202X Revenue & Margin Walk – SAMPLE

Prior Year Revenue & Gross Margin Results	REV = $XX	GM = $YY
Your company backlog amount to begin the new year	$X	$Y
Customer attrition (is there meaningful loss of business anticipated in the year ahead….business that won't repeat due to anticipated loss of customer, loss of a contract, merger of customers, etc)	($X)	($Y)
Sales projected from Existing Customers (break into customer segments):		
- Sales projected from Existing Customer in Segment #1	$X	$Y
- Sales projected from Existing Customer in Segment #2	$X	$Y
- Sales projected from Existing Customer in Segment #3	$X	$Y
Sales projected from New Customers (break into existing served segments and add any new segments to be served)	$X	$Y
- Sales projected from New Customers in Segment 1	$X	$Y
- Sales projected from New Customers in Segment #2	$X	$Y
- Sales projected from New Customers in Segment #3	$X	$Y
Sales added/lost from adding/subtracting Sales personnel (incremental sales due to investing in new sale people or loss of sales due to loss of sale personnel)	$X	$Y
Sales added due to acquiring a business (only budget if there is very high probability of a successful closing of the deal)	$X	$Y
Sales added (or subtracted) as a result of adding (or eliminating) a product or service	$X	$Y
Productivity gains (cost outs, production efficiencies, etc. that will have a positive impact on gross margin)	N/A	$Y
New Year Projected Revenue & Margin Target	**$XXM**	**$YYM**

NOTES

1. **Factor in the projected impact from general market growth or decline anticipated in the year ahead. Will the market conditions be a positive or negative impact**
2. **Factor in what pricing strategy changes you will be making in the year ahead and impact on incremental revenues**
3. **Once you have projected sales for each line above, identify what actions are needed by the sales team to achieve the targeted numbers. The revenue projections are your "what" you want to achieve but you want to then identify the "how" the team will actually deliver on the "what".**
4. **Ultimately be able to identify what your overall percentage of revenue growth will be (the "walk" from prior year to the new year). Then determine what percentage of the total is coming from Market Growth, Price Increases and Strategic Growth. Example: company plans revenue growth of 10% and identifies that 3% is because the general market is growing, 4% is a result of raising prices above the prior year and therefore that leaves 3% is coming from strategic growth. (note: if market growth and/or pricing will be negative, want to identify this as well because the sales team will have to have initiatives that allow them to take market share from competitors in a declining market.**

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