



Becoming A Customer-Centric Organization

“In the real estate industry, success is determined by the number and quality of valued, recurring customer relationships.”

If talent is a firm’s No. 1 priority, creating and nurturing a customer-centric organization is only a shade lower in importance. *Customers* occupy the buildings an organization develops or acquires. *Customers* create demand, opportunity and revenue. *Customers* drive the real estate business. However, for decades real estate firms have defined “their business” in terms of square feet/units owned, developed, managed or leased. Real estate professional organizations list firms by size, number of employees, number of offices and gross revenues. Nowhere is there a listing by the number of customers, the number of recurring customers or the level of customer satisfaction.

Until recently, real estate firms rarely included the word *customer* in their vision, key values, goals or strategies. Everything in the past revolved around inanimate objects such as buildings, square feet managed, AUM or transactional value. Most real estate firms do not have an active (i.e., currently operating) set of customer standards, and only a small number of companies have incorporated a customer metric in performance evaluations. Customers may have been the No. 2 priority, but they have consistently been given much, much less attention in terms of organizational focus, resource dedication, and business processes and practices. Over the next decade real estate firms must make an irrevocable commitment to becoming customer-centric.

Exceeding the expectations of tenants, residents, investors, alliance or strategic partners and corporate facility users cannot be mandated by directives, policy manuals or procedural checklists. Providing best-in-class service cannot be achieved through brochures, declarations, marketing slogans or promises. Serving the needs of various stakeholder groups that own or occupy real estate properties cannot be achieved by a “one-size-fits-all” service delivery platform. These findings are some of the major conclusions originating from CEL & Associates, Inc. surveys of service perceptions among those who offer and those who benefit from such services. It is very clear from the study that tenants want flexible, preemptive and consistent services delivered in a timely manner with the highest level of quality. Building owners want their service provider (whether in-house or outsourced) to use service and service delivery as



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competitive edge factors when seeking, acquiring and/or retaining tenants or residents. But whether one is a provider of service, a user of service or a contractor of service, the bottom line is that service is not a policy; it is a behavior, a culture, a value system and a standard.

Very few “A List” real estate service providers understand the true definition of service, and even fewer truly know how to deliver service at the highest level. Real estate service providers who have created and implemented a business model that places a high value on stakeholder knowledge and satisfaction will achieve better results for all concerned. Real estate service providers who hire client- or customer-centric employees consistently outperform their competitors. Those who deploy customer satisfaction-based performance scorecards, focus business activities toward strategic intent, develop leaders and instill a knowledge-sharing workplace environment generally have become preferred service providers. Those who engage their customers, build valued and recurring relationships and link financial performance to customer performance uniformly achieve a strategic advantage. Those who hardwire the voice of the customer throughout the organization and place “customer” on virtually every meeting agenda tend to exceed all performance expectations.

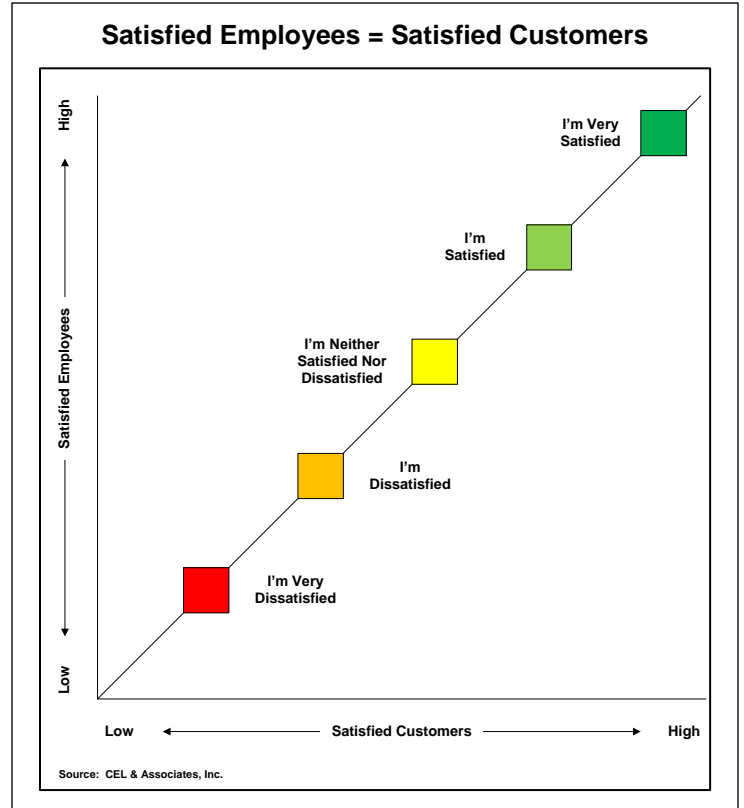
To make service a behavior rather than a policy, real estate service providers must move from being comfort-centered to customer- and results-centered. While the old ways of conducting business may seem safe or comfortable, best-practice service providers have shifted from problem solving to purpose finding. In today’s highly competitive marketplace, successful real estate providers have learned that it isn’t about them (an internal focus); it is all about their customers (an external focus). And, finally, real estate service providers must be open to new ideas, embrace innovation, be adaptive and instill confidence and trust in every customer.

