

Identifying Tenants

Customer Data For Your Facility

BY JAMIE LYNN MILLER



In the world of advertising, there's no one right time to speak to customers. Heightened visibility creates that top-of-mind awareness so that when a client is in the market for your product, you're the one they'll think of first. In the world of self-storage, who is your client? Who comprises your target demo? From boomers to millennials to the newer generation's consumer profile, relevant data can help you identify—and capture—your target demographic. Because depending on where you're located, your client base will change.

Know Your Neighbors

Because target demographics depend on where your facility is located, become an expert on who's nearby. For example, if you're setting up shop in Jacksonville, N.C., your client base will likely be military. Temporary storage needs for periodic relocations or finite timelines will make flexibility and 24-hour access key. If you're in a college town, you'll have a steady stream of students coming and going based on their summer and winter breaks. Data shows how catering to neighbors within a five-mile radius can significantly ramp up your rental rate and shares best practices for getting to know your community.

Is being within a business community preferable? Or is it better to be close to a residential district? Data highlights pros and cons of each, as well as how to maximize your exact location. While studies reveal that residential customers

comprise the majority of the tenant mix (80.2 percent according to the *2024 Self-Storage Almanac*), commercial/business customers can provide a robust business due to longevity and reliability of payment if you're located in a business district. In fact, they represent 13.2 percent of the tenant mix—an approximately 10 percent larger segment than military or student renters.

See Tenant Mix chart

Renters By Generation

Traditionally, baby boomers made up the bulk of storage facility patrons. And yet, in 2024, boomers comprise less than 20 percent of all self-storage customers. The number of millennial and Gen Z clients are markedly on the rise. As they sample the cities, move around, and even travel for stretches of time, these mid-20s to mid-40s customers have different rental priorities. Their units are an extension of their homes, often apartments or flats with little to no storage space. Their storage units become an extra closet, so to speak, and they visit facilities more frequently than older generations, known for storing timeless keepsakes they rarely interact with. Millennials constitute almost 40 percent of customers, with Generation X renters a close second. Gen Z clients

now total nearly 15 percent of all renters, a significant shift from the pre-pandemic years. As of 2023, over half of all self-storage clients are age 42 or younger.

See Renters by Generation table

To cater to this younger generation, get to know who they are and what's important to them. Studies show these clients are predominantly female, of diverse heritage, likely to be renting (not owning) in urban areas. Aside from the initial move-in logistics, younger renters also seek storage facilities they can reach by foot, bus, or bike to access overflow or recreational goods at their convenience. They tend to rent smaller units for whatever doesn't fit in their current rental. With a disproportionate ratio of housing costs to dwelling sizes, younger renters simply need more room in their life.

Renters by Generation

Gen-Z	13.9%
Millennials	38.1%
Gen-X	26.5%
Boomers	19.3%
Greatest	2.2%
Total	100.0%

Source: SSA 2023 Self Storage Demand Study

Where And Why

Not surprisingly, with roughly 80 percent of renters hailing from residential areas, the suburbs remain a target-rich environment. Since the pandemic, however, there's been a surprising increase in rural renters—up 5 percent since 2019—and urban dwellers are also ramping up the rental market with an increased need for space.

See Renter Community Type chart

Numbers-wise, 46 percent of long-term renters are storing things they can't squeeze into their homes. Roughly 15 percent store items they no longer want, need, or remember—they simply hang onto whatever's in their unit. Inherited items and/or storing for family makes up nearly a quarter of all things locked away for prolonged safekeeping. Seasonal goods, such as portable air conditioners, patio furniture, and holiday decorations, move in and out of units, as do skis, snowboards, and other recreational equipment that can't be stored permanently at residences. In contrast, short-term renters may be between homes or remodeling a current residence.

See Reasons for Renting table

What Do Customers Want?

Catering to your client base is key, and the modern-day customer has very specific needs. The *Self-Storage*

Almanac examines the shift in rental priorities, as renters become more willing to shop around for the right mix of qualities. Most notably, while customers want the ease of 24/7 digital access, it's equally, if not more, important that someone's on site during the advertised hours. When things come up or when new customers want answers, the competitive edge may go to the facility with a live person or voice available to help.

