

# How To Choose A Commercial Real Estate CRM

By Michael Griffin, ClientLook CRM

CRM stands for customer relationship management, and was previously known as contact management. There are lots of CRMs available today, and picking the right solution could be one of the most important technology decisions you make. If you don't use a CRM currently, or if your current solution isn't performing well, then this guide is a must read for you.

## WHY YOU NEED A CRM

We all know that commercial real estate is a relationship business. The ability to combine your relationships with your market knowledge is a big competitive advantage and often the key to success. A CRM serves as your primary relationship-building tool and it plays a critical role in growing your business.

Among other things, a CRM organizes and digitizes the avalanche of contacts, activities, notes, and emails to make growth possible. It also preserves your sanity. Successfully implementing a commercial real estate CRM solution can have rapid and lasting benefits. Your goal is to find the solution that is the best fit for your culture while avoiding any false starts.

## KNOW WHEN TO CHANGE

As one of the original pioneers of CRM in our industry I've seen numerous

multi-million dollar "sales automation" failures. Today your business is good and you're busy. Why change and risk any setbacks? There is understandable hesitancy in rocking the boat. There's nothing wrong with thinking this way, but I've seen firsthand how the right technology changes can literally cause explosive growth. Managed correctly, the benefits outweigh the risks.

CRM is one of the most common and easily implementable drivers of growth. This is especially true if your last CRM didn't "stick" or your current solution has low adoption. Knowing when to pull the plug and implement something new is critical. Any good vendor can analyze your current workflows and explore the benefits of making a change. This is an important first step. You should be able to identify measurable improvements; otherwise you won't realize the ROI you need. Either way, investing in the replacement of a non-performing CRM should be a priority.