After millions of customer opinion surveys and nearly 25 years of measuring customer satisfaction within the real estate industry, CEL & Associates, Inc. has found one universal fact: The level and quality of customer service has a direct correlation to customer satisfaction and retention. Over the past decade, the real estate industry’s customers increasingly have said “service excellence” counts and that leasing, engagement and investment sales decisions are based on the perceived quality of to-be-expected service and the customer’s relationship with the service provider. Capital providers state that their relationship with a company leader has a “significant” impact on their decision to invest. Surprisingly, a few firms continue to relegate quantifiable verification and customer opinion surveys to a lower strategic priority. Losing ground (knowingly or not) to one’s competitors, fortunately, is not the strategy or focus adopted by many best-in-class real estate firms. Practicing a contact leadership style of customer management will assure successful outcomes.



Someone once said, “Many companies are average to good... but only a few can be called outstanding.” The shift to service excellence has become a mantra for those who recognize that customers do matter, without customers there is no business and without satisfied customers, one’s business model is not sustainable. Quality and service excellence begin with a customer values statement, including ongoing customer feedback and an organizational commitment to customer service.

The best indicator of how far an organization has come, or still needs to go, is an independent survey of customers’ satisfaction levels. This statistical benchmark will highlight what your organization, onsite team, and/or producers do



well and where they may need to improve. More importantly, the survey results can be compared/benchmarked to a peer group to learn how you stack up against your competitors. The results can be surprising, provide insight and elicit comments such as, “Finally, a quantification of what we’d thought,” or, “I didn’t realize how far our company had moved away from service, our standards and our values.” As one CEO remarked, “How do you know how you are doing unless you keep score?”

Just imagine if no one kept score at an NBA basketball game, the Super Bowl or the Masters Golf Tournament. Imagine no time clocks at the Olympics, Tour de France or Indianapolis 500. Can you picture any activity without some form of performance measure? From weight loss to grades and from field goals to stamp collections, everything we do can be quantified. So, too, is it within the real estate industry.

The real estate industry does a wonderful job of quantifying the square feet managed or leased, the value of assets acquired or sold, financial returns and market share, yet frequently fails to keep score on its most important asset: customer satisfaction. Without tenants, residents or clients, there would be no real estate industry. Without customers, there would be no revenues.

Over the past decade, CEL & Associates, Inc. has conducted millions of real estate industry customer opinion surveys. Recognized as the national leader in this field, CEL & Associates, Inc. has discovered some interesting trends and has provided valuable feedback data that has saved/created millions of



dollars. It is invaluable to keep score, be familiar with your customers' likes and dislikes, recognize their preferences and know how they comparatively view the property and service your firm provides.

Today's real estate industry customers know they have choices. They are aware of what level and quality of service to expect, what building features and amenities they prefer, and they have strong opinions about what they believe is working and what should be improved. The following six customer strategies, outlined in the subsections below, are the most important steps when building valued, recurring customer relationships as an organizational priority.

First: Define Your Customers

One of the biggest mistakes real estate firms make is assuming who their customers are or that yesterday's or today's customers will be there tomorrow. Real estate firms are increasingly discovering that (1) they do not really know their customers; (2) all customers are not alike; and (3) customers are more focused on their own customers. Before designing and implementing a new marketing or business development program, every real estate firm must first define its current and future customer base and determine whether some of today's customers may not be customers tomorrow. Though every firm is different, and no two real estate firms' clients are identical, some basic definitional questions should be asked:

- Who are your past clients?
- Who are your current clients?
- Who are your competitors' clients?
- Which clients can create adjacency opportunities?
- Which clients value knowledge and external expertise?
- Which customer segments are growing in your marketplace?
- Which customer segments are shrinking in your marketplace?
- What customers would benefit most from your core competencies?
- Which customer segment(s) would be the most difficult to penetrate?
- Which customer segment(s) would be the least difficult to penetrate?

At the end of the day, do not forget the value of existing customer relationships. Building lifetime customer relationships means: (1) you do not have to search for new clients constantly; (2) your revenues and customer loyalties increase; (3) your net income should increase; and (4) your marketing costs will decrease. Real estate firms must shift customer interaction to customer satisfaction to customer enthusiasm and loyalty.



Second: Listen to Your Customers

If one strategy generates the most universal acceptance within the real estate industry, it is listening to your customers: measuring their opinions; listening to their feedback; and learning more about their needs, expectations, priorities and preferences. The responses often are surprising. Customers consistently have stated that they want *more* interaction with their service provider, and to feel that everything they want and receive has been customized to their needs and expectations. Real estate customers across all product and service categories like their opinions to be known, want their feedback responded to and expect more, not fewer, opportunities to voice their preferences and level of satisfaction. Customers have explicit, implicit and situational performance expectations that must be known before, during and after each customer interaction. Real estate customers want new ideas, different perspectives, avoidance of pitfalls and compelling solutions. Customers want to know that you and/or your firm are superior to other options.

