



Staying on Top of the Marketing Game

New Tools to Help Your Bottom Line!

by Ben Vestal

While the last few years have been very difficult for the self-storage industry, the most positive and productive result of the contracting economy and challenging real estate market was that self-storage operators had to take a very hard look at their operating expenses. This has forced many operators to change their marketing campaigns and go outside their comfort zones to move into the next generation of self-storage marketing. Today's savvy self-storage marketers must familiarize themselves with the variety of online marketing platforms such as **Facebook, Twitter, Yelp, Citysearch, LinkedIn, blogging, YouTube** and **Craigslist** just to name a few. Gone are the days of the great newspapers, magazines and Yellow Pages books that served the advertising needs of American business for generations. Electronic media is now the dominant form of marketing communications and virtually all print media offerings have suffered. This is no more evident than with the United States Postal Service, whose net loss of \$8.5 billion in 2010 shows that advertising has fundamentally changed. Not only are businesses finding better and cheaper ways to communicate with their customers electronically, but U.S. consumers are choosing to receive information by more efficient and convenient ways as well.

In the self-storage business we have seen a tremendous change in how successful operators are marketing to their current clients and attracting new clients. In today's competitive environment, having a website and focusing your marketing dollars on more cost-effective and measurable marketing campaigns is no longer a luxury, it is a necessity. Gone are the days of relying on a sign, a friendly manager and a Yellow Pages listing to bring in customers. Today's advertising methods are not only changing, they are changing at a very rapid pace. You may not be familiar with the websites listed above, but rest assured most of your renters know about them. You may find yourself asking "why all the change?" and the answer is quite simple: IT WORKS!

What's The First Step?

Updating your marketing program may seem like a daunting task but it is really quite simple. Start by creating a website, if you don't already have one. You can find a professional web designer by simply running an ad on Craigslist or stopping by your local community college and posting an ad on their jobs board. I think you will be delightfully surprised at the cost and the response from young, hungry professionals ready to help, especially when you compare it to the customer service you have received from your Yellow Pages sales person along with the ever increasing cost. Keep the design of your website crisp, clean and simple. There is a reason Google has all that white space, it's a good thing and you don't want to confuse your clients. Your website will include your address, telephone, email, map to your location, the name of your facility and a few pictures. Your rates by unit size and hours of operation are also important.

Now that you have a website, it's time to make it work for you. You will want to list your website (i.e. your property) on a few self-storage specific rental sites such as www.selfstorage.com and www.USstoragefinders.com. The cost of these sites is relatively low and in many cases you will only incur a cost when they deliver a renter to your property. You should also ask your web designer to prepare a standard electronic advertisement with a link to your website and train your manager to post it daily to sites such as www.craigslist.org and www.citygridmedia.com just to name a few. This will start your search engine optimization (SEO) program. SEO is what allows renters to find you on the web and positions your website accordingly in the vast ocean of the World Wide Web. You will learn very quickly that the game of SEO is complex and can be very costly if you want to be at the top of search engines such as Google and Bing.

(continued)

You may also know that search engines such as Google, Bing and Yahoo! rank websites based on their quality of content, traffic, volume, pay per clicks and links to other sites, as well as a variety of other obscure criteria. This is why we recommend you list your website on two or three portal sites that specialize in finding self-storage renters. As you start to get comfortable with internet marketing you will learn that there are several reputable companies that specialize in SEO for self-storage operators. You will need to get comfortable with the cost and the results, but I can tell you that it works!

Will I See Results?

Visitors to the web today are outnumbering the users of the Yellow Pages by multiple factors that are simply staggering. This is where the rubber meets the road! You will need to modify your rental application to include a question asking your new tenants how they found you, with a check box for "internet". This will allow you to monitor your web site's effectiveness and most importantly calculate your return on investment. First, you will want to train your managers to ask potential renters when they call in how they found your property (Internet, signage, Yellow Pages, etc.) and have them keep track of the results. This will give you an idea of your most effective marketing strategies and which ones aren't working. Second, I would recommend running an Internet special where customers can print out a coupon and bring it to your facility. This will give customers an incentive to rent from you while providing an easy way to measure the effectiveness of the program. As with all marketing strategies, you will need to keep track of the data and analyze it to discover the return on investment for each strategy. This will allow you to eliminate the ineffective marketing methods and focus on the ones that are leading to more business.

Lastly, when developing your webpage ask your web designer to install Google Analytics on your site. Google Analytics is free and will generate monthly reports tracking the traffic to your web site. This will allow you to track the source of your internet visits (either from search engines or direct links), the most popular pages on your site, and how coupons and special offers affect the traffic to your website. It will also allow you to track the growth of visitors to

your site which, at some point will replace the costly Yellow Pages ad you have been paying thousands of dollars a year for.

The Bottom Line:

While we have noted above how important internet marketing is today, we must remember that other effective marketing ideas that require less technology are still driving customers to your property. For example, many operators have found that current and former customers are a great source for referral business. Thus it is important to stay in touch with these folks either by email or postcard and let them know "We miss you and you are always welcome back!" or "We appreciate your business and are willing to give you a Gift Card if you send us a referral." You will want to be sure to start collecting email addresses and continue collecting mailing addresses so you can touch base with current and previous customers at least every six months. A simple contact with your customer list on a regular basis will effectively build the relationship and client confidence that all businesses strive for.

Ultimately, we are seeing a dramatic shift in how customers are shopping and comparing self-storage properties. Sophisticated self-storage operators that are executing online marketing are able to drive customers to their property from a greater distance, achieve higher revenues and reduce their operating expenses. By reducing your operating cost and moving your marketing campaign into the next generation, you will protect your value by capturing new clients that are using the Yellow Pages as a door stop and not a resource. You will also be able to increase your NOI, which in today's market accounts for more than 90% of your value.

Today the writing is on the wall, or should I say on the Internet, as we are seeing more and more customers using the Internet to seek out and compare self-storage properties. This trend will continue to gain momentum and I believe we will all live to see the day the Yellow Pages die! **MM**

Ben Vestal, President of the Argus Self Storage Sales Network, can be reached at 800-55-STORE or bvestal@argus-realestate.com.