Overall, most customers still value several things:

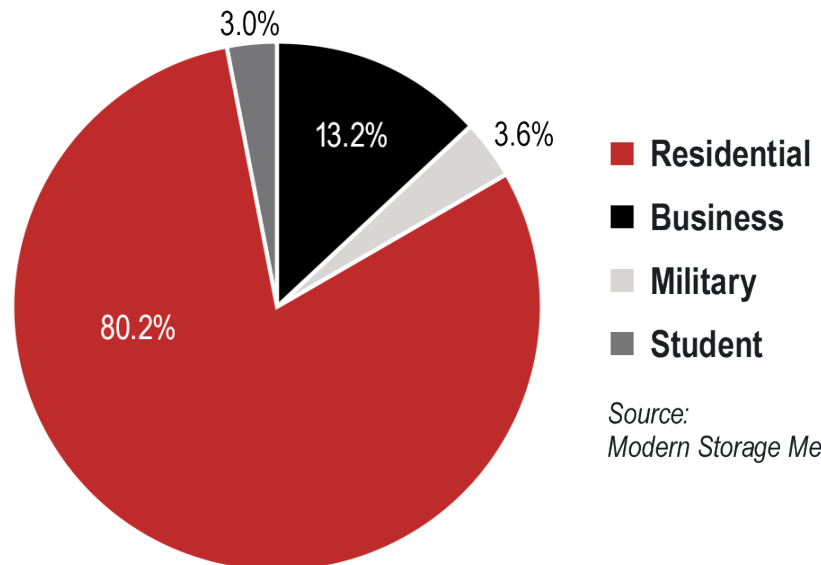
- Round-the-clock convenience,
- Digital access,

- Climate-controlled options,
- Competitive pricing, and
- Pest control.

By taking a more in-depth look at today's consumer profile, from age to community, timelines, and expectations, data helps facility owners set themselves apart in an increasingly competitive market. ■

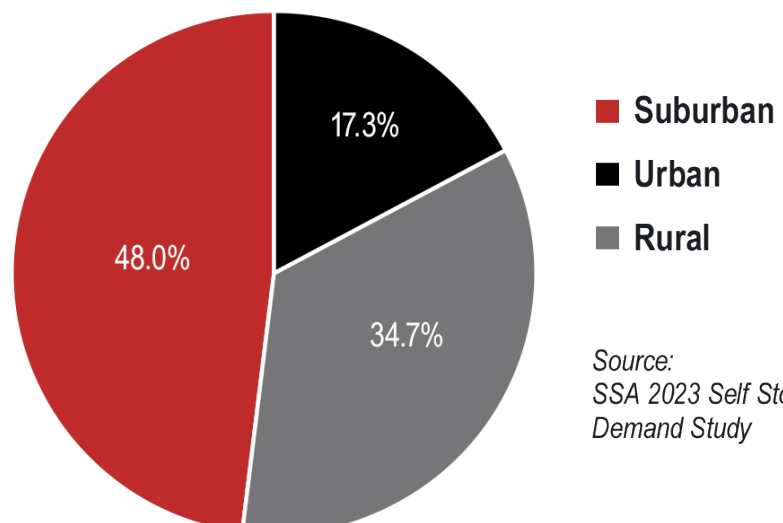
From sailing on tall ships to raising a rescue dog, Jamie Lynn Miller loves to find the story. Her work has appeared in regional and national publications, including *Sierra Magazine*, *Waterway Guide*, *Men's Health*, *Women's Adventure*, *USA Boxing*, and *Climbing Magazine*, and the Dominican Republic-based *Lifestyle Cabarete*.