Though there are many ways to solicit feedback from customers (e.g., face-to-face interviews, telephone interviews, client panels, focus groups and intercept surveys), the most popular methods continue to be mail-back and internet-based/email surveys. Most real estate firms survey their customers once a year; and many firms compete for the coveted annual CEL & Associates, Inc. **National A List Award for Service Excellence**. The National A List Awards, given to firms that achieve the highest level of customer satisfaction, have established the standards of excellence and the performance benchmarks others strive to achieve. Listening to your customers, soliciting feedback from them, and hardwiring the customer voice into your organization's decision-making and strategic-planning processes are essential for implementing a more customer-centric approach. The "Why Tenants Leave" table is highlighted below.

Why Tenants Leave

According to CEL & Associate, Inc.'s nationwide tenant satisfaction surveys, the following is a list of reasons why tenants leave. This list is not presented in order of importance.

- ◆ Corporate consolidation, merger and/or relocation.
- ◆ Business decline.
- ◆ Inability of the existing space to accommodate current and/or future growth needs.
- ◆ The building's environmental footprint and sustainable features.
- ◆ Overall occupancy and/or tenant mix.
- ◆ Desire to locate in a building closer to the tenant's clients.
- ◆ Desire to locate in a building closer to desired workforce.
- ◆ Inability of the building owner and/or property mgmt. entity to meet/exceed expectations and service needs.
- ◆ Proximity to transit centers and/or public transportation.
- ◆ Safety, security and vulnerability to a potential terrorist attack concerns.
- ◆ Lease rate, rental terms, and/or availability and cost of parking.
- ◆ Brand identity of the building to the tenant's desired image.
- ◆ Proximity to the home of CEO and/or senior executives.

Source: CEL & Associates, Inc.



Key Customer Indicators

What Building Owners Are Telling Us

- ◆ 71% know three or fewer points of contact.
- ◆ 47% know two or fewer points of contact.
- ◆ 70% are “satisfied” with their service provider, but are “always open to change.”
- ◆ Only 58% are “very satisfied” with the level and frequency of communications from their service provider.
- ◆ Only 23% of building owners think their service provider is best-in-class.

What Investors Value Most In Their Broker

Rank

1. Understanding of their goals/objectives and their business drivers.
2. Quality communication, follow-through and compelling solutions.
3. Direct solicitation of potential buyers or tenants.
4. Accuracy and quality of financial analysis, research and strategic options.
5. Investment referrals.
6. Experience and negotiating skills.
7. Quality of marketing/investment sales package.

What Tenants Value Most In Their Service Provider

Rank

1. Understanding of their business.
2. A relationship built on trust, professionalism and transparency.
3. Open communication, accessibility and timely response when requested.
4. Collaboration and a “team” approach to their needs.
5. Financial/analytical skills and structuring advice.
6. Knowledge of new opportunities.
7. Understanding of the market and opportunities.

What Clients Value Most When Selecting Their Broker

Rank

1. Relationship with Broker.
2. Prior experience/performance.
3. Understanding of their business/objectives.
4. Reputation of firm/brand identity.
5. Fee structure.
6. Knowledge and advice.
7. Personalized approach/solutions.

What Frustrates Brokerage Clients

Rank

1. Lack and poor quality of communications.
2. Lack of accessibility to “their” representative.
3. Lack of interest in their business, needs and goals.
4. Feeling that they are “just a fee source.”
5. Brokers not knowing when they are in “over their heads.”
6. Sloppy work, inaccuracies, and poor reporting.
7. “Go-it-alone” service providers.

Source: CEL & Associates. Inc.



Third: Achieve a Customer Focus

Over the next decade, real estate companies will engage in a fierce competition for customers (tenants, residents and clients). Real estate CEOs and senior leaders have discovered that their firm's competitive advantage and their future success lie squarely in the relationship with the customer. Today's game is focused on who has the best customer relationship, who controls and can grow the customer and who can best enhance customer connectivity. Although getting closer to customers seems easy enough, in practice it can be challenging and imposing.

Many real estate organizations have mistakenly equated high occupancy and/or high transaction volume with customer satisfaction. Tenants do not leave solely because of the rental rate. Frequently, real estate organizations spend more time and resources on "making the property look good" than they do in building and leveraging customer relationships. Today, real estate companies that have neglected or deliberately avoided recurring and valued customer relationships are paying the price. The "Profile of a Customer-Centric Company" list profiles the characteristics of a client-centric company.

