

<http://www.insideselfstorage.com/articles/711feat2.html>

# Marketing 101

**A primer for the self-storage newcomer**

**Bob Winet**

01/02/2007

**New to self-storage? Here's a crash course in industry marketing—past, present and future—to orient you on understanding and reaching storage customers.**

People have put goods in storage areas since civilization began. The first seeds of self-storage as a business were sown in Corpus Christi, Texas, in the 1960s. The builder used strips of land to build rows of garages with roll-up doors. He marketed his storage concept to U.S. Air Force personnel to store personal goods while overseas.

Eventually in other Texas towns, entrepreneurs developed larger parcels of land, put fences around the garages and added new sizes to the rental-space mix. On-site apartments were built for retired couples, who were paid meager salaries but were happy to have a residence. Thus, the mini-warehouse industry, now known as self-storage, was born.

California builder Ken Volk observed the concept in Texas. He scouted for a building site with high visibility for drive-by traffic to enhance marketing of the storage rental spaces. His idea definitely increased awareness of self-storage in the market and worked wonders as a promotional tool. Drive-by traffic continues to be a major marketing component for many well-located facilities, but it certainly shouldn't be the end all.

## **The Present**

Today's professional operators offer multiple services and products, and market them as such: retail-product displays, high-tech security, climate-controlled spaces, small-business services, conference rooms, computer work stations, wireless hot spots, business tie-ins with movers and warehousemen, packaging, mailing and other commercial or retail uses. Drive-by exposure offers great marketing without a price tag attached, but Yellow Pages advertising is now the most critical way to make the phone ring.

While mom-and-pop management is waning, replaced with professional management teams, we should never overlook the power of marketing through relationships. Make sure your team realizes good customer service is a

necessary marketing tool; good customer relationships earn storage tenant referrals and inspire customers to rent storage space again and again.

Operators today must create promotional programs to compete in highly competitive markets saturated with self-storage. Breaking even and achieving high occupancies takes longer than in the past. Smart, effective operators market much more than rental space and maximize customer service. In addition, they have a management team reaching out by participating in community activities. Exposure is a great—and inexpensive—marketing technique.

Americans appear to have an insatiable appetite for more space as they acquire more things. We have been called a nation of packrats. Demand for more space is increasing in spite of the self-storage building boom. The *Los Angeles Times* recently reported that new homebuyers are demanding stretch garages with three to five parking spaces. The space is for cars, boats and workshops, and not necessarily all the boxes of holiday decorations, keepsakes and countless belongings. More off-site space is still needed and continues to drive market demand.

Astute self-storage marketers direct campaigns directly to potential tenants' needs. For packrats, they provide relief in the name of space. Make sure your marketing efforts do the same.

## **And Beyond**

Americans will continue to pay storage rents for months and years instead of disposing, recycling or giving away personal goods. Our society will always save things for the proverbial rainy day. Understanding this customer psychology allows owners to be successful in competitive markets.

Business and residential tenants are distinctly different. Both require different skills in marketing. Businesses typically are longer term tenants, less risk and rarely pay rents late. Many store inventory at the facility and it's not uncommon to have UPS service to and from the unit. For some, their storage unit becomes their regular business address.

Modern facilities market to small business in the services they provide: fax machines, computer work stations, a wireless hot spot and conference rooms for meetings. Mailbox deliveries can be provided to those holding local business licenses.

Homeowners generally patronize facilities within a 5-mile radius of their residence. Often, residential customers sign a contract thinking they'll only rent a short time, even though their tenancies usually last longer than expected. They want to know their belongings are safe. Make sure your marketing materials describe security measures at your site, be it a fence, CCTV, unit alarms, etc.

Good risk management is a vital part of marketing too, so offer insurance programs to cover tenants in the event of vandalism or other loss.

Marketing can be the most enjoyable part of the job for managers who are motivated, properly trained, have incentives and participate in cooperative teamwork with operators. Make sure you and your staff understand the intricacies of marketing and how today's programs assure your tomorrows will always be bright.

*Based in Rancho Mirage, Calif., Bob Winet is an experienced owner, operator, consultant, expert witness and a licensor of Added Value Self Storage for use by owner/operator licensees. He was a founding member of the Self Storage Association, and a pioneer of on-site truck rentals, cargo containers and on-site small-business services. For more information, call 760.774.4450; e-mail [rwinet@dc.rr.com](mailto:rwinet@dc.rr.com); visit [www.bobwinet.com](http://www.bobwinet.com).*