Tenant Mix



Source:
Modern Storage Media

Renter Community Type



Source:
SSA 2023 Self Storage
Demand Study

Reasons for Renting

Long-Term Needs

Not enough room at residence	46.0%
Items they no longer need/want	16.0%
Items for relatives	13.0%
Items inherited because of death	11.0%
Because you had a baby	7.0%
Need for climate control (e.g., wine)	6.0%
Vacation home items	4.0%
Other	4.0%

Short-Term Needs

Moving	35.0%
Remodeling	11.0%
Storage while away from home	9.0%
Students between semesters	5.0%
Natural disaster	4.0%

Source: SSA 2023 Self Storage Demand Study

Get The Green Light

Planning And Zoning Insights
For Development

BY JAIME LYNN MILLER

With many cities enacting stricter guidelines for self-storage development, the semantics of planning and zoning are constantly in flux. What are the pitfalls? How can you avoid them? How can self-storage developers ensure zoning and planning approval? From well-thought-out

design and landscaping to knowledge of surrounding neighborhoods and vested interests, there are many factors to consider. Modern Storage Media spoke with experts around the country to strategize and problem-solve when navigating the planning and zoning process.

Site Plan Development

A detailed, intentional site plan remains essential to the building permit process. "It's crucial to understand your project's limitations, such as maximum square footage, building height, setback requirements, and parking provisions, as these will directly influence the facility design,"



says Alexx Calderon and his colleagues from Phoenix-based RKAA Architects, Inc. “The project’s overall design plays a significant role in obtaining approval, so it should align with the surrounding area and community expectations.”

Security plans, market analysis, and clear evidence of inspection logistics

demonstrate know-how and consideration of the surrounding community. Include color renderings of landscape design and any aesthetic touches to help flush out your site plan, thereby increasing public perception.

Hire Experts

To navigate the planning and zoning process, experts advise enlisting professionals along the way. “Navigate the process with extreme caution,” says David Meinecke of Jordan Architects, based in San Clemente, Calif. “It’s important to do the homework around local regulations and market research. Several qualified companies can complete feasibility studies to give you a great snapshot of the competitive market and will help qualify the project to the investment community,” he says.

Getting the right team members for that early engagement is vital to the process, says Meinecke. “We advise clients to hire a local civil [engineer] with experience in the jurisdiction to help streamline the efforts,” he says. “We’ve been brought in late to projects with inexperienced team members, which then extended the timeline of the process and caused a lot of “re-work” to the project. To that end, developers often hire land use attorneys or expeditors to take the guesswork out of the process and limit the municipal back and forth.

Similarly, Denise Nunez of Phoenix’s NAI Horizon underscores the importance of working with a seasoned team of experts. “The biggest mistake I see, time and time again, is not hiring experience. And while there are certainly qualified knowledgeable groups out there building beautiful products, it’s those who are new to our asset class, those who we may see expanding from industrial and multifamily or some other area, who are making fundamental mistakes,” she says. “It makes a difference when the general contractor has built 100-plus of these projects. That also goes for architects, project managers, and brokers.”

New Challenges

As the business landscape of self-storage development adapts to market and demographic shifts, developers may face new

challenges, including post-pandemic staffing issues, skeptical jurisdictions, and shifting regulations. As always, meeting challenges requires a more thorough understanding of the issues.

BUILDING CONSTRAINTS AND OVERCROWDING

Design constraints, says Calderon, can pose a significant challenge to self-storage developers. “Striking a balance between aesthetic expectations and zoning requirements can be tricky.”

A quick call to the city planner can determine whether there’s a path toward approval. If not, it may be time to expand your vision.

“I’d say the availability/cost of money and overbuilt markets remain a challenge,” adds Meinecke. “We are seeing some developers having difficulty pinning down loans to push projects forward. Storage has been hot for a while and you are seeing some markets impacted as a result. With more pipeline supply coming online with high rates and land values that haven’t dropped, deals are becoming more difficult to pencil.”

A quick call to the city planner can determine whether there’s a path toward approval. If not, it may be time to expand your vision. Nunez recommends creative problem-solving like making the self-storage facility just part of the plan. “Developers are getting more creative, taking out large parcels of land and including self-storage as part of the overall site plan for development. One example is Phoenix’s The Grove at 44th Street and Camelback,” she says, which includes the Globe Ambassador Hotel, office space, high-end apartment residences, first-class restaurants, and a 70,000-net-rentable-square-foot, climate-controlled self-storage facility “way in the back corner.”

