	Number of days working per month	24

	Solution-3	
A	Total beats in 8 towns	96
B	Total outlets in 8 towns	3840
C	Total calls in a month (weekly)	3840
D	Total calls in a month (fortnightly)	1920
C	Total calls in a month (monthly)	1920
D	Total calls per month	7,680
C	A field force can make calls per month.	840
D	Total Field Force required	9.14

Thank you very much