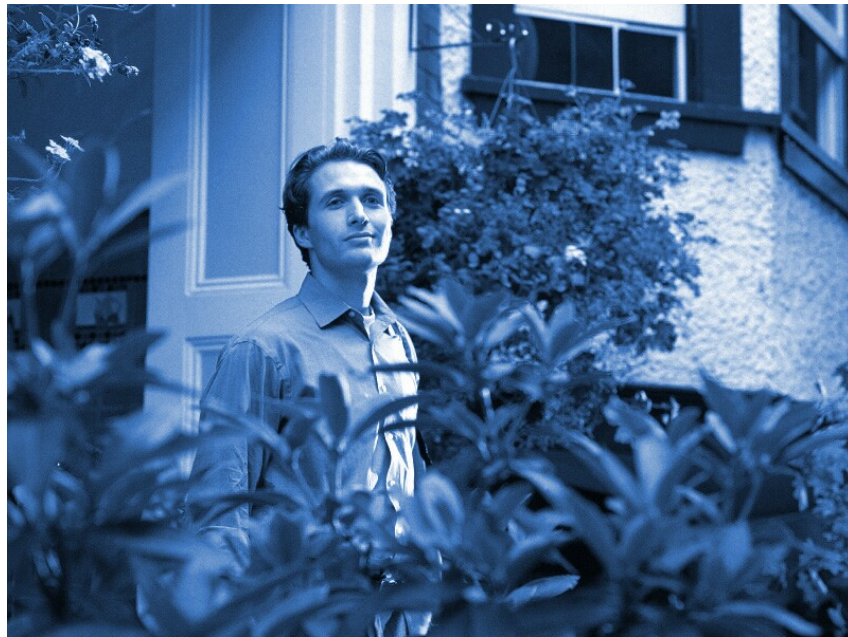


Keep 'em

The Keys To Resident Retention



It is much better and cheaper to keep a customer than to generate a new one

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Let's face it – we are not that good at customer service. We don't have residents begging to stay with us for another year, grinning excitedly at the opportunity to pay you their rent each month. That is why our residents tend to leave after just that first year. So how do we keep them in place? How do we focus on Resident Retention in a way that really works?

Look at the facts:

How much does the average down unit cost **us**? _____

Think of all the elements that go into this number:

Carpet cleaning or replacement	\$420
Full paint	\$300
Full housekeeping	\$200
Lost rent (18 days at \$18 a day)	\$324
Advertising / marketing costs	\$ 80
½ months utilities	\$ 45
Locator fees, other costs	\$250
Intangibles *	Priceless!



* Such as inconvenience to neighbors, impression of people always coming and going, scuffing and wear and tear on hallways, doorways, etc.



Now, remind the customer how much it costs THEM to move:

Movers, truck rental, boxes	\$500 to \$3,000
New deposits	\$250
Connection fees for utilities	\$100
Hassle and inconvenience	Staggering!

Focusing on _____ makes good sense!

Our residents aren't stupid – they know that properties in the area are giving away huge incentives in order to win their business. If they are considering moving – we have already failed in our jobs. Even if they are just satisfied at our community, they could still leave in search of a special or better service.

We are going to discuss the key elements in building a Resident Retention plan that will work for your community. We will discuss tons of ideas – some will work for you and some won't. The idea is to be thinking of Resident Retention as your goal, providing good customer service so your residents don't want to leave you.

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SOLO ACTIVITY:

CUSTOMER SERVICE ASSESSMENT



Resident Retention relies more on customer service than any other factor – more than price, location and amenities. Look through each question and determine whether you always or often approach situations with your residents from a customer service point of view.

Some of the key points we are going to discuss today are:

- Making the Move-in _____!
- _____ , _____ Interaction.
- Effectively _____ to your customers with **R.A.P.S.**
- Anticipate Needs / Be _____.
- _____ their lives.
- Make the office comfortable and use that _____!
- Consider additional _____.
- Offer smart _____ to seal the deal at renewal time.

Make their Move-in Easy!

