

# It's More Than the Thought That Counts

**Give closing gifts that make a lasting impression.**

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Candlesticks and cookie jars. Pictures and plants. Clocks and calendars. What do those things have in common? Sometime, somewhere, a real estate agent has given them as closing gifts. But did they make a lasting impression? Were they displayed in a prominent place, or were they included in the annual spring garage sale? And most important, was the agent who gave them remembered?

A well-thought-out plan for purchasing and presenting closing gifts should be a vital part of your overall follow-up program. But sometimes agents ignore or overlook the importance of closing gifts. After all, once the sale has closed, the commission check is in the bank. And perhaps the buyers or sellers you worked with have moved out of state, and you figure you'll never see them again. But consider how much business you get from referrals. Who better to give you referrals than someone with whom you've just completed a successful transaction?

But to be referred, you must be remembered. That's where a well-thought-out closing gift comes into play. A tasteful or clever gift, carefully selected and presented at the proper place and time, will be talked about again and again. And as the person who gave the item, so will you be.

## **Making a List**

The most obvious recipients of closing gifts should be the buyers and sellers you work with. But should you give closing gifts only when transactions have gone smoothly? Not necessarily. They can help ease tension when deals have soured; perhaps the buyers or sellers were unhappy at the closing, and you were on the receiving end of their vented frustrations. You could give a gift as a peace offering.

But don't get tunnel vision and stop there. You can also give closing gifts to those with whom you haven't completed a transaction. For example, there's hardly an agent around who hasn't spent a lot of time working with prospects, only to find out later that they bought a FSBO. Although you may feel betrayed, it may still be a good idea to present those buyers with a closing gift. Before you gasp in disbelief, think about this: If given with sincerity, the gift may prompt the buyers to refer you to other prospects because they believe they "owe you one." And chances are they'll put you at the top of the list of agents they'll consider when it's time to sell. The result could be business that you might otherwise have missed out on.

## **Money Matters**

One of the first questions that comes to mind when you think about giving closing gifts is how much you should spend. Many times we become penny-wise and pound-foolish. It's not unusual for agents to spend a huge amount of money on classified advertising to attract a buyer for a piece of property but to do little or nothing to follow up after the sale. On the other hand, it makes no sense to spend a large part of each commission check on an expensive gift with no guarantee of any return.

So how much should you spend? Many agents use flat amounts, say, \$10-\$25 per transaction, regardless of the price of the house, and often give the same gift to everyone. Others use a percentage of the commission received (1-5 percent) as a basis for determining how much to spend and usually customize the gift for the recipients. You might find that a combination approach can work for you.

When you're deciding how much to spend, remember that the item will be a reminder of you. What kind of impression does a plastic key chain or a \$5 gift certificate leave? Surely not what you want to be remembered as: a real estate professional.

Have you ever received a present that wasn't wrapped? It probably wasn't too exciting. So wrap whatever you give, if possible. If the gift you're giving is properly wrapped, it will make a great first impression even if it's inexpensive. But wrapping paper adds another expense to closing gifts. Consider this cost-cutting measure: If other agents in your office also give closing gifts, suggest you all contribute to buying large quantities of foil wrapping paper in your company colors.

## **Choosing What to Give**

Don't get into the trap of thinking everyone would like the same things you do. You might like a bottle of champagne and two engraved glasses for that first night in your new condo, but what if the person for whom you bought the gift is a recovering alcoholic? The best way to avoid awkward situations is to look for clues during the homebuying or homeselling process. Make notes to yourself about the hobbies, collections, and special interests of those you work with. If you sell an older home to people who love antiques, for example, you might shop for a unique antique vase. People are usually impressed that you remembered something about them.

Another idea would be a fireplace tool set for a couple moving into their first home with a fireplace. A ceiling fan would be an excellent closing gift for the person who mentions he loves them and would like to get one for the foyer but can't afford one right away. Or how about a new sandbox for the kids if theirs was included in the sale of their previous home?

Avoid items that look cheap or are commercialized with your name or company logo all over them. It's okay to have them somewhere on the gift; just don't expect people to display anything that looks like an advertisement for you. If you give someone a pencil sketch of their home, for example, put your name and company on the back. I've given oak-framed clocks with a very small company logo in the middle, expecting people to see it every time they look at the clock. But I've found that the clocks have ended up in bedrooms or recreation rooms rather than in a prominent location, possibly because of the logo. So keep in mind that even if your name or company logo isn't overdone, it can still be a turnoff to many people.

What else can you give? Where can you get other ideas? Many classes leading to designations allow for idea exchanges, as do roundtable discussions at state and national meetings. I've picked up most of the ideas from conventions and trade magazines but found that the best ideas come from other agents. Here's a brief summary of some items I've used or heard about:

**1. Bill organizer**—This is handy and very popular, but unless you get the kind that hangs on the wall, it will be kept in a drawer, out of sight. Another disadvantage: Do you want to be thought of only at bill-paying time?

**2. A bottle of champagne or wine in a paint bucket**—This is a new, inexpensive item that makes a clever housewarming party gift. However, you run the risk of giving it to a nondrinker. And like any other food or drink, once it's gone, it's gone.

**3. Ceramic or brass house number**—When friends and family visit the owners' new home, they're bound to look for the house number from the street. Unusual, eye-catching numbers may draw comments, and your name could be mentioned. The disadvantage is that when the owners eventually move, they won't be able to use the same numbers at their new home.

