

# From Resident Rewards to Lease Renewals

A guide to setting up and optimizing your property's rewards program for long-term success.

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The OS for property management







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# Introduction

**In today's multifamily market, competition for new residents is fierce, and margins are getting thinner.** Rising operating costs, driven by inflation, maintenance expenses, and global supply chain pressures, mean you need to make every dollar count. Property teams are feeling the squeeze of balancing the need to fill vacancies with the even more pressing need to retain their best residents.

The facts are simple. It's far more profitable to keep a current resident than to find a new one. Despite high demand across rental markets, turnover remains costly. According to industry data, the average cost to turn an apartment is nearly \$3,900, which includes lost rent, make-ready costs, and marketing expenses<sup>1</sup>. Depending on downtime and market conditions, it can take six months or more to recoup the loss of rental income. And that doesn't factor in the operational strain placed on leasing and maintenance teams during turnover cycles.

High resident retention saves money AND provides stability. Predictable renewals make financial forecasting more reliable, operational planning more efficient, and community culture more consistent. When residents stay longer, communities thrive: they're happier, more connected, and more likely to refer friends and leave positive reviews.

So, the question becomes: **how can you encourage residents to renew, engage, and feel loyal to your community?**

One of the most effective—and often underutilized—strategies to build goodwill and increase retention is implementing a resident rewards program. When done right, rewards can transform transactional relationships into emotional ones, motivating residents to engage positively with your property. A well-designed program will make residents feel appreciated while nudging them toward behaviors that support operational goals, like paying rent on time, referring a friend to the property, or renewing leases early.



<sup>1</sup> Turnover costs hold steady at nearly \$4,000 per resident

Rewards can even serve as a competitive differentiator, helping your property stand out in a crowded market. Prospects notice when a community invests in resident experience, and existing residents think twice before leaving a place that recognizes and rewards their loyalty.

Over the course of this ebook, we'll explore how to implement a resident rewards program that works for both residents and operators. You'll learn:

- Why a formal program matters and how it outperforms ad hoc incentives.
- Best practices for implementation, from goal-setting to measurement.
- Examples of high-impact rewards that drive engagement and renewals.
- Why a formal program is needed

While it's common for communities to reward residents occasionally—say, with gift cards for referrals or discounts for early renewals—these efforts often lack consistency and scale. A formal rewards program brings structure and visibility to your resident engagement strategy.

Some of the key benefits include:

- **Trackable ROI:** Centralized reporting makes it easier to measure the effectiveness of reward spending and demonstrate tangible returns.
- **Scalability:** A structured program can be rolled out across multiple properties, creating brand-wide consistency and economies of scale.
- **Brand loyalty:** Even if residents eventually move, their positive association with your brand can influence future leasing decisions within your portfolio.
- **Behavioral reinforcement:** Incentivizing desired actions—like on-time payments, positive reviews, and participation in community events—helps cultivate a more reliable and connected resident base.

When thoughtfully designed and executed, a rewards program not only delivers perks but also builds relationships, drives renewals, and turns residents into advocates. In the following sections, we'll walk through the foundational steps of designing your program, highlight proven best practices, and share a range of reward ideas that can be adapted to any multifamily community.

## SECTION I

# Steps to Implement a resident rewards program

Resident rewards programs are rapidly becoming a cornerstone of modern multifamily management. They encourage timely rent payments or renewals while also building connections, improving retention, and strengthening your community's reputation.

But success is more than offering points or prizes. It also means implementing a program that's easy to manage, resonates with residents, and aligns with your property's business goals. The following best practices outline how to design, launch, and sustain a rewards program that delivers real results.



# 1 Start with a clear goal

Before selecting a platform or setting up incentives, define what success looks like. Ask yourself, "What problem am I trying to solve?" Are you aiming to improve retention, increase online rent payments, reduce concessions, or elevate resident satisfaction?

Once you've identified your key objectives, design your rewards program backward from those goals. Every point, activity, or redemption option should reinforce a measurable outcome.

**Example:** If you want to improve cash flow and reduce delinquencies, reward residents who set up autopay or renew early. Aligning incentives with desired behaviors ensures your program generates tangible results.

# 2 Focus on ease of implementation

Even the best-designed program will fail if it becomes a burden on your team. Choose a rewards framework that automates as much as possible and tracks resident activity, awards points, and provides redemption options without manual oversight.