Before the move, when they turn in application or get approved

Be sure their move to your community gets off on the right foot. Take the time to help facilitate your resident's move and make it simple. Some ways to do this when they have handed in their application and been approved:

- Provide Detailed Community Information
 - Use your Product Knowledge Workbook (You can download one at www.theapartmentguy.net/prodknow.doc or www.theapartmentguy.net/prodknow.pdf)
 - Create a Neighborhood guide with recommendations / advice
 - Go to Hotels for a copy of Where! or Travelhost, city guides

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- Go beyond the “your new apartment is number _____” sheets
 - Provide connection information, or use connection services
 - connectutilities.com , allconnect.com, whitefence.com
 - oneswitch.com for magazine subscriptions
 - Change of address booklets from Post Office
- Recommended Movers in area, reputable
 - American Moving & Storage Assn. – www.moving.org
 - Two Men & a Truck – www.twomenandatruck.com or local small services with good reputations
 - Arrange for discounts from a local truck rental company, Penske, Ryder, Enterprise, U-Haul, etc.
- Introduction to entire team for “touch-stones”
- Schedule a lease-signing appointment before the move-in day
 - Consider a conference call for out-of-towners
- If not scheduling a lease signing appointment, at least give copies of paperwork they will need to sign on move-in day so they can review

Lease Signing Appointment Day – a few days prior to move-in day

- Prepare residents folder and paperwork prior
- Explain concierge services
 - Offer an orientation tour, they may not remember everything
- Explain repair policy, procedures
- Resident Handbook
- Collect Resident info to build file with:
 - E-mail address and birthdays (not years) of all residents for follow-up e-cards and use www.birthdayreminder.com or MS Outlook
- Scheduled move-in date, time slot
- Explain any move-in oddities or requirements, like truck sizes

Day of the move-in

- Walk unit thoroughly beforehand with a critical eye, at least three hours prior to their expected arrival for any last minute fixes
- EXPECT them, don't be surprised
- Have all keys, cards and remotes tested and ready to go!
- Have a welcome marquee
- MINIMIZE their time in office – they are in a hurry
- Place welcome or picnic basket with really useful items:
 - Make a useful basket with some of these ideas:
Small screwdriver, hammer, level, dishwasher soap, toilet paper, soap, some disposable food containers, trash bags, small laundry detergent, roll of paper towels (good ones), Swiffer, clear plastic shower curtain liner, microwave pop-corn, couple of cokes or water in fridge, cheap telephone plugged in kitchen, restaurant menus, take-out places and coupons, copy of city magazine or alternative weekly newspaper (good restaurant and theatre listings), Travelhost/Where Magazine. Be creative!
- Schedule a hanging service if needed
- Simplify the move-in condition form, make it relevant to their home
- In early evening, arrange for pizza or other free dinner delivery

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Second or third day after move-in

- Follow-up call or visit, e-mail if can't reach other way first
- Make sure M/I inventory is complete and turned in, bring mail keys
- Orientation questions – do you know where everything is?
 - “Have you found a dry cleaner?” “Did you find the nearest grocery store?”
They have more time to listen to you now and are not as hassled. Remind them of community info packet, they may have lost/misplaced, ask if they need any numbers, etc.

Keep in mind that if the move-in process goes smoothly, their impression of our community isn't tarnished – yet. But that is only the first step in our plan.

Planned, Positive Interaction

Seek out contacts with your residents, don't wait to only interact with them when they are having a problem or you are asking them for money!

Make every interaction with your residents a retention-action

Don't let your customer walk out of the leasing office with their UPS package without feeling like they have been **engaged**. Ask good questions – what does this mean? _____

Engage your existing residents; get feedback from your customers

- Resident Surveys at 60 days, 6 months for satisfaction check
- Thank you note at 60 days, include a business card
- Door-to-doors for people you have not “touched”
- E-mail questions on occasion, announce additions and promote website
- Start a Community Council
- Postcards saying when pool will likely reopen, announcing new amenities, sent to your OWN residents – because they are getting your competitors'
- Birthday, move-in anniversary e-cards
- Implement a “1,2 and 5 plan”...



