



## A Competitive Environment

*Each storage industry software vendor is unique — and that's a good thing.*

*By Mark Wright*

How lucky can one industry be? Having so many different companies offering facility management software solutions means a self storage owner/operator can pick the one that really fits his or her company's needs. Instead of being stuck with one company that has monopoly power, owner/operators have a rich set of choices.

That's the good news. The flip side: Having all those choices can be overwhelming for some storage operators. How can they best figure out which one to use?

It's also a big challenge for the software providers. Competitive differentiation is hard enough when two dominant companies are vying for business—think Coca-Cola and Pepsi, Apple and Microsoft, Hertz and Avis—but a number of robust players can make life mighty interesting for each competitor.

Before any company can successfully capture market share, it has to grasp mind share—that place in the customer's psyche where he or she forms perceptions about need and about what defines the right solution. How does the vendor get to know its prospective and current customers well enough to align its products and offers with their perceived needs, their preferences and their budgets?

The answer, according to vendors, boils down to two words: pay attention.

"We listen to our customers," said Yvette Apodaca, marketing manager at SiteLink in Raleigh, North Carolina. "Cultivating relationships to understand needs and meet them is key. We believe face-time is important with prospects and customers."

Tom Garden, president of Syrasoft LLC (located just outside of Syracuse, New York), said no one understands the needs of a business like the person who runs it day in and day out. "We design and produce software from the perspective of the manager. As the only software company owner who actually owns and runs a self storage business, I am lucky enough to have a prototype facility to test new ideas in."

Listening can be a harder task than it sounds, however, for any company. No matter what the industry, customers usually want to have their cake and eat it, too. They expect top quality at the lowest possible price, cutting edge features yet proven reliability, and immediate satisfaction regardless of the challenge.

"We have been a successful self storage management software company for 30 years," said Glenn Hunter, president of Oakland, California-based Domico. "We know the industry and its needs. We understand our customers and have a proven track record of providing reliable, accurate and easy to use products."

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## Experience and Execution

Hunter raises a good point. Depth of experience in the self storage industry can be important to customers, although there is no magic number of years in the business that inherently makes one company or product superior to another.

“We understand that our clients are looking for a long-term solution,” said Kevin Kerr, head of marketing and sales at Empower Software Technologies Inc., in Murrieta, California. “In order to provide that solution we continuously strive to evolve with today’s technology.”

Listening can also mean aggregating and analyzing reams of customer data to arrive at very detailed insights.

“We dig down into the massive amounts of data to get answers to unique questions on how to generate more income,” said Paul Darden of Paul Darden Company in Dallas, Texas, which sells District Manager software. “This converts data into knowledge that allows us to predict the future and run simulations on possible scenarios.”

Another task of differentiation: having a unique offer. Of course, “unique” can mean a lot of things to a lot of prospective customers. How each vendor chooses to convey its unique selling proposition varies.

Apodaca asserted that “execution” is the strength that sets SiteLink apart in the industry. “There are only a handful of true Web systems in self storage today,” she said. “Our unique value-added Web tools and integration with our technology partners gives our customers some of the best industry options for facility growth.”

Kerr said that “redefining how technology has been used in the self storage industry has been a key staple in our development.” He spotlighted his company’s integration of hardware—such as customer access terminals, combo scanners, and biometric security—with its software as a key Storage Commander feature.

Darden pointed to his firm’s ability to serve as an information resource as an important differentiator. “No one can duplicate our reports and information for even a fraction of our billing,” he said. “We want to establish that we are the leading source of information about self storage. With our current clients we are already able to do more than most REITs.”

Garden said his software “is one of the last major products that the owners can buy versus rent. If long-term costs are a consideration, we are extremely cost effective. Feature wise, we match subscription software in that we bring the Web to the desktop, allowing online move-ins, payments, reservations, unit availability, etc., and at a fraction of the cost.”

## Spreading the Word

Communicating a company’s competitive differences to prospective customers entails more than just a sales pitch or two. The process requires educating people—continuously—starting before the sale and extending long afterward.

“Personal webinars allow us to tailor a presentation to our customer’s needs,” explained Darden, adding that his company uses “very visual charts, and precise information on who, how much, when, and why to implement our revenue-increasing suggestions.”

Apodaca pointed to her company’s participation in trade shows and even their own annual user conference “to deliver our message one-on-one or in group settings. ... We also offer weekly educational and instructional webinars, cross-market with partners like the SBOA, and deliver monthly digital messages to the masses to keep them informed.” She said social media is also vital, despite its slow adoption rate by the industry.

Garden emphasized prospects’ ability to download and use his software on a trial basis. “It’s a very effective method, in that once the customer becomes more familiar with us, they are usually hooked.”

Another differentiator can be seen in how various vendors view their commitment to staying up with customers’ needs and demands. In this respect, self storage software is no different than other business sectors, from technology to tooth brushes: There is constant pressure to innovate, improve and anticipate market-moving trends.

“We are well aware that there is always room for improvement,” said Apodaca, “and it’s our response to those improvements that differentiates SiteLink.”

As Kerr pointed out, the core functions owner/operators need to accomplish day after day, week after week, remain fairly predictable.

“Taking a payment, completing a move in, transferring a customer; all of these actions will not change,” he said. “The technology for how these actions are completed is what will continue to evolve and define us in the industry.”

Another need that will likely never go stale is customer service, and that will be a perennial differentiator among competitors. Hunter, for example, said that Domico combines “a well-trained technical support team with a guaranteed track record of fast response.”

Great customer service ideally translates into long-term customer loyalty. “Word of mouth referrals are a great asset and convey instant trust,” said Garden. “It’s our job to live up to that trust.”

Competition is never easy. But self storage software vendors continue to prove that it makes for a healthy industry full of differentiated choices for owner/operators. ❖