Customers—at all levels—have complained loudly about lacking a relationship with their property manager, community manager, broker, leasing representative and/or

service provider. The early application of "tenant appreciation days" or holiday gifts was so misdirected (approximately 87% of the time, according to CEL & Associates, Inc. data) that often the real decision-makers never participated or were not engaged in these events. This one-way exchange then gave way to creating a laundry list of "available services," again with limited success. Finally, in the late 1990s, many real estate firms discovered that managing the customer relationships and achieving the highest levels of satisfaction dramatically improved retention and rental rates.

Profile of a Customer-Centric Company

- Possesses a real-time, 360-degree customer profile
- Embraces a continuous feedback process
- Hardwires the voice of the customer into all decisions
- Invests in talent, training and professional development
- Shares knowledge of the customer
- Committed to service excellence
- Possesses customer service standards
- Committed to building valued and lasting customer relationships
- Includes customers in company values
- Ties compensation to customer satisfaction
- Celebrates those who achieve customer satisfaction
- Involves customers in solutions
- Continuously seeks feedback
- Possesses a thorough knowledge of customer needs
- Exceeds customer expectations

Source: CEL & Associates, Inc.



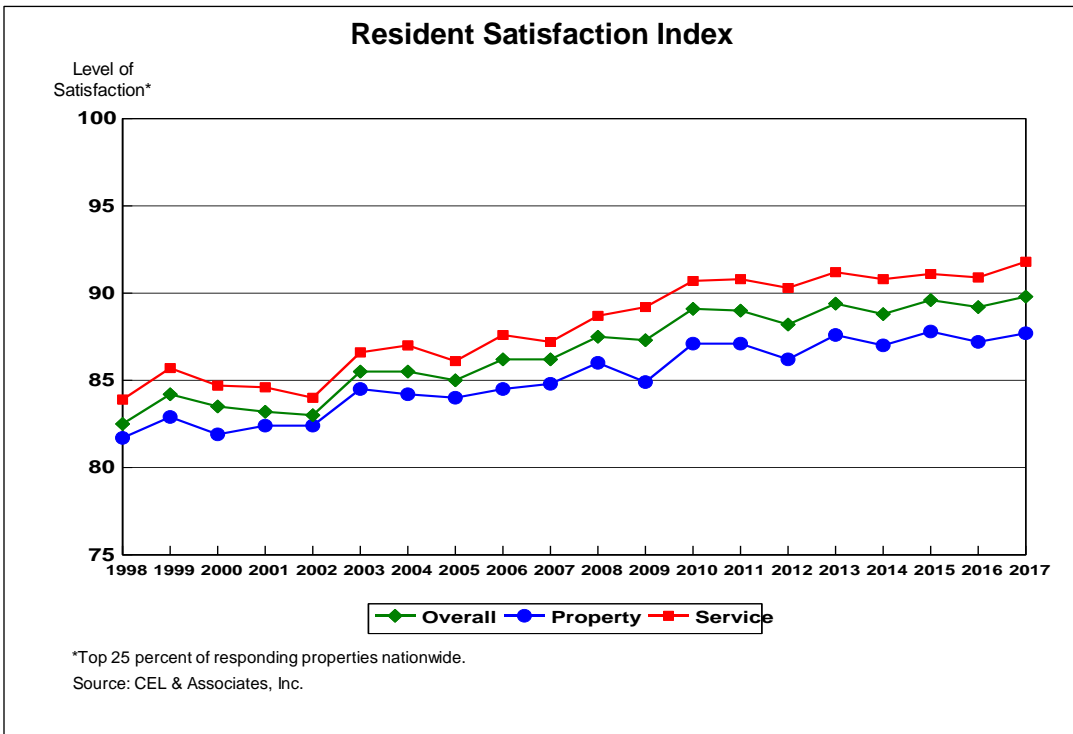
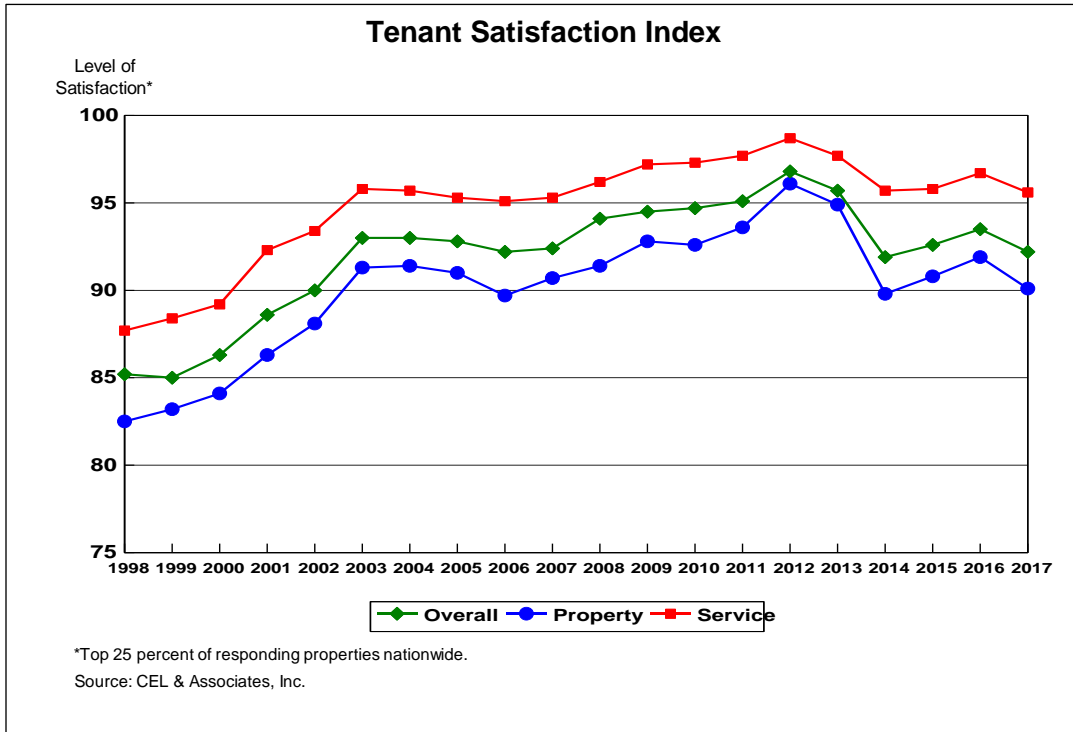
There are multiple touch-points in developing and achieving a customer focus. This section focuses on two elements needed to achieve a customer focus: (1) developing a customer profile; and (2) measuring customer satisfaction.