The
1, 2 and 5
plan requires:

- 1** _____ to a resident **PER DAY**
- 2** _____ to 2 residents **PER DAY**
- and **5** _____ (face-to-face) with 5 residents **PER MONTH**

With these simple steps, you have contacted **810 residents** over the course of the year you wouldn't have otherwise.

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Effective Listening through R.A.P.S.

Employ the **R.A.P.S.** system to better communicate with your residents and alleviate stressful situations!



What are the four steps to **R.A.P.S.?**

1) **R** _____

Use comments such as “I can see you are frustrated,” “I know you are upset because we haven’t yet corrected the problem.”

Reflect is where you use empathy and a calming tone to assure the residents understands that you “get it” – you know they are angry and want it fixed.

2) **A** _____

Use follow-up statements like “I will check with our maintenance director and find out exactly how long it will be and then call you back. Would that be acceptable?” “We should have your dishwasher fixed by the end of the day. I will let you know of any problem.”

Use the **Advise** comment to let the customer know you are taking action and exactly what will be done.

3) **P** _____

Use statements/questions like “I want to be sure we take care of this problem, so I am going to ask a couple of additional questions – is that okay?” or “Could you please let me know the best time to send our maintenance tech by your apartment?” “Just so I understand, the dishwasher is going through all cycles but there is no water going into the machine?”

Get more information with the **Probe** questions to be sure you accurately understand the situation and the expected resolution, or details that will help you solve the problem.

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4) **S** _____

Statements that let the resident know you are taking charge, “ownership” of the problem like “I’m am very sorry we didn’t get the problem fixed yesterday. I personally will make sure that the situation is resolved today.” “I understand how frustrated you must be, but give us today and we will be sure it is fixed for you.”

Support statements let the resident know you are over-seeing the problem and will get it taken care of. Remember that there is no passing the buck when it comes to serving our residents. When you receive a complaint from a resident, as far as they are concerned, you are the one taking care of it – whether you actually do the repair yourself or not.

5 More Steps to Dealing with Angry Residents

1) Listen _____ to the person who is angry

Active listening requires a lot of effort

You need to stop whatever you’re doing and give the resident 100% of your attention



2) _____ with the resident’s concerns

Let them know that you sincerely care about their problem

Thank the person for bringing the issue to your attention

3) _____ even if you are not the cause of the problem

When said sincerely, the words “I’m sorry” can remove as much as 95% of peoples anger and frustration. The resident doesn’t expect it, and those two little words do more to defuse their anger than arguing over who’s right and who’s wrong or what should have been done and when.

4) Begin _____ the problem

Show the resident that you are on their side and will do everything you can to help them get the problem resolved. You can help make this transition a sooth one by making your notes are accurate and clear so the customer doesn’t have to repeat the problem.

5) Now is the time to _____ the problem

When a problem is addressed quickly and with care, the residents opinion of you, your professionalism and the community actually goes up.

Body Language Counts

Keep in mind that your expressions, mannerisms and gestures all play a part in conveying a message. Be sure you are not saying something that your body language disagrees with. For instance, your hands on your hips or your arms folded across your chest gives the impression you are annoyed or exasperated with the resident. Rolling your eyes or sighing tells them you do not care. Raising your voice or arguing shows that you are not willing to help them.

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Listening like you care requires _____, a friendly look, and an open body posture.

Some key points in listening to your customers:

1. Limit _____ – give them the respect and attention they deserve.
2. Increase your _____ span
3. Think like the _____
4. Limit your own _____ - ask questions!
5. Don't _____ or jump to conclusions.
6. Take _____
7. Have _____ - feel their pain.
8. Listen _____

The way you communicate matters! Watch your language, your posture, your attitude. Avoid giving orders to your customers, or blaming them for the problem

Rather than:

“You have to...”

“You must...”

“You should have...”

“You failed to...”

Try this:

“If you will _____, then I can...”

“In order to _____, we need....”

“Here’s how we can resolve this...”

“We did not receive...”