When evaluating platforms or processes, consider:

- **Integration:** Does it connect seamlessly with your property management system?
- **Automation:** Can it automatically trigger rewards for key resident actions?
- **Simplicity:** Will your onsite team understand and use it easily?

The goal is for staff to engage with the program because they want to (e.g., promoting rewards at events or celebrating milestones), not because they have to manage administrative tasks.



# 3 Make it easy for residents to engage

A rewards program only works if residents know about it and find it simple to use. Awareness drives participation, and consistent communication is key.

Promote the program across multiple touchpoints:

- Welcome materials for new move-ins.
- Email newsletters and payment reminders.
- Community events and social media.
- Signage in common areas or leasing offices.

**Best Practice:** Reinforce program visibility during key resident interactions, such as lease renewals, onsite tours, or digital rent payments. When residents encounter the program naturally throughout their living experience, engagement rates rise significantly.

## 4 Offer flexible and aspirational rewards

Choice is powerful. Residents are more likely to participate in programs that let them select rewards that feel personally meaningful. From rent credits and gift cards to experiences or charitable donations, flexibility builds excitement and emotional connection.

While cash incentives are appreciated, research shows that experiential or personalized rewards like travel, dining, or community perks often leave a more lasting impression. These rewards make residents feel seen and valued—emotions that drive true loyalty.

Tip: Include a mix of small, frequent rewards (for ongoing engagement) and larger, aspirational ones (to build long-term motivation).

## 5 Customize rewards to fit your community strategy

No two multifamily properties are alike. Tailor your rewards structure to reflect your community's culture, resident demographics, and operational priorities.

For example:

- Urban properties may focus on public transit incentives or local experience partners.
- Student housing might reward academic achievements or community participation.
- Luxury communities could emphasize high-end experiences or premium partnerships.

Test different incentives and point values, then analyze which behaviors and rewards deliver the strongest ROI. Customization ensures your program feels authentic and aligned with your brand identity.

## 6 Measure impact and continuously improve

To maintain momentum and prove value, measure your program's performance regularly. Key metrics might include:

- Renewal and retention rates.
- Autopay or online payment adoption.
- Resident satisfaction and reviews.
- Reduction in concessions or vacancy costs.

Compare the cost of rewards to traditional incentives like discounts or giveaways. Many properties find that well-designed loyalty programs yield higher returns at a lower cost.

### Did You Know?

A **5%** boost in resident retention can increase profitability by up to **25%**<sup>2</sup>.  
*Rewards programs help drive those gains.*

## 7 Lead with emotion, not just economics

At its core, loyalty is emotional. Residents may sign leases for practical reasons, but they renew because they feel connected. A well-executed rewards program taps into that emotional side by recognizing effort, celebrating milestones, and making residents feel appreciated.

Remember, the goal of a rewards program is multifaceted. At first glance, it might seem like the only focus is saving money and filling homes, but there are ancillary benefits as well, like fostering community pride, gratitude, and belonging for residents. Those emotions are what transform a property into a community.

<sup>2</sup> [The Art of Tenant Retention](#)



## Building loyalty that lasts

When implemented thoughtfully, a resident rewards program can incentivize resident behaviors and reshape the entire resident experience.

Focus on:

- Simplicity in setup and management.
- Clear communication and visibility.
- Flexible, personalized rewards.
- Emotional connection alongside financial value.
- Ongoing measurement and iteration.

The result is a program that strengthens relationships, reduces turnover, and enhances your property's reputation one reward at a time.

### SECTION II

# Seven rewards and incentives every property should consider

Designing an effective rewards program is about finding the balance between structure and substance. Once you've defined your goals and built the framework for tracking and automation, the next step is determining which rewards will truly motivate your residents. The most successful programs combine high-perceived-value incentives with manageable costs and operational simplicity.

The key is variety. A well-rounded rewards strategy includes options that appeal to different motivations (e.g., financial savings, lifestyle upgrades, social belonging, or emotional fulfillment). By offering a mix of practical and aspirational incentives, you can engage residents at every stage of the leasing journey, from move-in to renewal.

The following seven rewards and incentives represent proven, versatile options that property teams can adapt to their own communities. Each one balances resident appeal with ownership value, helping you drive retention, satisfaction, and long-term loyalty.