Developing a customer profile is generally the first step in understanding your customer. Knowing the economic, demographic and market profile of your customers can provide valuable data from which future product improvements and service additions can be made. CEL & Associates, Inc.'s customer profile surveys and data collection process consistently have shown that all customers are not alike, so you must segment and treat customers differently. Knowing who your customer is and what he/she/they want, require and expect are essential for achieving client-centric business goals. CEL & Associates, Inc.'s popular customer profile survey answers most, if not all, the questions pertaining to, "Who are your customers?"

When developing a customer profile, CEL & Associates, Inc. discovered that the inclusion of "importance" questions on "what is of most concern to customers" can yield surprising information and customer knowledge. For example, if 60% of a customer group profile is in the logistics business or the healthcare business, their areas of greatest concern will be different from a customer group predominantly made up of law firms or government agencies. In the multifamily sector, knowing the age range of apartment community residents can assist in making decisions about which amenities and services to provide. It is essential that every real estate company develop a customer profile; otherwise, how do you decide whom to please and what it will take to please them?

Creating a Lasting Customer Relationship

- Think like a customer, tenant or resident. Make every customer feel important. Give all customers the ability to choose (customization).
- Build lasting, valued and recurring customer relationships.
- Assemble and use tools to serve your customers better.
- Make all customer experiences positive.
- Simplify how customers interact with you.
- Gather and use information about your customers... understand their business drivers.
- Align everyone toward the company's customer service priorities and standards.
- Measure everything you do for customers.
- Create a workplace environment that inspires service.
- Build a winning team.
- Listen and respond to your customers.





The measurement of customer satisfaction can yield valuable feedback data on how your customers perceive and rate their building and their level of satisfaction with the performance of the onsite personnel. CEL & Associates, Inc.’s 50- to 60-question survey (both the mail-back and internet versions) integrates questions in nine primary performance areas (“Readiness to Solve Problems,” “Responsiveness & Follow-Through,” “Property Appearance & Condition,” “Quality of Management Services,” “Quality of Maintenance Services,” “Quality of Leasing Services,” “Property Rating,” “Relationship Rating” and “Renewal Intention”). Customers are able to provide quantitative and qualitative feedback, rank/rate their concerns and preferences and express their opinions on a variety of matters.

Once the measurement of customer satisfaction has occurred, the results should be: (1) correlated to the customer profile data; (2) compared to best-in-class standards; and (3) compared to a select group of comparable/competitive firms.

Subsequent development of a customer-based business model, brand equity and human resources-based processes (e.g., hiring practices, rewards structures, training) will follow and be easier to develop with the successful completion of the first two steps.

Satisfaction Indices – Commercial 75th Percentile

Satisfaction Index	2000	2005	2010	2015	2016	2017
Overall Satisfaction	86.3	92.8	94.7	92.6	93.5	92.2
Property Satisfaction	84.1	91.0	92.6	90.8	91.9	90.1
Service Satisfaction	89.2	95.3	97.3	95.8	96.7	95.6

Satisfaction Indices – Multifamily 75th Percentile

Satisfaction Index	2000	2005	2010	2015	2016	2017
Overall Satisfaction	83.5	85.0	89.1	89.6	89.2	89.8
Property Satisfaction	81.9	84.0	87.1	87.8	87.2	87.7
Service Satisfaction	84.7	86.1	90.7	91.1	90.9	91.8

Source: CEL & Associates, Inc.



