

Corporate Concierge Can Enhance Tenant Retention

By Olga Pierce

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In this high vacancy market, management companies are focusing on tenant retention and seeking additional ways to attract new tenants. The trend is toward enhanced service-based amenities and the concept of “hospitality.” Increasing the level of “guest services” by adding professional concierge to the building’s amenities can boost tenant retention, add new market attraction, and differentiate a building from the competition.

Top executives, administrative staff, human resource departments and sales and marketing representatives may all utilize the concierge service as their effective, efficient, time saving and creative “helping hand” to ease their business and personal demands. Services provided by a concierge range from assisting with meetings and business social events to obtaining theatre tickets, arranging transportation, and securing VIP reservations at top restaurants. In addition, the concierge can assist

employees with personal plans and events. Delegating these time-consuming responsibilities to a concierge leads to higher productivity for employees and increased job satisfaction. Concierge service works to transform each property into a unique, resourceful and personalized center for the tenants’ business and personal lives.

As tenants become better educated and savvy about the benefits of quality concierge service, they often bring the concierge amenity to the negotiating platform when making the decision to renew their leases, or when they are seeking new space. In a recent article, *Chicago Magazine* ranked the “25 Best Places to Work” based on pay, benefits, perks, work-life balance, etc., observing that “... they must be doing something right, judging by the raves from their workers, whose loyalty translates into low turnover – proof that the grass is greener on their side of

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the fence.” Of the 25 companies recognized over one-third enlist the services of a concierge. USG Corporation is cited in the story as an example of impact the concierge service has on workers.

“The workers at USG Loop headquarters – located in the landmark steel-and-glass building, enjoy a perk that until recently was rare in corporate America: corporate concierge service. ‘The concierge takes last-minute requests such as theatre and baseball tickets or arranging a picnic,’ says Victoria Gutowski, manager of the travel department. ‘If I want to take my family to American Girl Place the concierge can arrange it lickety-split and I can devote my time and energy to my business’”

Another option available to building ownership is a new Customer Service Concept created by Concierge Unlimited International in the wake of growing needs in the corporate real estate market to focus on implementing improved visitor and tenant monitoring capabilities at corporate properties. Currently in place at AON Center, AT&T/USG Building and 500 W. Madison Street, Customer Service

Representatives are modeled upon the concept of hotel guest greeters and front desk staff: friendly, professionally trained in customer service and client recognition, a hospitable solution to growing corporate needs for tenant and visitor monitoring.

The costs for implementation of a professional concierge desk with staff on-site for a 1-million-square-foot building ranges from the annual cost-per-squarefoot of \$0.075, or \$0.0062 monthly. This breaks down to 7¢ per person per day.

Quality concierge service can unquestionably be a factor influencing tenant decisions to renew a lease or in making a decision about new space. They are aware of its financial and resourceful benefits to themselves and their employees. Building owners and managers continue to enhance their tenant amenities, bringing a higher level of service in all aspects of their tenant relations and thereby bringing a greater level of tenant retention and satisfaction. ■

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