Focus on what you can do, not on what you can't or haven't done!

“I can't do that...”

“We don't do those things...”

“You can't”

“I don't know...”

“Here’s what I can do for you...”

“Let’s see what we can do ...”

“Here is what you can do...”

“I'd be happy to check on that for you.”

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Reactive **VS.** Proactive Language

So many times we use reactive language in response to customer problems, complaints and concerns. How does that get anything accomplished? Instead, employ proactive language and empathy – try to get the problem solved and satisfy the customer.

Reactive Language

“There’s nothing I can do.”

“That’s just our company policy.”

“That resident makes me so mad.”

“The company won’t allow that.”

“I can’t.”

“We won’t be able to get that done.”

Proactive Language

“Let’s look at our _____”

“Maybe we can use a _____”

“I can help make that customer _____”

“I will try to _____ that to my company.”

“I _____.”

“Why don’t we see what the budget allows?”

Communicate Expectations

It is essential to communicate to your customer what will be involved to get something done. How do you know what will take place?

Work with your maintenance team to brainstorm common problems and common resolutions. Have this information at your fingertips and by the phone so you can explain what is to be expected in any given situation.

“Mr. Johnson, from what I understand your problem to be, it looks like it will take us about an hour to repair once we get inside your apartment. Maintenance will get there by noon. Will that be okay?”

“Mrs. Miller, our maintenance team should be contacting you tomorrow morning to set a time to come by and repair the dishwasher.”

Remember that as far as the resident is concerned – the problem they told you about becomes _____ problem. They will look to you to see it fixed.

Believe it or not, we are responsible for the majority of our angry residents. More specifically, the lack of communication in the leasing office causes problems by not giving the customer a realistic expectation of what will be done and when. Remember - Be proactive! Go above and beyond for your residents, **your customers**, while they are with you. How?

_____ their needs and _____ their lives.

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Anticipate Needs - Be Proactive

**“Discover what the customer wants -
because they will not always tell you”**

Your customers expect you to have ESP – so have it! ESP stands for Extra Sensory Perception – but for us in Multifamily, it means:

Excellent Service Premonitions

- Being proactive is more than merely taking initiative
- Response-ability – recognize your responsibility to make things happen
- Be proactive regarding resident satisfaction, not reactive
- Find out problems before the resident makes them an issue
- Don't wait to be told about routine maintenance – seek it out and get it fixed immediately!

Anticipate Their Needs

Our residents have many needs – but they go beyond just the amenities we offer. Our customers need to feel that they belong, that they are important, and that they are being taken care of. You need to give your customers what they want – and this turns in to loyalty and retained residents.

- Schedule a six month service check-up
 - Have maintenance and housekeeping spend 30 minutes inside to:
 - o Change air filters
 - o Clean air intact vents, ceiling fans
 - o Check caulking in bathtubs
 - o Replace fire alarm batteries
 - o Test drains, clean sink traps, pour Draino down some pipes
 - o Dishwasher cleaner solution from JetDry
 - o Check hot water heater levels
 - o Arm & Hammer fridge and freezer boxes
 - o Check hard to reach light bulbs, vents
 - o Check cracked tiles, torn vinyl
 - o Window screens, check for drafts
 - o Offer carpet steaming if needed
 - o What other ideas might be a thoughtful touch?
 - o Do a livability checklist – all systems go!

Keep 'em!

Simplify Their Lives

- Put systems in place to minimize your response time
 - Find a service level, such as the 48-hour guarantee, that you can consistently deliver and get good at it
 - Consistency overcomes resistance – provide consistent service levels
 - Install performance systems, rather than rules
 - Systems are pre-determined ways to achieve results – systems deliver service
 - Constantly strive to better your service level

- Use the web where you can
 - Service requests online, even if just an e-mail link
 - Rent payment (PSN or ResidentHub)
 - Consider an online renewal form
 - Online newsletter for better readership
 - Sponsor links to area businesses, attractions
 - Reinforce your website with all other interactions with your residents, prospects and on your collateral materials