INEXPERIENCED INSIDERS, CHALLENGING OUTSIDERS

Infrastructure changes within planning and zoning departments are also giving developers pause. "Entitlement timelines have lengthened significantly, and post-COVID shifts in staffing mean project reviews are handled by less experienced staff members," says Meinecke. "We have seen an increase in the lack of organization and communication in almost all jurisdictions we have dealt with in the past five or so years."

Another challenge is the jurisdictions themselves; from building requirements to project timing to the overall perception of self-storage facilities, the general public can be a tough crowd. "One of the emerging challenges is the increased opposition from the community," says Calderon, "with residents often voicing concerns about traffic, aesthetics, or perceived negative impacts on their neighborhood." It's important to highlight the facility's compatibility with the surrounding setting, he advises, to increase buy-in.

Homeowner associations and community activists are uniquely positioned to affect local politics, and building positive relationships with these interested parties creates better understanding. Get to know the constituents and meet with community decision-makers before a permit hearing. Talk about your design, show them renderings, listen to objections, and respond with solutions.

TOP MISTAKES AND POSSIBLE CURES

According to Meinecke, many mistakes occur during the due diligence phase. "During this time, it's important to get comfortable with the city/county requirements and their take on the project at hand," he says. Simply put, mistakes include not asking the right questions, hence staying uninformed. Ignorance will sabotage the best-laid plans.

NOT UNDERSTANDING ZONING REGULATIONS

"Developers make several common mistakes during the early zoning stages," says Calderon. "One of the top mistakes is not conducting sufficient research into

local zoning regulations and requirements, which can lead to costly errors."

You need to know how close you can be to another storage facility, how many parking spaces are needed, and whether your facility needs to join an industrial park or it can be its own destination. Ask questions and find answers, either online or in person.

"Again, utilize the services available at the city," says Meinecke. "Do the pre-application conference. Meet with planners and city officials. Study everything about the target market, surrounding residential and retail establishments, prevailing traffic, and quality of storage competition. Are there new projects on the horizon? How high are the barriers to entry in the market?"

From building requirements to project timing to the overall perception of self-storage facilities, the general public can be a tough crowd.

NOT UNDERSTANDING THE COMMUNITY

Get to know the community. Its members have opinions; they'll be impacted and they may become your customer base. What matters to them should matter to you. "Ignoring the local community's input is another common mistake, which can result in opposition or delays during the approval process," says Calderon and the RKAA team. "Design discrepancies, such as creating a self-storage facility that clashes with the surrounding neighborhood, can create tension and lead to opposition."

Earning Approval

When approaching zoning boards and planning commissions, strategic planning and effective presentation skills move the process forward. To gain the most ground, however, it's important to

remain objective. "Just the facts ma'am," says Meinecke.

Remain Neutral

"Oddly enough, self-storage projects can draw out some emotional arguments from city officials and neighbors," Meinecke says. "It's important to stick to the facts and keep emotions out of it. Most of the arguments can be de-escalated by calmly presenting the facts." For example, commissioners commonly ask why they need another storage facility. "Be prepared with your responses and demonstrate how the quality of your facility differs from the competition."

Watch, Learn, And Listen

Public hearings allow community members to voice their opinions during the approval process. "Developers should attend these hearings and address any resident concerns," says Calderon. They'll learn which board members speak most often and will gain a better understanding of common concerns and must-haves.

"Having designed storage for over 40 years, our firm has heard nearly every argument for and against self-storage," says Meinecke. "I like to approach these hearings with a great deal of humility. It's important to approach this in a non-threatening manner and act as a liaison to self-storage information."

It Takes A Village

Like most successful endeavors, navigating the planning and zoning process is a team effort, and enlisting experts early on will pave the way to approval. "Remember," says Calderon, "professional assistance, thorough research, and community engagement are all crucial to successful self-storage development within zoning guidelines." ■

From sailing on tall ships to raising a rescue dog, Jamie Lynn Miller loves to find the story. Her work has appeared in regional and national publications, including *Sierra Magazine*, *Waterway Guide*, *Men's Health*, *Women's Adventure*, *USA Boxing*, and *Climbing Magazine*, and the Dominican Republic-based *Lifestyle Cabarete*.