When rolling out an account based strategy, a fundamental part of the process is selecting and prioritizing your target accounts. But how do you select the right number of accounts for your organization?

While there’s no one-size-fits-all approach, this blueprint outlines some basic guidelines for success. To create a scalable approach for prioritizing resources and engagement, we recommend that you calculate your total target account list and then tier your accounts.

Determining the magic number of target accounts for your organization depends on a number of factors—most importantly, your GTM model. For instance, the larger your deal size, the more time it will take to orchestrate your accounts. Also with larger deals, there will typically be fewer accounts in your addressable market, which reduces your overall account volume.
Below is an overview of the three key factors to consider as you select and tier accounts for your organization.

### Deal Size

Your total number of top-tier target accounts should be based on the number of available sales representatives in your organization.

A general model to follow is that reps have roughly 1,500 selling hours per year, which allows them to handle the following volumes of target accounts based on the amount of time required to sell into each type. This translates to the following ranges:

- **Named Accounts - Global ($1M+ ACV):** 2-6 accounts per rep
- **Named Accounts - Large ($500K-$1M ACV):** 6-20 accounts per rep
- **Field Sales ($50K-$500K ACV):** 20-50 accounts per rep
- **Two-Stage ($10K-$50K ACV):** 50-150 accounts per rep

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Figure 1. Number of accounts per rep, tiered by deal size
Account Based Resources

Your number of accounts will also be determined by the account team support that you have in place. Supporting your account representative with an account pod will accelerate market creation and in-pipeline deal speed, allowing for a larger pool of accounts and faster account velocity. Team support roles include:

**ABM (Account Based Marketer):** Responsible for supporting reps with top-of-funnel awareness and content as well as full-funnel supporting plays.

**ADR (Account Development Representative):** Engages new target accounts with tailored prospecting using account research. Supports orchestration of the broader buying committee.

**SE (Sales Engineer):** Allows sales reps to handle more accounts by freeing up technical troubleshooting, managing trials and POCs, and researching integration questions.

Complexity of your sale

The final consideration is whether you are selling into a category-creating space that requires a great deal of education, selling a solution with a high degree of integration requirements, and/or selling a solution that requires significant change management. If any of these apply, your solution will likely require a more high-touch approach from each sales representative compared to a more commoditized offering.
Using a few key data points, you can calculate your total number of target accounts, as well as the number of accounts you should have per tier. Tiering allows your reps to focus on covering a reasonable number of accounts while maintaining a structure for performing more broad-based programs that reach other accounts in your ideal customer profile (ICP).

Here is a recommended approach to calculating your total target account list by tier:

**Tier 1**
Target accounts orchestrated by your account reps. Tier 1 accounts will be those most aligned with your ICP.

**Tier 2**
Next, choose 20% of your total target accounts that are closely aligned to your ICP to become Tier 2 accounts.

**Tier 3**
Finally, the remainder of your ICP accounts will become Tier 3.

**CALCULATE**

- Number of accounts per rep $\times$ total sales reps
- Total accounts that meet your ICP $\times$ 20%
- Total ICP accounts – (Tier 1+Tier 2 Accounts)
Below are some examples of recommended calculations using three key data points based on sample GTM strategies:

<table>
<thead>
<tr>
<th>GTM Model</th>
<th>Example</th>
<th>Recommended Calculation</th>
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</table>
| **Named Accounts** | ● 10 Tier 1 Accounts Per Rep  
                          ● 6 Sales Reps  
                          ● 500 total accounts meet your ICP criteria | ● Total Target Accounts: 500  
                          ● Tier 1: 60 Accounts  
                          ● Tier 2: 100 Accounts  
                          ● Tier 3: 240 Accounts |
| **Field Sales**  | ● 30 Tier 1 Accounts Per Rep  
                          ● 10 Sales Reps  
                          ● 2,500 total accounts meet ICP | ● Total Target Accounts: 1,500  
                          ● Tier 1: 240 Accounts  
                          ● Tier 2: 300 Accounts  
                          ● Tier 3: 960 Accounts |
| **2-Stage**     | ● 100 Tier 1 Accounts Per Rep  
                          ● 8 Sales Reps  
                          ● 1,500 total accounts meet ICP | ● Total Target Accounts: 3,500  
                          ● Tier 1: 1,000 Accounts  
                          ● Tier 2: 700 Accounts  
                          ● Tier 3: 184 Accounts |

Be sure to revisit your target account list and tiering model quarterly to adapt to changes in your staffing, incorporate learnings, and revise your target account list. Don’t refresh more than 20% of your target account list each quarter; this allows time for accounts to engage and respond to your targeting.
Additional resources from Winning by Design

Videos available on the WbD YouTube Channel

Additional open source templates can be accessed at www.thescienceofrevenue.com