- Alliances with community
 - Make them an insider, make it home
 - Coupons, menus from restaurants, services
 - Amusement park discounts
 - Lists of “pre-approved” service providers such as Housekeeping, pet sitting, carpet cleaning, etc.
 - Restaurant reviews, community news in newsletters

- Offer concierge services that fit with your community
 - Arrange for dry-cleaning pick-up/delivery services
 - Airport shuttle services
 - Aerobics / Pilate’s classes with instructor
 - Car starting service, gallon of gas service
 - Car washing service
 - Catering and special event planning to use clubroom
 - Christmas present wrapping
 - Conference and meeting rooms
 - Courier services
 - Dog walking and pet sitting
 - Flower delivery
 - Furniture rental and placement, design services
 - Notary services
 - Pack-n-mail or UPS pick up day
 - Cabana services
 - Ticket sales, electric bill payment center
 - Moving / unpacking services for self movers

Be creative and think of services your residents will actually want to use!

Keep 'em!

- Simplify the renewal
 - Simplify or eliminate unnecessary paperwork
 - Ask for realistic rent increases
 - Make transfer simple and a good option
 - Be flexible on lease renewal options and terms
 - Begin at least 60 days prior, try to schedule renewal appt
 - Give incentive for completing renewal before 30 day mark

It isn't just a very tired advertising slogan – it is what our customers expect of us – exceeding their expectations. Customer loyalty, resident retention, comes from exceptional service treatment. You must raise the level of expectations, meet these levels of expectation and create loyalty – only this will increase your retention rate.

Use that Clubroom!

When you are at a party or friends house with overly formal living room, do you use it? Are you comfortable in it? Is it inviting? How many of you have leasing offices like this? Or a leasing office that is beautifully decorated, warm and inviting but the sofa has never been sat on? What a waste! Or even if you don't have a clubroom but just a small, Spartan leasing office – that doesn't mean it can't be friendly and inviting. Use that clubroom and your leasing office to your advantage.

- Creative resident parties with fun themes
 - Oscar night, Superbowl, Final Four, Cinco de Mayo, St. Patty's, etc.
 - What are some other good ideas?
 - You'll have different crowds at each one, depending on interests
- Monthly meetings of use, interest to your residents
 - Tax time CPA/Accountant
 - Cruise specialist or travel agent
 - CPR / EMT demonstrations and training
 - Investment advisor / retirement planner
 - Container gardening or herb garden from local garden center
 - Cooking class from local chef with NEW restaurant
 - Themed pot luck dinners
 - Bridal show in late Spring
 - Tupperware / Pampered Chef / etc. parties
 - Back to school fashion show from local small boutique
 - Local and state university alums, recruiters night
 - ESL or some useful skills classes like Windows basics or Excel
 - Resume services

Keep 'em!

What else might work for you?

Two notes: Try to avoid religious or political meetings, those that are not welcoming to everyone and alternate free meetings/events with ones you have to pay for to ease it into the budget

- Enhance the clubroom /management office experience
 - Make it a living room
 - Fresh ground / roasting coffee
 - Candles in glass (safer) containers (Yankee Candle or similar)
 - Subscribe to some magazines, local newspapers
 - Have the TV on engaging channels, not just news or music
 - Don't use whole office / clubroom as a sales environment
 - Get rid of Apartment Guides / For Rent Magazine / Apartment Finder / Rental Guides in office (makes them think of moving!)
- Make a difference
 - Take advantage of "Cause marketing" by aligning with a signature charity or cause
 - Send out press releases to local papers and press
 - Get your residents involved with community and each other
 - Spread the word via your corporate marketing that you have a signature cause

Your Policies May Be Costing You Renewals

- Review your policies and procedures regularly
 - Is this in the best interests of our residents?
 - Does this policy make sense?
 - Will this enhance our renewal efforts?
 - Is this limiting our ability to keep or retain residents?
 -

What percentage of the US population owns a pet? _____

What animals cause more than 60% of pet damages? _____

- What about changed policies that might help?
 - Relaxing pet restrictions
 - Assigned Parking Spaces
 - Roommate Requirements
 - Amenity Hours



Keep 'em!