**4. Cookie jar**—I'm currently giving personalized ceramic cookie jars as closing gifts, and people seem to love them. The ones I give are in the shape of a gingerbread house with the homeowners' last name over the top of the front door, their first names on the front door, and the date and my name on the inside of the lid. They're conversation pieces because homeowners usually keep them out on the kitchen counter. I have to special order each one, but because they're personalized, it shows that I've put some thought and effort into selecting the gift. I pay \$20 plus tax for each cookie jar, which I think is reasonable for most of my transactions.

**5. Door knocker or door nameplate**—you can personalize it by having the owners' last name engraved, but the owners will need to remove it when they relocate.

**6. Flowers**—Bouquets are an old favorite but don't last long enough to be a permanent reminder of you. Give a green plant instead—it might live many years. Silk plants and flowers are even better, since they last indefinitely.

**7. Gift certificate**—Buyers who've put most of their money into a down payment and closing costs appreciate one. A mall certificate that can be used at a variety of stores makes a nice gift, as does a certificate from a home improvement store. If you buy several certificates and convince the store manager new customers will use them, you might get more valuable ones than you pay for. Some managers might even give you free certificates to hand out to new people in your area. It never hurts to ask.

**8. Jigsaw puzzle of the home**—Many photography stores will make jigsaw puzzles from photos. This item gets points for uniqueness, but once the novelty wears off, it'll get stuck in a closet somewhere and do you no good. Use this as a second gift for the kids.

**9. Mailbox**—This is an ideal gift because it can be personalized, is seen daily, and can be replaced inexpensively when a subsequent move occurs. However, if sellers leave it behind when they move, they won't have a lasting reminder of you.

**10. Professional photograph or etching of the home**—If you put either of these in a nice frame, your closing gift will get displayed prominently. With the cost of a quality frame added to that of the photo or etching, however, this could be an expensive gift.

**11. Restaurant certificate**—You can impress buyers and sellers with dinner at a fancy restaurant, but your gift is gone once the meal is over. To make a more lasting impression, invite the homeowners

to join you at the restaurant of their choice.

**12. Subscription to the local newspaper**—This is a great idea for those new to the area, but beware of duplicating an existing subscription. Another potential drawback is that once the subscription runs out, the recipients might not remember who gave it to them in the first place.

### **Timing Is Everything**

The most obvious time to give your gift is on the closing day. Because you'll be picking up your commission check then or shortly thereafter, a gift on the closing day seems to say, "I wasn't just in it for the money; I wanted to see you happy." One item you can give at the closing is a metal policy box. For some time, I've given buyers such boxes that have a combination lock. I set the combination to match their new house number and place my business card in the lid. Another item that's appropriate to give at the closing is a folder in which buyers or sellers can keep all their important documents.

If you're simply giving a document folder, then by all means bring it to the closing, where it can be used. But giving a gift at the closing doesn't provide you with the opportunity to see buyers and sellers on their own turf and to have more contact with them after the closing. So consider presenting your gift on moving day. Not only does it give you another opportunity for personal contact, but it also allows you to meet prospects. Chances are that some of the buyers' or sellers' closest friends and family will be at the home helping with the move or saying good-bye. You'll be sure to get introduced, and you may even get a referral on the spot.

What are some closing gifts you can deliver on moving day? Providing lunch is an excellent idea. Because moving day is so hectic, making a meal is probably the last thing on many buyers' and sellers' minds. They may also be grateful for a bouquet of flowers to brighten their new home until their boxes are unpacked. Just be sure the flowers are in a vase—chances are that those who are moving will have theirs packed away.

Before deciding to make moving day your gift-giving day, be aware that it's usually a stressful time for many people. They may not be in a pleasant mood or have time to sit and talk with you. Finally, you may be asked to stick around and help with last-minute packing. If you do decide to drop off a closing gift on moving day, it's a good idea to phone first, and make it clear you don't plan to stay very long.

When deciding on a time to give your closing gift, you might want to consider a schedule that has worked well for me. At the closing, tell the buyers or sellers that you have a special gift for them, which you'd like to deliver personally. You'll probably find them more relaxed and appreciative of your gift after they've settled into their new home, so set a tentative date about five to seven days after they've moved. Ask for their new phone number and tell them you'll call before you stop by. Send a thank-you card or letter that day, followed by a phone call the day before you plan to visit. Be sure to attach a note or card to the gift and include several business cards. When you drop it off, explain that your business comes mostly from referrals from satisfied buyers and sellers and that you'd appreciate their passing your name along.

Remember that some people not only will want to give you a tour of their new home but might also take the opportunity to tell you about everything they've found wrong since they moved in. Try to keep your visit on a positive note and have some standard responses ready, as you would for prospects' objections.

## **Location, Location, Location**

Although the best place to present a closing gift may be at the buyers' or sellers' new home, it's not always practical. What about those who move across the country? Taking the gift to the closing or dropping it off on moving day are always options. However, many people get a thrill out of receiving packages in the mail or by UPS, so you might want to consider those alternatives.

For those who are hard to catch at home, the best place to send or deliver a closing gift might be their office. And that has a side benefit as well. When a package is delivered, co-workers are likely to ask who sent it, and your name could get mentioned many times. However, before sending your gift to the buyer's or seller's place of employment, make sure that it's acceptable for employees to receive personal mail. And if you deliver it in person, call before you visit. Many people may not want to be interrupted at work.

One final piece of advice about location: Don't ask anyone to pick up the gift at your office. That shows a lack of caring on your part and will do little for your image.

## **Forget Me Not**

You probably won't find any single item that's appropriate for every transaction you close, but before selecting any closing gift, ask yourself these questions:

- Does it reflect well upon me as a real estate professional?
- Will it be displayed in a prominent place?
- Will it help the recipient remember me?

If you can answer yes to all three questions, congratulate yourself. You've chosen a gift that has the best quality of all: the power to bring you more business.

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