Fourth: Set and Measure Service Standards

Standards of Excellence

- *Take personal responsibility for all you do.*
- *Become a catalyst for change and continuous improvement.*
- *Treat every customer as if he/she were your only client.*
- *Invest in your people—they are your most valuable asset.*
- *Solicit feedback on your performance.*
- *Recognize and reward exceptional performance.*
- *Never compromise service or quality.*
- *Be innovative and set new standards of excellence.*
- *Manage the expectations of all stakeholders.*
- *Empower others and then get out of the way.*
- *Never waver from the firm's core values.*
- *Set the benchmarks others will strive to achieve.*
- *Increase the cost of stakeholder disengagement.*
- *Create a sense of shared purpose.*
- *Make customer service a behavior, not a policy.*
- *Praise small victories and acknowledge the contributions of all.*
- *Encourage optimism, exceed expectations and reward going above and beyond.*

Source: CEL & Associates, Inc.

Every customer experience or interaction must have corresponding service standards. From the standards of how quickly one should respond to customer communications (e.g., walk-in, meeting(s), telephone, fax, email and mail) to the response time for service requests, the benchmarks of performance expectations should be quantified. An organization perceived by customers to respond more quickly and efficiently will consistently outperform its competitors.

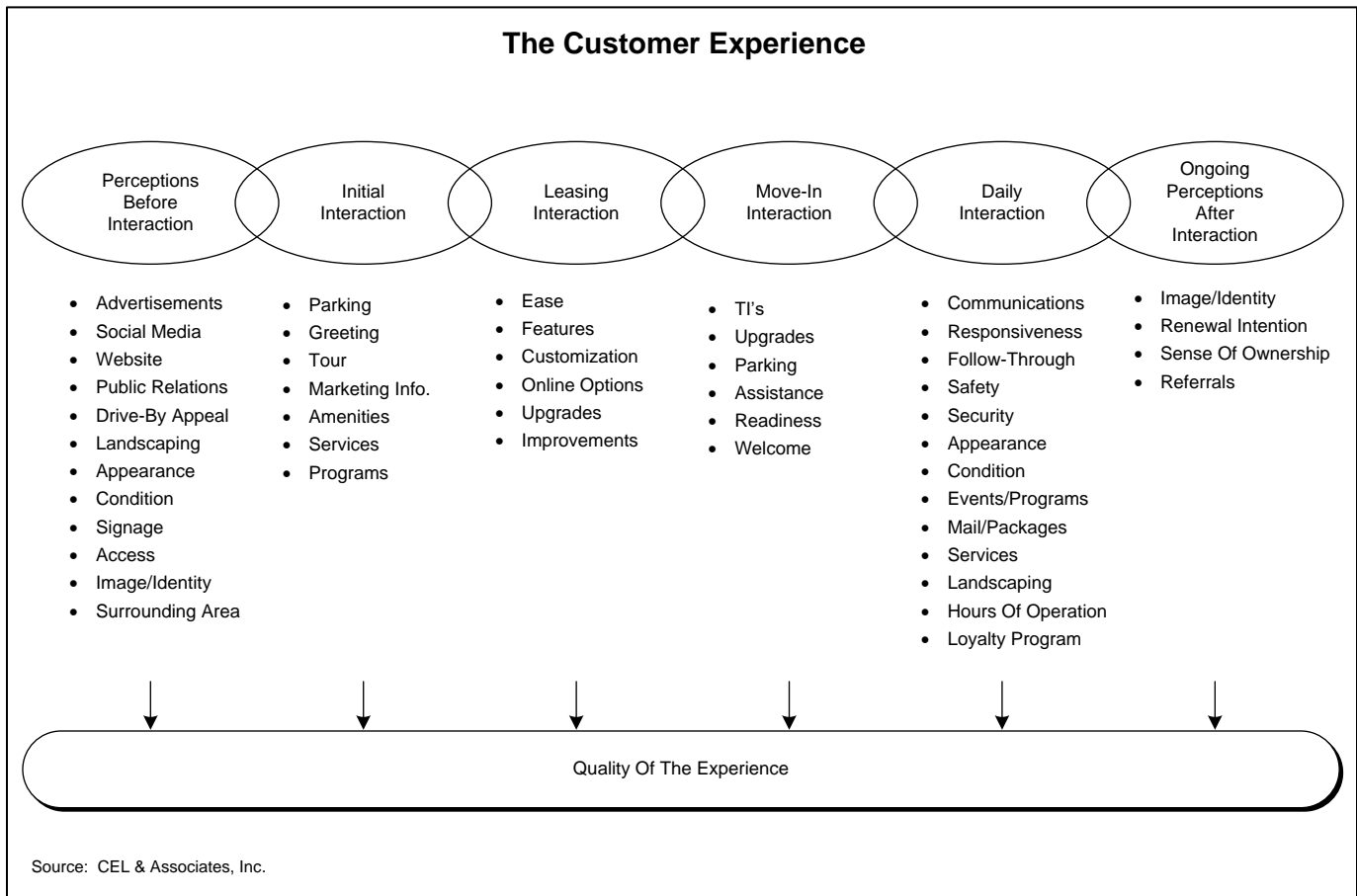
Service standards involve both systems and people. Standards for appearance, responsiveness, customer satisfaction, greetings, service requests and communications are just some of the standards to be established. Ideals that are too vague or fuzzy must be avoided. When setting the guidelines, an organization must: (1) decide if the standard is important and needed; (2) determine how it can be measured; and (3) conclude if everyone will understand the protocol and how it should be implemented. Very often, firms tie service standards to compensation and performance evaluations as the best way to align the organization (at all levels) with the firm's standards of excellence.

