

Modernize Your Self-Storage Facility:

Why Upgrading Your Software is Essential to Attracting More Tenants

The self-storage industry is rapidly evolving, with larger operators leveraging advanced technology to dominate the market. For independent facilities, the key to staying competitive lies in modernization. With the right self-storage software, you can optimize operations, improve tenant satisfaction, and future-proof your business. This white paper explores why upgrading your software is essential, its benefits, and how Tenant Inc. can help you transform your facility.

Introduction:

The Self-Storage Industry: A Modern Revolution

The self-storage landscape is undergoing a dramatic transformation. Picture this: across the United States, **over 52,000 self-storage facilities dot the map, a number that rivals the combined presence of McDonald's and Starbucks!** This explosive growth paints a vivid picture of a booming industry, but it also reveals a fiercely competitive arena where staying ahead of the curve is no longer a choice, but a necessity.



While the self-storage landscape continues to evolve, the battle for dominance is intensifying. Powerful real estate investment trusts (REITs), armed with cutting-edge technology, are optimizing their operations, boosting their online visibility, and attracting tenants with unprecedented efficiency. This leaves smaller, independent operators facing a daunting challenge – **how to compete in a landscape increasingly dominated by giants.**



Navigating the Challenges of a Shifting Landscape

The self-storage industry, while robust, is not without its hurdles. Beyond the fierce competition, **operators are grappling with a complex web of challenges**, from inflationary pressures and labor shortages to the ever-evolving expectations of today's tech-savvy tenants.

However, amidst these challenges lies opportunity. Modern software solutions are emerging as a lifeline for operators of all sizes, offering powerful tools to streamline operations and enhance the customer experience. Imagine:



Effortless Leasing: Tenants can secure their storage unit entirely online, from browsing available spaces to signing contracts and making payments, all with a few clicks.



Automated Efficiency: Say goodbye to manual invoicing and tedious paperwork. Automated systems handle everything from billing to maintenance requests, freeing up valuable time and resources.



Seamless Communication: Stay connected with tenants through automated notifications, reminders, and personalized messages, fostering a sense of community and responsiveness.

By embracing these technological advancements, self-storage operators can not only tackle the industry's challenges head-on but also unlock new levels of efficiency, profitability, and customer satisfaction. **The future of self-storage is here, and it's powered by innovation.**



Changing Tenant Expectations

Today's tenants not only benefit from online convenience—they expect it. They want to browse, rent, and manage storage units online, services REIT-backed facilities seamlessly provide. **To keep pace, smaller operators must meet these evolving expectations.**

Modernization Mandate

Technology adoption is no longer optional. Upgraded software equips independent self-storage facilities with the tools needed to compete with larger operators by **streamlining billing and accounting, managing tenants, and reducing administrative burdens**. Features like contactless access are also more common, enabling customers to enter the facility and access their units without in-person interactions.

These technological upgrades align with changing customer preferences and provide a seamless, user-friendly experience that fosters tenant retention and loyalty.

The Advantages of Modern Self-Storage Software

Automated Self-Storage Operations

Modern software automates time-consuming tasks, saving owners and staff valuable time. By adopting innovative tools, self-storage businesses can stay competitive in an evolving market while meeting the growing expectations of their tenants.

- **Automation:** Simplify rent collection, invoicing, and billing, reducing human error and increasing operational efficiency.
- **Real-Time Insights:** Access data on occupancy, rental trends, and revenue enables quick, informed decision-making.

Attract and Convert More Tenants

Modern software can improve your digital presence and streamline tenant acquisition.

- **Integrated Marketing:** Automated campaigns target potential tenants with promotions and updates.
- **Real-Time Availability Updates:** Online tools keep listings accurate, reducing tenant frustration and inquiry response times.
- **SEO Tools:** Optimized websites and booking systems ensure better visibility in search results, driving more traffic to your facility.

Maximize Facility Revenue

Beyond automation, modern software empowers self-storage businesses to optimize their pricing and marketing strategies, ultimately driving revenue growth.

- **Dynamic Pricing:** Implement flexible pricing strategies based on real-time market data, demand, and unit availability, ensuring you capture the best possible rates.
- **Revenue Management:** Utilize sophisticated algorithms to forecast demand, optimize pricing, and maximize occupancy rates across your facility.
- **Targeted Promotions:** Create and automate targeted marketing campaigns with special offers and incentives to attract new tenants and encourage existing tenants to upgrade their units.