## NATIVE INDUSTRY SOLUTIONS ARE BEST

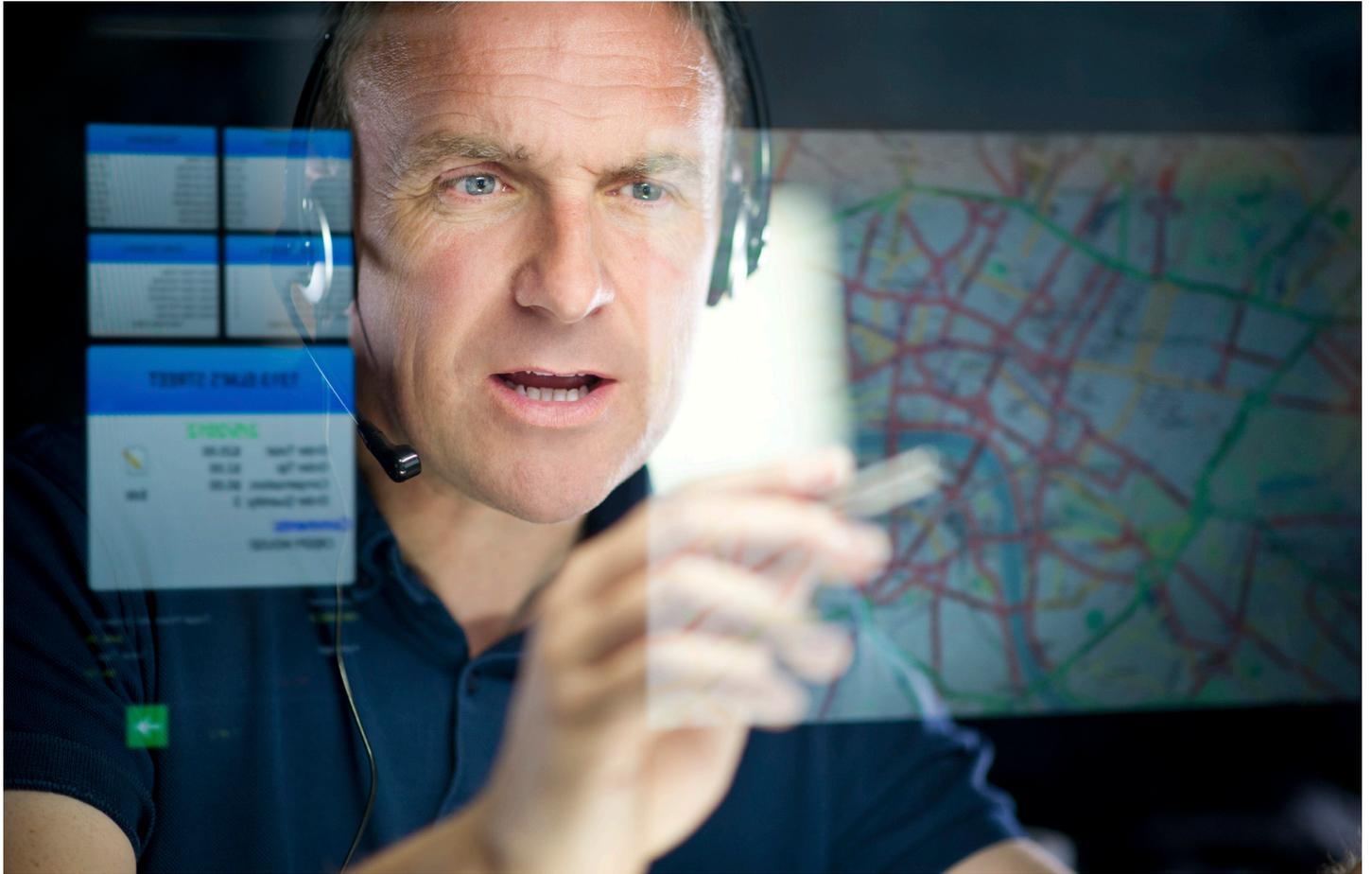
Commercial real estate is a niche in the sales world. Your CRM needs are specialized and challenging to accommodate. You require pre-defined data fields for easy implementation, but want the ability to customize. Privacy is very important, but both internal and external collaboration are necessary. You have little tolerance for complex technology and spend most of your time in the field. Your business is unique.

Find a provider that not only knows our industry, but knows you. Be skeptical and especially critical of add-ons built on big name solutions that masquerade as industry-specific. There's always something lost in the translation as there was with the ACT! An add-on I created years ago called ARES. Add-ons are often a square peg in a round hole, and it doesn't matter how "customized" a solution claims to be. Nothing can compete with a native industry application built from the ground-up solely to serve commercial real estate professionals.

## KEEP IT SIMPLE

First impressions do matter. Your new CRM should be immediately intuitive without instruction. If it's not, then move on. Assume that you will not invest any time in training – since that's reality. If a CRM requires training, or worse yet sells training as a service, then something's wrong. The latest innovations in both software and hardware strive to make training obsolete. Either way, any service you may require should be included.

Here's my rule when it comes to CRMs: complexity and adoption are inversely related. You want adoption more than anything else. However, if your CRM is overly complex then it won't get used. Evaluate simple features like adding a contact, associating updates to deals, navigating through records and connecting an email. Do these work the way you'd expect or do they require



some odd hack or workflow change? Find something that works the way you do.

#### DO NOT OVER-BUY

I cannot stress this enough. One of the biggest contributors to CRM failure is buying a solution that's overly complex and not aligned with core business demands. Commercial real estate professionals have very particular needs. Compile a list of your most basic needs, and then match those up with a CRM that provides the most intuitive solution. Remember: complexity and unused features are a recipe for disaster. Don't think you'll grow into something either. An overpowering CRM will always bring you down.

Cost is a factor too. Don't be fooled into thinking that a more costly solution is better or more capable. It doesn't work that way with commercial real estate CRMs. Don't get stuck paying for features that you'll never use. That's like paying for twice as much office space as you really need. Also, insist on a month-to-month subscription with no annual commitment. Your provider should be required to earn your business each and every month.