Fifth: Establish Customer Experience Management Techniques

Over the past few years, much emphasis has been placed on shifting organizational and operational structures and processes. Nearly all the nation's leading property owners and service providers have measured and continue to measure customer satisfaction. Many companies have established customer service standards, retooled hiring practices to attract more customer-centric employees and added customer service statements to their key values. However, many real estate firms



have discovered that “taking customer service to the next level” mandates an additional focus on how the customer experience is managed. The perfect customer experience should be defined as one in which the tenant, resident or client becomes an advocate for the company, a source of new business referrals, renews their lease and appreciates the quality and level of services and programs provided. The perfect customer experience consistently exceeds the customer’s needs and expectations. Outstanding customer service occurs when the actual experience surpasses the real or perceived experience. When real estate professionals are proactive, trustworthy, reliable and responsive, the level of customer satisfaction rises dramatically. The following “Customer Experience” chart highlights some of the many “points of contact” in a typical customer experience.





The number of “touches” a customer has with his or her service provider can total up to 100 in a given week. From signage to lighting, phone etiquette, concierge services, maintenance, parking areas and common areas, every real estate customer interacts with a building individual or an amenity that is owned, operated and/or serviced by professionals directly or indirectly associated with the primary service provider. From the moment tenants or residents arrive at a property to the moment they leave, the quality of customer experiences and interactions shapes the level of overall satisfaction those individuals have with “their” property. How a real estate firm manages the customer experience can have a dramatic impact on the overall profitability of that asset.

“When you continually improve, your most demanding customers will become your best advocates. When you convert customer problems into opportunities, you create customers for life.”

Though the process of client relationship management (CRM) is fairly well known and highly valued by real estate firms that deploy it, the art of customer experience management (CEM) is beginning to find its way into the lexicon of real estate CEOs’ priorities. As the battle to attract and retain tenants and residents intensifies, CEM is increasingly a component of the new, client-centric business model in real estate organizations. Confronted with rising vacancy levels and/or a protracted leasing process, real estate CEOs have discovered that investing in CRM and CEM programs is far less costly than trying to secure new tenants or residents. These leaders are now developing and deploying company-wide “dashboards” to highlight CRM and CEM initiatives.

Most Important Factors When Acquiring And Retaining Tenants

Factor	Level of Importance	
	Acquiring	Retaining
Rental rate	96%	92%
Location	96%	84%
Reliability of power	77%	62%
Space flexibility	71%	44%
Quality of management	68%	77%
Amount of TI dollars	65%	44%
Building amenities	62%	58%
Build-out costs	62%	40%
Attractive interior	59%	42%
Individual temperature control	50%	45%
Tenant mix	49%	53%
Building attractiveness	46%	41%

Source: CEL & Associates, Inc.



An effective CRM and CEM program has many facets, and CEL & Associates, Inc. has identified the seven essential elements (listed in the bullet points below) for the program to be successful.

- ❑ **Begin with quantifiable benchmarks.** The foundation of all CRM and CEM programs begins with quantifiable measures of customer satisfaction and the customer experience. Knowing and understanding how one's current customer base perceives the "experience" provides a basis for prioritizing improvement initiatives. The real estate customer has opinions and levels of expectations concerning both the entire property experience and interaction with the service provider. The "visible" attributes of good property management increasingly are attaining a balance with the "interactive" elements of property management. Quantifying customers' opinions and perceptions is a "must-do" first step in all CRM and CEM programs.

10 Steps To Achieve Best-In-Class Customer Satisfaction

- ◆ Step 1: Improve your customer's ability to do business with you.
- ◆ Step 2: Make your service visible and a behavior, not just a policy.
- ◆ Step 3: Fix it before an issue occurs.
- ◆ Step 4: Establish a clear line-of-sight to your customers.
- ◆ Step 5: Reduce hassles and become complaint friendly.
- ◆ Step 6: Hire only those who can provide outstanding service and attention to your customers.
- ◆ Step 7: Create "wow" in the eyes of your customers.
- ◆ Step 8: Make time and the speed of service/responsiveness your ally.
- ◆ Step 9: Under-promise and over-deliver.
- ◆ Step 10: Integrate the voice of the customer in all decisions you make.

Source: CEL & Associates, Inc.

