

A black gift box with a gold ribbon bow is positioned in the upper left corner of the page. The box is wrapped in a textured black paper, and the gold ribbon is tied in a bow that extends across the top and front of the box. The background is a dark, solid color.

| BUSINESS PRACTICES

THE GIFT OF GIVING

By Steve Lewis
Sponsored by SIOR Foundation

Gift giving is a challenge for many of us, but the process has special significance when you're a professional looking to show appreciation to a client. Consider these comments from the gift blog, [evabot.ai](#):

"The personal network and the closing gift are two bookends of the same concept. While one begins the process and the other celebrates its conclusion, both drive to the same larger end: building a successful and sustainable business for the [broker] in question."

In the world of CRE, the blog continues, "This strategy is particularly important for developing repeat business. While a residential realtor may sell one or two houses to the same family, a commercial realtor has investor clients who buy and sell as their primary business model...One happy customer can be the foundation of success [for the long game]."

The holidays are closer than we think. What thoughts and plans do SIORs have to show their appreciation, especially after what could only be described as a tough year?

"I try to focus in my business on generating relationships with about 50 good customers," says Paul Kluck, SIOR, first vice president, CBRE in Denver. "The objective is that they are customers for life—and not just customers; they're friends, people I might recreate with."

"We do a lot of gift giving; we're very heavily involved with it," says Arlon Brown, SIOR, senior vice president, SVN | Parsons Commercial Group in Boston. "Our philosophy is it's an integral part of business; you want to thank people and have them remember you." Brown adds

that he tries very hard to get younger members of the team to adopt the same commitment.

These holiday gifts, adds Conrad Madsen, SIOR, co-founder and partner, Paladin Partners, Plano, Tex., are "just a token of appreciation for [clients'] loyalty to our brand, and our hope to spread a little holiday cheer."

First and foremost, he adds, you must make them personal. "I've always been a proponent of handwritten notes," Madsen shares.

THE HOLIDAY SEASON

What special attention do SIORs pay to clients during the holidays? "On a recurring basis I keep a very accurate list," says Brown, "for things like going to Harry & David's and sending a gift basket—that makes an impression at holiday time. We send out a lot of cards, which gets people to think of you."

"What I try to do with them is give something small and branded," adds Kluck. "I also try to make them useful in the business scenario, like tape measures, flashlights, or battery backups. Then, because I'm an industrial guy, I give Post-it notepads that look like they're on a pallet, or 19-wheeler squeeze toys." Most recently, he says, he has been giving little speakers, with power pads for charging.

"But the most important thing for these holiday gifts is that they be delivered in person," he continues, noting that long-time customers have expected him to show up unannounced at the holiday time. "They know I'm coming sometime in December, and they sort of look forward to that," he shares.

In fact, he tells the story of one customer who leased 100,000 square feet of space, who said they wanted to talk with him about renewal, but that they would wait, since they knew they'd see him at the end of the year. "Generating that anticipation has allowed me to build it up enough that if they have a requirement, they will talk with me at that time," says Kluck. "I generally also get a handful of leads, [so] that's the key to the gift—delivering it in person."

This simple act puts Kluck above some of his competitors because while "it seems like a simple thing," he does not know very many of his competitors that do this.

"A few years ago," says Madsen, "we started doing personalized wood wine boxes with our logo on them and then including a stellar bottle of wine inside each. Anyone who knows me, knows that wine collecting is one of my main hobbies, so I like to share that passion with our clients. It's been very well received."

Still, he continues, his firm's most important gifts are donations through its "give-back platform," where it is giving back throughout the entire year with its charitable partners. "That is what we are most proud of—impacting a lot of peoples' lives and the communities around us by giving back part of our commissions," he shares.

Like Kluck, he stresses the importance of personalization. "That approach works best," he says. "Take the time to write your own messages/cards."

Brown agrees. "There should always be a personal card with the gift," he says. "It does not necessarily have to be long."

FIRST AND FOREMOST YOU MUST MAKE THEM PERSONAL.

What's an appropriate amount to spend on a gift? "It's usually less than \$100—most of the time \$25-\$50," says Brown. "You don't want to make anyone feel you're paying someone off; it's just a 'thank you.' Over the years it's worked well, and people appreciate it; they like to be thanked."

"Of course, it depends on your personal budget, market size, etc.," says Madsen. "Personally, we spend anywhere from \$50 - \$200 per client on our gifts."

"I know some guys spend a lot of money," adds Kluck. "I do not spend \$100—they are token sorts of things but giving them in person makes a difference."

DIFFERENT TIMES, SAME PRINCIPLES

Whether a client gift is for the holidays or a "thank you" for a business deal, says Brown, he is guided by the same principals. "One is a gift after you've done a transaction, while the other is a remembrance," he notes. "But either way, it has to be an appropriate gift, and something personal. For example, if someone likes pens, I give them a nice Cross pen."

Brown says he once got an SIOR referral from a member in California who does a lot of work with Texas Instruments. "They were in a building whose owner I knew very well," he relates, noting that the owner had wanted to move TI off the first floor to make way for retail space. "The SIOR called me and said, 'I do not want any commission—just make this happen,'" Brown shares. "I did make it happen. As a thank you just to the owner, I went to his office and brought a

two-pound box of Godiva chocolate. He took me by the hand to each desk and said, 'See how nice Arlon is?'"

During the year, he continues, he gives out T-shirts, golf shirts, hats, vests, and outer jackets, all with the company's name on it to give out when appropriate. "They work well as a gift," he says.

The office also spends a lot of money on season tickets for the various Boston home teams. "If someone doesn't play golf, on a nice summer night they might like to go to a Red Sox game," says Brown.

AND WHAT OF COVID?

Given the widespread impact of COVID-19 on CRE, and the uncertainty about when things might return to normal, have thoughts of holiday giving been impacted at all? "Because most of my customers in industrial work for essential services, they have quarantined hardly at all," says Kluck. "During this pandemic, I've called all 50 of them, asked how they're doing, what's going on, and if they need help. I have gone masked and gloved out there to tour space. So, I anticipate that if I deliver Christmas gifts in December, I will do it in person, and it will not be a problem—although it may be in mask and gloves."

"Most of the time at the holidays I like to physically take things to people; they want to see me in person," says Brown. "But this year I think it will be UPS and FedEx." Because of that, he adds, the message "will definitely have to be more personal." In fact, he says, "It may even be a Zoom call."

"The messaging may change a little," Madsen echoes, "but we still intend to spread some holiday cheer and impact a lot of charitable organizations and lives." ♥

1. <https://blog.evabot.ai/commercial-closings-the-best-real-estate-gifts-for-the-new-year/>

MEET THE AUTHOR

Steve Lewis is a freelance writer and president of Wordman, Inc. He can be contacted at wordmansteve@gmail.com.

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CONTRIBUTING SIORS



Arlon Brown,
SIOR



Conrad Madsen,
SIOR



Paul Kluck,
SIOR