

Self-Storage Marketing Success: Using Facility – Specific Data to Find Your Target Market

The success of your self-storage business is dependent on cash flow, which comes from customers in your target market. Therefore, your marketing should *always* be about your prospects and never about your facility.

Focusing on your facility is one of the biggest mistakes you can make in self-storage marketing. Your potential customers don't care if you have the equivalent of the Taj Mahal. They don't care about the fountain you have out front or the granite countertops in your office. They don't care about your great management software or that you've been in business since 1341 B.C. They care about themselves and their needs and wants. Focusing your marketing on how great your facility is rather than the mind and desires of the consumer can be deadly to your business.

You must know and understand your target customers as best you can, because they're the ones reaching into their wallets and paying you the money. This article teaches you how to really comprehend your market, and how to get inside your customers' heads so your marketing and sales messages become infinitely more powerful and persuasive. This means higher income and occupancy for you as well as the maximum possible return on your marketing investment.

3 to 5 Miles is Not Your Target Market!

Self-storage operators commonly believe their target market lies in the 3- to 5-mile radius surrounding their facility. In some cases, this may be a proper geographic representation, but it only scratches the surface of who your customers really are. More often than not, 3 to 5 miles isn't even an accurate geographic trend. Your target market could extend 1 or 20 miles from your site. Whatever it is, it's important that you know your exact market area, so when you spend money on marketing, it's targeted to the most responsive audience.

To determine someone's character, pay attention to what they do, not what they say. The same is true for determining your target market. By focusing on customers' actions, you can leverage what people are actually willing to spend money on, not just what they say they'll spend money on.

You want to know exactly who in your market is willing to fork over that credit card for storage. Many operators fall into the trap of assuming or hoping customers will be a certain type of person from a certain neighborhood near their facility. Unfortunately, this can be an expensive wish. Rather than hope or guess who your customers should be, find out who they actually are and target them in your marketing efforts.

Finding Your Real Customers

Identifying your real customers requires a reverse analysis of your tenant database—in other words, who is actually paying you money on a monthly basis. By doing this, you learn trends about customers' age, income, household type, home value, family unit, race, gender, credit score, neighborhood and more.

After you conduct this analysis, it's important to look at the invaluable trends within the results. From there you need to think about the 80/20 rule (Pareto Principle), which allows you to think in terms of inequality. When you notice the disparity among your tenant database, you can be much smarter about targeting customers.

For example, let's say that after running a reverse analysis on your tenant database, you notice that 80 percent of your tenants are between 55 and 64 years old, have a household income of \$125,000 to \$250,000, are African-American, female with two children, and have lived at their residence for five to seven years. This may not represent a majority in just any market, but it's the majority for your facility, and that's what's important.

Now that you have the data, you can more intelligently select your marketing channels. When considering mediums, simply compare those demographic and psychographic traits with the geographic data. You can then target your marketing to people who fit these very specific criteria and pull a much stronger response. Most marketing channels allow you to target based on selects such as these.

Before we continue, be clear about one distinction: This is not about doing a demographic, psychographic and geographic analysis on the city in which your facility is located. This analysis is of *your actual paying customers*. Now take a look at the accompanying charts, which display demographic trends among a tenant base. It's a lot of data to view and analyze;

but truly understanding your target market can help you increase occupancy and spend less money at the same time.

AGE TREND		
Age in Years	Number of Tenants	Percentage
19-24	1	0.90%
25-34	10	9.01%
35-44	20	18.02%
45-54	53	47.75%
55-64	17	15.32%
65-74	6	5.41%
75+	4	3.60%
Total	111	100.00%

INCOME TREND		
Annual Income	Number of Tenants	Percentage
\$<15k	3	2.70%
\$15-24k	6	5.41%
\$25-34k	23	20.72%
\$35-49k	26	23.42%
\$50-74k	33	29.73%
\$75-99k	11	9.91%
\$100-124k	4	3.60%
\$125-149k	3	2.70%
\$150-174k	2	1.80%
\$175-199k	0	0.00%
\$200-249k	0	0.00%
\$250+k	0	0.00%
Total	111	100.00%

HOME-VALUE TREND		
Home Value	Number of Tenants	Percentage
\$<25k	0	0.00%
\$25-49k	0	0.00%
\$50-74k	0	0.00%
\$75-99k	0	0.00%
\$100-149k	53	57.61%
\$150-199k	26	28.26%
\$200-249k	10	10.87%
\$250-299k	0	0.00%
\$300-349k	2	2.17%
\$350-499k	1	1.09%
\$500-999k	0	0.00%
Total	92	100.00%

LENGTH-OF-RESIDENCE TREND		
Length of Residence in Years	Number of Tenants	Percentage
<1	17	16.50%
1	3	2.91%
2	9	8.74%
3	2	1.94%
4	3	2.91%
5	7	6.80%
6	7	6.80%
7	3	2.91%
8	4	3.88%
9	2	1.94%
10	3	2.91%
11-15	17	16.50%
16-19	10	9.71%
20+	16	15.53%
Total	103	100.00%

PROPERTY-TYPES TREND		
Property Type	Number of Tenants	Percentage
Residential	50	70.42%
Condo	15	21.13%
Suite	0	0.00%
Apartment	6	8.45%
Mobile Home	0	0.00%
Total	71	100.00%

HOUSEHOLD-COMPOSITION TREND		
Composition Type	Number of Tenants	Percentage
1 Female	7	6.93%
1 Male	16	15.84%
1 Male, 1 Female	39	36.81%
1 Male, 1 Female, Children	11	10.89%
1 Female, Children	3	2.97%
1 Male, Children	1	0.99%
1 Adult	2	1.98%
1 Adult, Children	0	0.00%
1 Male, 1 Other Adult	9	8.91%
1 Male, 1 Other Adult, Children	3	2.97%
1 Female, 1 Other Adult	7	6.93%
1 Female, 1 Other Adult, Children	3	2.97%
2 Adults	0	0.00%
2 Adults, Children	0	0.00%
Total	101	100.00%

DRIVE-TIME TREND				
Tenant Category	Number of Tenants	Average Distance (Miles)	Minimum Distance (Miles)	Maximum Distance (Miles)
Consumer/ Residential	103	15.12	0.30	964.68
Business	5	10.56	0.39	40.93
Small Office/ Home Office	8	8.44	1.26	23.65
Total	116	14.46	0.30	964.68

Understanding Human Emotions

There's one more element to understand when defining your target market. Most of what we've discussed has been black-and-white and data-driven. This information will help you define who your target market is, but it's not worth much at all when it comes to communicating and connecting with customers as human beings.

To do that, you must have empathy and an emotional understanding of what makes them tick. This is not as easy to identify, but still crucial. In short, you need to understand the emotional and psychological reasons customers use storage.

Put yourself in their shoes at that particular moment in their life. Are they stressed? Overwhelmed? Scared? Excited? Happy? Unfortunately, most customers are in the middle of something stressful when they need storage, such as a move, family tragedy, divorce, etc. Whatever the case, it's important to have empathy and create a profile for these emotions. When you do this, you're fully able to connect and communicate with customers.

Determining the emotional state of your prospects is hard to do but must be considered when crafting each of your marketing messages. As you create them, remember to put yourself in customers' shoes and have compassion for their situation.

Whatever you do moving forward, this article offers a clear indicator as to how detailed your target market can and should be. Not only will it help you improve your marketing efforts, it will help you make other decisions throughout your self-storage operation.

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