

Consistent Communication

The Key To Client Retention



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By Steve Lewis

Many studies show that it takes more time and energy to generate a new client than it does to generate repeat business, so naturally the “care and feeding” of existing clients is a key concern of SIORs. Most SIORs offer value-added services that distinguish them from the competition, but nearly all of them can agree that whatever your service line is, it’s critical to stay in touch on a regular basis.

“The most important thing I can give my clients is consistent communication,” says **Jeff Bender, SIOR, CCIM**, principal and executive managing director of Cassidy Turley in Cincinnati. “The state of the market is going to be the state of the market, and they don’t expect their broker to be able to create a market; however, they do appreciate it when they know that I’ve attempted to create a deal. Thorough market information and accurate and insightful interpretation of the data is also what my clients expect from me. They want to believe that I am in my local market and daily and hourly thinking of how I can fill their space.”

“Most important is staying in touch and remaining available for consultation,” adds **John Skoglin, SIOR**, vice president of CB Richard Ellis/Brokerage Services in Baltimore. “If it’s a lease client, sometimes they want to know what the market is doing. It’s important to make yourself available to them on a regular basis and offer the fact that you’re willing to provide information and offer services that do not necessarily have a fee attached. Clients appreciate that.”

Skoglin says he uses his ACT system to try and stay on top of client contact. “I try to do it every two or three

months so I don’t become a pain in the neck, but at least I stay in touch,” he says. “Another good thing is if I can e-mail them some information from time to time. If I see something that may be of interest I send it and say ‘I thought of you.’ They appreciate being kept in mind and kept up to date.”

“We are strictly tenant and buyer representatives and we take a consultative approach to clients—we’re just not transaction-oriented. We do not go away just because the tenant will not be leasing in the next three years,” says **Howard Greenberg, SIOR**, President of Howard Properties Ltd. in White Plains, NY. “We always monitor activity like vacancies in clients’ buildings, which keeps them apprised and lets them know there may be opportunities for expansion. It also lets them know their relative position in the building may have changed; every tenant wants to become dearer to the owner.”

“Value added contact is paramount,” declares **David Zimmer, SIOR, FRICS**, of Zimmer Real Estate Services in Kansas City. “Every time I contact a client I try to deliver something of value.” No one has the time to just chat, he notes, so the conversation must be quick and to the point. “Reviewing CAM reconciliation is something you can offer to do that is somewhat foreign to a

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Contributing SIORs



Jeff Bender, SIOR, CCIM



Howard Greenberg, SIOR



John Skoglin, SIOR



David Zimmer, SIOR, FRICS

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David Klein, SIOR, LEED AP



Greg Schenk, SIOR, CNE



Christopher Sheehan, SIOR



Paul Waters, SIOR, CCIM,
CRE, FRICS

lot of business people and often mistakes are made," he adds. "Saving a client some money, no matter how little, goes a long way."

"Obviously good communication is imperative these days," says **Greg Schenk, SIOR, CNE**, of The Schenk Company in Columbus, OH. "You let them know you care."

Schenk says he subscribes to the "drip theory" by planning to be in front of someone four to seven times a year.

Expand Your Services

Many SIORs have found it necessary to expand their services in order to keep clients coming back. "Traditional transactional brokerage is no longer enough to ensure retention," says **David Klein, SIOR, LEED AP**, senior vice president of UGL Services in San Francisco. "Brokers must expand their services into allied fields including property management, construction management, auditing, document preparation and review." Offering multiple services, he explains, "broadens the professional relationship and makes the broker more important to the client's organization."

Specific services employed by UGL, he adds, include auditing operating expenses of the client's space, benchmarking their space use to the industry standard, managing the construction project of a client's facilities, and administering their leases—including bill payment.

Christopher Sheehan, SIOR, senior vice president with Colliers International in Torrance, CA, says one key to his client retention rate is offering something no one else offers. "It's really not rocket science; we've created a specific report I do not think anyone else in the market is doing on a monthly basis," he shares. "It's very specific on a certain product segment, in addition to the quarterly reports the company puts out."