Consider additional amenities

- Knowing your residents is key
 - You want them to enjoy their home, spend more time there
 - Poll your residents! Find out what they would love to have, what policies they would love to see changed
 - Surveys, polls, door-to-doors are great ways to gather this info
 - New amenities don't have to be expensive
 - DVD clubs
 - DSL / Cable modem reduced price services
 - Bundled telecommunication and phone services
 - Newspaper delivery
 - Cabana service during summer
 - Printed towels
 - Or white towels from LinenSource or a discount store
 - Vegetable garden or a community greenhouse
 - Package lockers to ease the pick-up process *
 - Weekend breakfast buffet, or early morning coffee greet
 - What else can you think of?
 - Or spend a bit on stuff they want
 - Covered Parking (do the ROI)
 - Basketball court
 - Jogging trails, roller-blade paths
 - Media room with surround sound system
 - Wireless high speed internet community-wide
 - Coffee bar
 - Tanning beds
 - Interior amenities that will benefit the property as well
 - Upgraded fixtures
 - Bathroom shelving
 - Beveled or framed mirrors
 - Shoe racks, spice racks
 - Tile floor or Pergo flooring instead of vinyl
 - Doorknockers
 - Printed welcome mats
 - Wood or wood-look mini-blinds
 - What are some other ideas?
-
-

- What are some added amenities that might work for your community?
-
-

Keep 'em!

Smart Incentives to "Seal the Deal"

- Renewal menus with good option gifts
 - Thanks for renewing your lease! As our gift to you, please choose:
 - DVD Player and movie rental coupons
 - VISA gift cards, traveler's checks
 - Mall shopping certificates
 - Apartment Upgrades
 - Free maid service, carpet steaming
- Worthwhile incentives
 - Half off one month's rent, the month **they** choose
 - \$100-off rent coupons they can use anytime
- Renewal thank you card with something inside
 - Gift certificates from Restaurant.com
 - Free movie passes or rental coupons (something small, but unexpected)

Last Ditch Efforts

- May I ask why you are moving?
 - Get to the root of the problem
 - Why has this issue not been taken care of already?
- What could we do to keep you?
- Ask for an Exit Interview
- If a non-service, non-property issue like buying a home or moving, ask for referrals and tell them referral bonus plan, etc.

Analyze your Community for Improvement

- Exit interviews with move-outs
- Review all surveys and questionnaires
- Ask for feedback all the time
- Discover what can be done better
- Audit your amenities and services:
 - a.** What else can you offer?
 - b.** What new amenities could you add to the mix?
 - c.** What policies are hindering you rather than helping?
 - d.** What is getting in the way of us providing excellent service?
 - e.** What policies might create loyalty?
 - f.** What unique things are your comps doing to retain residents?
 - g.** What are people saying negatively about your community?
 - h.** What are people saying positively about your community?

Use this knowledge to provide better service and have better retention.

Keep 'em!

GROUP ACTIVITY:

TIME TRAVEL



Wouldn't it be great if you could use all of these great ideas, and go back in time and save some of the recent move-outs you have had? With this activity, you can. Work with a partner and think about residents you lost in the past few months. Don't consider one's that were transferred out-of-state or those who bought a home – but residents you know left you and moved to another apartment community. What did you or your community do wrong? What could you have done better? What steps could you have taken to save this renewal?

Analyze your policies, rules, customer service, maintenance, office staff and any other factors that may have caused this resident to move.

In Conclusion



Resident Retention is crucial. Think about how much easier your job would be if every one of your resident's just remained. They were happy, fulfilled, satisfied. The savings in your time, money, efforts and energy would be enormous. Yet most of the time we only focus on better leasing strategy, better marketing. Better customer service and a better resident retention focus can benefit you and your community.

Need a Product Knowledge Workbook? Looking for a sample Move-In Inventory Form? You can download one on my website along with other useful tools, or send me an e-mail and I will be happy to send you a copy!



Need more? Have a great idea to share?
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