Contact Management and Your Business: Why is it So Important?

Do you use a contact management system in your business? Even if you don’t currently utilize one, you’ve probably heard the phrase floating around in your office, with your colleagues, or in training courses you’ve taken.

So why is a contact management system so important? Because it’s simply one of the best, easiest, most cost-effective tools you can give yourself to help start, grow, and maintain your business. Not yet convinced? Consider these 10 ways a contact management system can change the way you do business.

1. **Keeps you organized.** When information for all of your contacts, leads, current clients, and past clients is stored in the same place, you’ll no longer have to hold on to old emails, business cards, scraps of paper, or voice mails with bits of contact information and notes to yourself. Once you get in the habit of entering contacts into your system right when you receive them, you’ll spend less time worrying about what you’re forgetting, and more time turning leads into sales.

2. **Saves you time.** Not only will you save time by not having to remember where you left off with a particular lead or client, but you’ll also save time in the lead conversion process. Most contact management systems offer automated assistance: put a contact into your system and they’ll receive a series of conversion emails on a schedule that you’ve pre-set. Go about your day knowing that you’re beginning the lead conversion process while you’re out getting important work done.

3. **Maintains relationships with existing customers.** Past clients are an invaluable commodity. Once a lead or client has been entered into your system, they stay there as long as you want them to. Consider this benefit an investment in future communication. Set your system up to send past clients birthday or anniversary cards, or a monthly newsletter. When you keep the lines of communication open with past customers, you’re top-of-mind when they’re ready to make their next real estate transaction.

4. **Saves you money with targeted marketing.** Sending blanketed marketing to your whole town is a thing of the past. Save money and effort on your marketing campaigns by choosing targeted segments of your database and sending them only the information that is relevant for them. Announce a new listing with a postcard that’s only sent to contacts who have searched for homes in that neighborhood or in that price range, for example. Not only will you be saving yourself time and money, but you’ll also be sending leads valuable information, instead of wearing out your welcome with bulk campaigns they may not be interested in.

5. **Determines which marketing efforts are producing the most qualified leads.** Data on the ROI of your marketing efforts is crucial to your success. Your contact management system will provide information on the efficacy of recent campaigns, helping you decide whether a campaign was money well spent. Moving forward, you can set benchmarks and goals for success, and over time, you’ll know how to best allocate your marketing budget to reach the right customers, at the right time, with the right message. Consider creating a formula for success. Study past campaigns and their related sales and determine the profit produced per hour of time you dedicated to a marketing campaign.

6. **Tracks your personal performance.** A good system can provide you with contact, marketing, and response time history for your current, recent, and past sales. Track your own success over time and identify areas for improvement. Reflect on your strategy with individual clients, or with multiple clients over a given time period.
From keeping tabs on where contacts are in the lead conversion process, to enacting and analyzing marketing campaigns, and from determining which leads are the most qualified to maintaining your relationships with past clients, a great contact management system is like your own digital office assistant. It makes you the best real estate professional you can be: responsive, organized, budget-conscious, goal-driven, and strategic.