Enhanced Tenant Experience

Upgrading your software makes it easier to meet customer expectations and improve tenant retention.

- **Online Rental and Payment Options:** Tenants can reserve units, sign leases, and make payments online, offering a hassle-free experience.
- **24/7 Access:** Gate access integration and mobile apps ensure tenants can access their units anytime.
- **Customer Portals:** Self-service portals allow tenants to update information, manage payments, and communicate with facility staff.
- **Websites That Do More:** A fast, well-designed website enhances operational efficiency and improves the customer experience. It should showcase essential information, such as your location and available unit types, and allow tenants to book, manage, and pay for units online. An upgraded website creates a smoother and more convenient experience for customers.



Software That Benefits Independent Operators

Look for Features That Matter

Your software decision will influence every aspect of your facility, from your team's efficiency to tenant experiences. Selecting a system tailored to your needs is essential for long-term success. Here are the most sought-after features for managing self-storage facilities effectively:

- **Tenant Services:** Online applications, automated rent collection, and self-service tenant portals.
- **Marketing Tools:** Use streamlined listings and integrations for maximum visibility.
- **Operations Management:** Unit tracking for specialized spaces like RV or boat storage, retail sales management, and maintenance tracking.
- **Dynamic or Value Pricing:** Maximize occupancy and revenue by adjusting rates based on demand and availability. As of July, the average price to rent a self-storage unit in the US was \$85.30 a month, but the cost can change based on where you live and the unit size. Using software to optimize pricing and manage inventory can improve revenue by dynamically adjusting rates based on demand.
- **Accounting Support:** Comprehensive financial tools, including accounts payable and accounts receivable.
- **Automation:** Text/email communications, maintenance request handling, and rent collection. Automated SMS and email notifications inform tenants about payments, unit availability, and facility updates, improving satisfaction and retention.
- **Data and Reporting:** Job cost tracking, ownership reports, and customizable dashboards.
- **Flexible Payment Processing:** Tenants can pay through credit cards or mobile apps, while automated late fees ensure consistent cash flow.

Cloud-Based Advantages

Cloud technology offers critical advantages in terms of security, flexibility, and IT management:

- **Data Security:** Cloud providers prioritize security with advanced measures that far exceed the capabilities of most standalone businesses.
- **Work Anywhere:** Cloud-based systems allow remote access, so you can manage your facility from any location with an internet connection.
- **Reduced IT Burden:** With cloud software, there's no need for server maintenance or manual upgrades.

Why All-In-One Software is Preferred

All-in-one solutions, such as property management software (PMS), integrate everything needed for facility management, from marketing and leasing to accounting and operations. These systems reduce complexity, streamline workflows, and simplify implementation, giving small businesses a competitive edge.



Case Studies:

Real-World Benefits of Technology Adoption in Self-Storage

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Case Study 1: Smartlock Self Storage - Scaling Operations Through Automation

From a Single Location to a Thriving Portfolio

Challenge: Smartlock Self Storage, initially operating from a single converted retail location, faced the challenge of scaling its operations to a multi-facility portfolio while maintaining operational efficiency and minimizing staffing requirements. A key objective was to provide a fully online, contactless rental experience for tenants.

Strategic Approach: The company implemented a comprehensive technology strategy centered on:

- **Online Rental Platform:** Adoption of a platform enabling complete online rentals, including unit selection, lease execution, and payment processing, available 24/7.
- **Remote Management System:** Integration of a centralized management system providing real-time operational data (occupancy, payments, facility access) accessible remotely, including features like Bluetooth-enabled lock control.
- **Customizable Technology:** Selection of a technology solution adaptable to evolving business needs, allowing for the incorporation of bespoke features and functionalities.

Outcomes:

- **Portfolio Expansion:** Successful expansion to twelve fully automated facilities, with ongoing growth plans.
- **Enhanced Operational Efficiency:** Significant reduction in labor costs and improved resource allocation through remote management capabilities.
- **Improved Tenant Experience:** Provision of a convenient, contactless rental process, aligning with evolving consumer preferences.
- **Competitive Differentiation:** Establishment of a market leadership position by offering a fully digital and automated rental experience.