## 1 Home upgrade for early renewals

On lease renewals, to encourage residents to sign earlier, you can offer an upgraded home (one with a better view, balcony, in-home washer/dryer, etc., or receive upgrades on their existing home). Make sure the resident knows the offer is contingent on signing by a specific date to create urgency.

This is good for owners and operators because it helps them retain a good resident and avoid those expensive turnover costs. Also, upgrading an existing resident has less leasing risk than taking on a new resident in that same home. And by making incremental improvements to homes over time, it also helps increase the value of the property.

This is easy to implement. All you need to do is keep a running list of available homes or homes needing upgrades. It's also important to outline the terms of the upgrade. Will rent stay the same? Will there be a slight increase in rent? From a reporting perspective, you will want to track those who accepted the incentive vs. those that churned.



## 2 Earn credits for free or discounted rent

Based on the point system you have set up for your rewards program, once residents hit a certain threshold, they will become eligible for discounted or free rent. Points are earned by doing those desired actions noted above.

Residents like this because there is a tangible financial benefit that has a high perceived value. Owners and operators like it because it has a potential for high ROI. Instead of having to make up for lost income and turning over an apartment, they lose just one month's or a portion of one month's rental income.

## 3 Gift cards

Residents will also be able to redeem points for gift cards at local restaurants, online retailers like Amazon, and other stores in the area. Residents like this because these are the types of incentives that have a lower barrier to entry. Property managers like it because it's an inexpensive way to create satisfied residents and build loyalty around the brand.

## 4 Amenity or service upgrade

Upgraded amenities are things like premium parking, adding high-tech features to the home like smart locks or smart appliances, or one month of valet laundry service for free.

Residents like this because it gives them a sense of status at the property. Owners and operators like it because it's a way to continually upgrade homes to maintain/increase the value of their asset and makes the home more attractive when the time to re-lease it comes.



## 5 Exclusive resident events/experiences

You can host special events like a cocktail party, cooking class, or BBQ for residents who have achieved a certain tier. This helps to build ties to the community and a sense of belonging. For operators, a stronger community means stronger retention, better reviews, and improved resident satisfaction.

## 6 Discounted services

Offer a one-time free or discounted service like waiving a pet ownership fee, discounts to laundry services, or a free deep-clean before a lease is renewed. This is an easy way to help residents feel good about the community and the lifestyle you're providing. This is another reward that has a high perceived value, but in actuality doesn't cost the property much in the long run.

## 7 Contribution to charity of your choice

Offer an option for residents to have a donation made on their behalf to either a charity of their choice or a community charity that the property chooses to support. This type of reward is attractive to younger residents who tend to be more socially conscious. It builds goodwill with residents and the community and improves your reputation among residents as well. The key is finding either the right charities or non-profits to partner with or, if you decide to let the resident pick, finding the right platform to administer and track donations.



Once you've found the right mix of rewards, you can't just set it and forget it. It's an ongoing process of learning what resonates most with your residents. Track participation rates, redemption patterns, and feedback to understand which incentives drive the greatest impact. Over time, you'll be able to fine-tune your offerings, adjusting point values or introducing new rewards that reflect your community's evolving needs.

Ultimately, the goal is to create a balanced ecosystem where residents feel recognized and valued, and owners see measurable returns in the form of stronger renewals, fewer vacancies, and higher satisfaction scores. When thoughtfully curated and consistently refreshed, your rewards catalog becomes more than just a perk—it becomes a powerful tool for building lasting resident loyalty and community pride.

## CONCLUSION

# How Entrata can help

Homebody RXP touches almost every aspect of living at your properties and simplifies them. No longer do residents have to go to disparate apps and remember countless logins to pay rent, make a maintenance request, message the property, or renew their lease.

Homebody RXP consolidates all of those actions and many more into a single app, while also making it easy for you to deliver a number of services to your residents like ID Theft Protection, Rent Reporting, Renters Insurance, Rewards, Deposit Alternatives, Offers, and more.

As part of Homebody RXP, properties can build and administer their own loyalty program via Homebody Rewards, which enables them to reward residents for doing things like paying rent on time, signing a new lease, setting up autopay, and more. For properties, Homebody Rewards serves as a differentiator to help attract and retain quality residents, incentivize positive resident behaviors, and reduce operating costs. There are no monthly fees to participate.

Properties simply choose which actions to incentivize, and then Entrata does the rest. To learn more about **Homebody RXP** and **Homebody Rewards**, [request a demo today.](#)

