

# “Retain This Idea For Future Gain”

Even in an MDU with high turnover, there's a core group of tenants who stay and stay. Work on making these folks happy, and you can boost your retention rates for the whole community.

By Bryan J. Rader ■ *Bandwidth Consulting LLC*

Sometimes it makes sense to look at what the big guys are doing. Recently, the larger operators like Comcast and AT&T have been so scared of losing new subs they've just connected that they are falling all over themselves to keep them.

And I like their new customer retention efforts! They're rare, refreshing and, in fact, good solid long-term thinking.

Comcast has been adding staff this year as fast as it can to keep up with the demand for the RGU growth from its triple play. And a growing number of this new head count appears to be in the area of “retention specialists.” These guys are going back to their new sign-ups in a particular area, knocking on the door, and checking to see how things are going.

“Do you know how to use your new DVR? Are you familiar with all of the features on your digital box? Oh, I see you have a computer – can I interest you in trying our broadband service? And while you're at it, why not bundle it with digital voice for extra savings?”

## Educate to Upgrade, Upgrade to Retain

The retention folks are doing three things right. They are educating their customers about their new products (thus creating more potential usage); they are avoiding future “go-back” trouble calls by addressing any service complaints on the spot; and they are selling more services.

Cox Cable taught all of us a long time ago the value of upgrading: The more services subscribers buy, the longer they stay with you. And Comcast has clearly bought into this strategy as well. One of my clients is seeing this firsthand in a market where Comcast has unleashed an army of retention experts. Wow – smart idea.

As AT&T begins to roll out U-verse

across the country, it too is emphasizing customer retention. After spending five hours completing an install, it is sending a retention expert back out within two weeks to confirm satisfaction, and explain the DVR, My Yahoo, and digital box features. The customer doesn't stand a chance to consider going back to a dish or the cable company.

It's almost as if these guys don't want you to second-guess your decision. They know their newly minted subscriber is going to see a hundred Dish ads over the next few days, or may start feeling a little Comcastic, so they stop your feelings for the “other guy” by checking back on you.

What a great approach. “Thank you for picking us. Thank you for your choices. Let me help you understand them. Let me get you to buy more!”

## Can PCOs Retain Customers?

Maybe PCOs can get their customers to buy more, too.

PCOs live in a world where retention is an uphill battle, where apartment residents may churn as much as 60 percent a year and sometimes even more. Naturally, it's harder to “retain” customers when they frequently move out at the end of their first lease.

But here's why retention efforts matter in an MDU environment. Every apartment community has a core group of residents – you know the ones who have been there for seven years, or 12 years. They plant little gardens outside their back deck. They know the new neighbors in their building. They go to the “resident appreciation” events in the clubhouse. They monitor who parks their car in the wrong spot, and what other residents throw in the dumpster.

You know these customers. Sometimes they complain the loudest, and they often have the property manager's ear.

This subgroup of residents can make up 25 to 30 percent of the units on a property. While the rest of the apartment units may churn once or twice a year, this group stays and renews year after year. I call them the “Forever Stays.” Often they outlast the manager.

If we can get a large percentage of these customers, it can boost our penetration rate considerably. But we must also be careful with these folks – if we make a mistake, or take them for granted, they might call a satellite company or sign up for DSL with the phone company. And losing “Forever Stays” has a double-whammy impact. We lose potential revenue from their long-term occupied unit, and they may send negative comments to the on-site staff and new residents.

Unless we begin to seriously consider a “retention” program. Why not schedule a personal visit to see these customers every three to six months? You're on the property every day anyway. “How are things going Mrs. Forever Stay? Oh I see you've got a new HDTV set. Have you heard about our great HD pack?”

And the customer might say, “No, I was going to call the company that the guy at the store recommended.” Hmm, not if a PCO retention expert can help it.

Another customer saved. And another great strategy to keep. I encourage you to follow the ideas of the big guys, and “retain for future gain.” **BBP**

## About the Author

*Bryan J. Rader, former CEO of Media-Works before selling the company last year, has recently founded a new firm, Bandwidth Consulting LLC, where he is advising operators and providers in the MDU market segment. He also remains President of IMCC. Contact Bryan at [bryanjrader@yahoo.com](mailto:bryanjrader@yahoo.com) or by phone at 636-536-0011.*