Case Studies:

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Case Study 2: Derrel's Mini Storage – Enhancing Digital Presence and Customer Engagement

From Established Leader to Digital Innovator

Challenge: Derrel's Mini Storage, a well-established operator with a large portfolio (60 properties) in a competitive market, needed to strengthen its online presence and attract a digitally-native customer base. Key areas of focus were search engine optimization (SEO) and website user experience.

Strategic Approach: The company adopted a multi-faceted digital strategy encompassing:

- **Strategic SEO Implementation:** A comprehensive overhaul of its SEO strategy to improve search engine rankings and increase organic website traffic.
- **Website Optimization:** Redesign and optimization of the website for improved user experience, including mobile responsiveness, page load speed, intuitive navigation, and clear calls to action.
- **Contactless Rental Integration:** Incorporation of features facilitating a fully digital rental process, including online identity verification and electronic lease signing.

Outcomes:

- **Increased Organic Traffic:** A 74% increase in keywords ranking within the top 10 search results, driving a 61% year-over-year increase in organic website traffic.
- **Elevated Customer Engagement:** A 50% increase in customer inquiries and calls originating from the website due to improved user experience.
- **Superior Website Performance:** Achievement of high website performance scores, ensuring a fast and seamless user experience across all devices.
- **Reinforced Market Leadership:** Strengthening of the company's position as a market leader through the adoption of advanced digital marketing and operational practices.

Key Takeaways:

The experiences of Smartlock Self Storage and Derrel's Mini Storage highlight crucial lessons for any self-storage facility seeking to modernize:

- **Strategic Automation:** Implementing automation across key operational areas to improve efficiency and scalability.
- **Robust Online Presence:** Establishing a strong online presence through a user-friendly website and effective SEO strategies.
- **Seamless Customer Journey:** Providing a convenient and intuitive tenant experience, both online and at the facility.
- **Adaptable Technology Solutions:** Selecting technology solutions that offer flexibility and scalability to accommodate future growth and evolving needs.
- **Data-Driven Optimization:** Leveraging data and analytics to inform operational and strategic decision-making.

Implementing Modern Self-Storage Software: Key Considerations

The Transition Process:

A successful software upgrade involves several key steps:

- **Needs Assessment:** Begin by identifying your facility's specific needs and challenges. What processes are most time-consuming? Where are you experiencing inefficiencies? What features are most important to your tenants?
- **Vendor Selection:** Research different software providers and compare their offerings. Look for solutions that align with your needs, budget, and long-term goals. Consider factors like ease of use, customer support, and integration capabilities.
- **Data Migration:** Plan for the transfer of your existing data (tenant information, lease agreements, financial records) to the new system. A reputable software provider should offer assistance with this process.
- **Training and Support:** Ensure that your staff receives adequate training on the new software. Choose a provider that offers comprehensive training resources and ongoing customer support.
- **Phased Rollout (Optional):** For larger facilities, consider a phased rollout, implementing the new software in stages to minimize disruption.



Evaluating Cost and Return on Investment (ROI):

While upgrading software represents an upfront investment, it can lead to significant long-term savings and revenue growth.

Consider the following:

- **Reduced Labor Costs:** Automation of tasks like rent collection, invoicing, and tenant communication can free up staff time, allowing them to focus on higher-value activities.
- **Increased Occupancy Rates:** A modern website and streamlined online rental process can attract more tenants and reduce vacancy rates.
- **Optimized Pricing:** Dynamic pricing tools can help you maximize revenue by adjusting rates based on demand and availability.
- **Improved Tenant Retention:** A convenient and user-friendly experience can lead to higher tenant satisfaction and reduced churn.
- **Reduced Errors:** Automated systems minimize the risk of human error in billing, accounting, and other critical processes.
- **Better Data Insights:** Access to real-time data and reporting can help you make more informed decisions and improve overall operational efficiency.

By carefully considering these factors, self-storage operators can make informed decisions about software upgrades and achieve a positive return on their investment.

Conclusion

Get Started with Modern Self-Storage Software

The self-storage industry is evolving rapidly. Modernizing your facility with the right software is no longer a choice, but a necessity for survival and success. As demonstrated by the case studies, embracing strategic automation, a robust online presence, a seamless customer journey, adaptable technology, and data-driven optimization empowers even small to mid-sized operators to compete with larger REIT-backed facilities. Take the next step: evaluate your current technology and explore solutions that will position your business for the future.