#### TRY IT OUT

Obtain a free, no obligation multi-user trial to test any potential CRM system. Plug in users from all levels of your company

including team leads, administrators and back office staff. Then, try things out without any vendor assistance. Why go it alone? You want to see if the features are intuitive. If your hand picked test group fails to get engaged then chances are a broader implementation won't go well.

If anyone gets lost in a sea of fields, menus and options then stop. Move to your next trial since you made the wrong choice. If the features and workflow of a solution aren't readily understandable, then adoption will suffer. No adoption means no ROI. Listen to feedback from all levels of your company to make an informed decision. Stick to a deadline though. This is an important time-sensitive change.

#### ASK AROUND

You're not the first person to look for a commercial real estate CRM software solution. Search for "commercial real estate software reviews" on Google. It's likely that others in your office and probably your competition are using something. Ask around and see what people like. Remember that adoption is the key. You want to figure out what people actually use. Ignore buyers with no usage.

LinkedIn is a great resource for technology research. In particular the Technology for Commercial Real Estate group offers great discussions on a variety of technical topics related

to our industry. CRM is always a hot topic that generates lots of recommendations and feedback. SIORs are frequent contributors.

#### WHAT TO DO

There are many factors involved when considering an online customer relationship management (CRM) tool. Here's a summary of the key factors to consider:

- Is the CRM built from the ground up for our industry?
- Is it intuitive for your team? Appearance counts – a lot.
- Does it offer customization?
- Can data be imported from your existing platform?
- Does it offer real-time deal collaboration or a Virtual Assistant service?
- Will it sync contacts and activities with your mobile devices?
- What type of customer support is available? Ask for help and see what happens.

#### WHAT NOT TO DO

Here are a few recommendations of things NOT to do when choosing a commercial real estate CRM:

- Don't over-buy. Fancy features add complexity and lower adoption- the ROI killer!
- Don't assume complex is better. Seek out the simplest solution that meets your needs.
- Don't over-integrate. Trying to do too much with your CRM is a big cause of failure.
- Don't procrastinate. Create a timeline for decision-making and stick to it.
- Don't assume industry behemoths are the way to go. There's impressive innovation in newer more nimble companies.
- Don't expect 100 percent buy-in. No matter what you choose, you'll never get everyone to use it. Be realistic.
- Don't even consider a desktop product. If your CRM of choice isn't 100 percent cloud-based then it's an outdated legacy application. Skip it.

It's also important to follow your instincts when it comes to making a commercial real estate CRM software choice. Find a company you trust and like. You and your team will be spending a lot of time in your CRM, and it's got to complement your culture and personality. Once you hit upon a CRM that works well, then you'll reap tremendous benefits. ■

## Mark S. Bounds Realty Partners, Inc.

Commercial/  
Industrial Real Estate

Appraisals &  
Consulting

Asset & Property  
Management

*Providing our clients  
with superior service,  
honest advice and project  
success since 1986*



Mark S. Bounds, CCIM, SIOR  
601-955-1911  
markbounds@msbrealty.com

Serving  
Mississippi Since 1986



*Jackson, Mississippi*

## CAPITA

thinkcapitarealestate.uk

Think Europe. Think Capita.

A forward thinking real estate partner enabling  
property investors and occupiers to do better business.  
Contact your SIOR professionals in Europe.

Piers Leigh, SIOR  
Director – Office Agency

Andrew Smith, SIOR  
Director – Industrial Agency  
Treasurer, European Regional  
Council

Frédéric Schneider, SIOR  
Director – International  
Corporate Services  
Immediate Past President,  
European Regional Council



01144 7967 726301  
piers.leigh@capita.co.uk

01144 7919 326085  
andrew.smith7@capita.co.uk

01144 7733 124489  
frederic.schneider@capita.co.uk