The report, he adds, is more detailed, "a layer deeper" than the analysts who do the quarterly reports go. "We really track buildings, what's happening, what deals go down, in more real time," he notes. The reports are sent out to "a very limited group of people," Sheehan continues. "It goes to 15 companies, 30-40 people, and major landlords; we make sure we get them to sign off on the fact they will not pass it on to anyone—we're pretty proud of it."

Still, he says, his "most important asset" is being in front of the clients. "We have a lot of lunches, and Dodger and Lakers games," he shares. "We also try to give them more pertinent market information—tell them when deals are going down, when properties are coming up—basically being in front of them and on top of the market."

Greenberg says he plans ahead to help ensure repeat business. "I have a number of tenants in fast-growth law firms and other areas, so I always kind of set up the next deal as part of the existing deal," he explains. "I always make sure they have rights of first offer on adjacent spaces or spaces they are interested in." Greenberg says he has one tenant with whom he's done four different expansions in the same building.

When tenants are looking to expand, he continues, they often take a look around and then suggest the landlord should really spruce up the lobby, or take care of some deferred maintenance. "When I deal with the landlord it's fairly easy to get them to pay attention in terms of services, like leaks they have not taken care of in years," Greenberg notes. "So, we start working on an extension, and all of a sudden the next day management is in there making the repairs. It makes me look good to the client, and it's fairly low-hanging fruit."

For Bender, it's about helping clients be successful. "I have had many clients for over 15 years, as they have come to expect a certain level of service that my competitors just don't provide," he says. "The easier I can make it on my clients to understand the market and be able to react to it to meet their individual criteria, the better I retain their business."

Klein says he also helps clients succeed by improving their financial performance. "Clients frequently pay the operating expenses that are billed by the landlord without reference to the lease and without checking the landlord's calculations," he notes. "We review the lease to make sure the proper expenses are being billed in the proper amount prior to the client paying them. We also look into the history of bill payment and seek cost recoveries. Our firm shares with the client in the savings."

Zimmer takes a similar approach. "As a part of tenant rep pitches, I state that annually I will review their lease and CAM reconciliation to confirm accuracy," he shares. "In effect, it obligates them to me over the term of the lease and gives me a reason to get in front of the decision maker at least annually." In addition, he says, "With tenants in buildings for which I have landlord representation responsibilities, I try to stop in at least quarterly. Out of sight is out of mind, so I want them to always remember who I am."

"I teach educational seminars for our national brokerage in order to raise the bar," says **Paul Waters, SIOR, CCIM, CRE, FRICS**, Executive Vice President for NAI Global in New York. "I tell them you only have three value propositions. One is metrics—hire me because I will save you money. All my guys go into meetings with metrics; that's how we win."

Waters also uses benchmarking with clients. "You can say, for example, that you just represented their

number one competitor and saved them approximately 'X' on three deals," he says. Finally, Waters continues, he goes into every presentation with Excel spreadsheets. "We show what we have saved," he shares. "We use numbers—no pictures, no pretty floor plans."

'Softer' Services


Sometimes activities entirely unrelated to real estate can help cement solid relationships with clients. "The more often you can 'touch' a client or tenant with value-added information, the better off you are going to be," says Zimmer. "But Christmas candy, for example, is also often appreciated."

He also adds a personal touch when forwarding articles or publications of interest. "Most offices have a laminating machine," he notes. "Laminate it with your business card and send it to them. More often than not, they will not throw it away."

"A big thing we initiated and expanded on was a planned giving program," Schenk shares. "We donate back \$1,000 of each fee to a charity of the client's choice after each transaction."

His firm regularly gives to four charities in town, so the money can go there or to a specific one identified by the client. "For example, we started a memorial fund at the children's hospital," says Schenk. "Our community is very big on giving, and it's a very good way for me to differentiate myself."

He also serves as a guest lecturer for over 100 hours a year at Ohio State, talking about how kids can get jobs or internships, teaching people skills and other skills to help them prepare for life after college. "It has helped us attract like-minded individuals, and also helped us to maintain a presence even in tough times," Schenk asserts.

"A lot of times clients will have heard about me through these activities or met me at a charity event, and this has even helped to cement relationships," he adds. "The bottom line is it's all about win-win; find out what's important to the client and give them that value-add." 



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