- ❑ **Determine service standards.** It is impossible to anticipate and deploy service standards to meet all current and future needs of one's customers. However, real estate firms have discovered it is essential to establish service standards for all key points of customer interaction and experience. In addition to the obvious building appearance and condition standards, performance benchmarks must be set for all methods of communication, the leasing experience, maintenance, janitorial, concierge services, the primary points of customer interaction and the internal support needed by onsite personnel, among others. Setting and implementing service standards will enhance one's overall ability to manage the customer experience.



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- ❑ **Listen to their words...observe their emotions.** Real estate firms are becoming increasingly adept at soliciting and obtaining feedback from their customers. Daily interactions are fairly routine for most real estate service providers, but listening to and recording each question, complaint or service request is only half the process. The level of emotion during a customer interaction is as important, if not *more* important, than the actual words. An effective CRM and CEM program incorporates guidelines on how to interpret anger, confusion, frustration, bewilderment and hesitation. Perhaps if these emotions were better understood, many customers would be retained.
- ❑ **Identify and perfect each customer “touch.”** The easiest way to identify the number of customer interactions, or “touches,” that occur is to pretend you are a customer for a day and record all contact you have with the facility and its service providers. From the striping in the parking lot to the ashtray in the outside smoking area—to the security control system, the billing system, the phone system, the hallways and the air conditioning system—every place where a customer comes in contact with either the building or someone associated with the building should be noted. Once the touchpoint is identified, a grade or rating should be applied to reflect the quality of that experience, and an action plan should be developed to enhance or upgrade that customer touchpoint, as needed. CEL & Associates, Inc. has found that there could be as many as 100 touchpoints in a typical customer experience.
- ❑ **Fix operational problems and systems before they occur.** Even the “perfect” operation can get better! An effective CRM and CEM program includes an operational assessment and a prioritized list of action items. Operational assessments are best done by independent consultants, who are not encumbered with internal biases and personal agendas. Once an improvement opportunity is identified and a solution accepted, the process for enacting that improvement should be immediate.
- ❑ **Develop an effective customer access strategy.** Real estate firms in today’s uncertain and constantly changing marketplace must develop and adopt an effective customer access strategy. How, where and why a customer interacts are critical to managing the customer experience. CEL & Associates, Inc. has found that developing customer profiles, defining methods of communication, identifying customer access channels, capturing customer data, sharing customer knowledge and aligning the customer access expectations of top management are critical to an effective CRM and CEM program.



- ❑ **Create and deploy customer-friendly employees.** Managing the customer experience ultimately comes down to the quality and motivations of the professionals assigned to interact with customers. Establishing customer-centric hiring practices, recognizing performance excellence, cultivating leadership, instilling a pride in serving customer needs and developing career and skill path opportunities for customer-friendly employees are some of the components of hiring and deploying CRM- and CEM-based employees.

Customers are the key to every real estate event. Without customers, there are no leases, no tenants or residents and no sales. Developing and deploying an effective CRM and CEM program is a must for every real estate firm seeking to be profitable and succeed over the next decade. In challenging economic and financial times, investing in the customer experience is the one aspect of operations that cannot be overlooked or deferred.

Sixth: Become Customer-Centric

It's easy to say but hard to do: Becoming a client-centric organization is more than a declaration, a slogan or a branding campaign. Shifting from a geo-centric or functional-centric company, or from an organization that focuses on business lines, to one that serves an expanding customer base requires a firm to shed the regional or departmental vestiges of the 1980s.

To become a customer-centric organization means:

- ❑ Organizing along customer-based lines of business.
- ❑ Structuring compensation to reflect customer-based performance metrics.
- ❑ Branding the organization.
- ❑ Designing training programs.
- ❑ Structuring hiring practices.
- ❑ Allocating resources along customer groupings.
- ❑ Defining the firm's value proposition.
- ❑ Identifying strategic accounts (current and prospective).
- ❑ Designing staffing plans to put the most qualified professionals on each assignment.
- ❑ Focusing leadership on achieving/exceeding customer expectations.
- ❑ Affirming that customers are a part of the firm's vision, goals, and key values.



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These 11 proven strategies are the foundation for being a customer-centric organization. Real estate firms must shift toward this business model or risk losing (or not securing) customer relationships.

Shifting to a customer-centric organization should be done in stages or phases. It is particularly difficult for traditional, “eat-what-you-kill” brokerage firms to make the transition in one sweep. For most firms, including brokerage-based organizations, the shift takes about 24 – 36 months to complete, and results can be phenomenal. Customer-centric organizations typically experience higher productivity, improved profitability, an initial turnover of non-team-based employees and enhanced customer relationships.

Conclusion

Becoming a customer-centric organization is clearly the emerging trend among real estate firms nationwide. In a highly competitive environment, securing, serving and building recurring customer relationships is essential. A key strategy of best-in-class firms, becoming customer-centric, is a proven way to build upon existing relationships while acquiring new customers. The next step: controlling costs while simultaneously improving operating processes.