

JW Storage used AdWords management by ANS to find new renters and increase occupancy rates to over 91%

Company Case Study

JW Storage

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"When calling the office, most new customers report they found us through Google."

-Tiffanie Garcia
JW Storage Manager

Background

JW Storage is a collection of self-storage units located in Utah County. Prior to September 2016, this collection consisted of units in Spanish Fork and Orem. A snapshot of unit availability in August of 2016 showed virtually no vacancies between the two facilities and with a waiting list of potential renters ready to fill any units that became available almost immediately. With a strong profit margin and solid market position, JW Storage looked for further growth through acquisition.

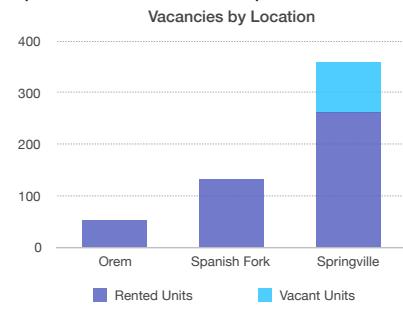
Acquisition

In September of 2017, JW Storage acquired Full Circle Storage in Springville. Full Circle was made up of 3 different sets of units totaling 360 units in all. Located in between Orem and Spanish Fork, the new location more than doubled the size of JW

Storage and allowed them to capture more of the market in Utah County as well as offer a nearby solution for those on the waiting lists for other locations. At the time of acquisition, roughly 100 of the 360 units were vacant with several more units becoming available during the transition and subsequent unit rental rate increase that followed.

The Problem

The initial problem JW Storage faced as it took ownership of the units in Springville was the high percentage of vacancies. At 72.2% full, profits fell below initial expectations. This problem was

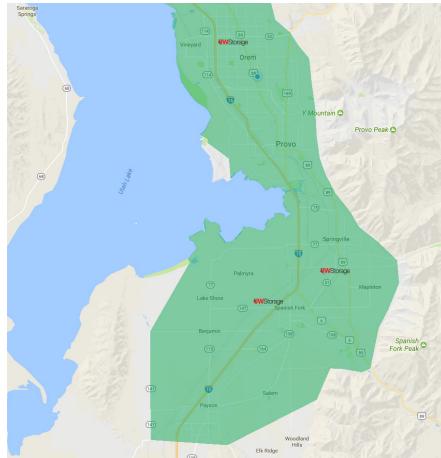


further complicated by the fact that the Springville units were the oldest in the JW Storage portfolio. Many units were in disrepair and in need of significant construction and remodeling before they would be rentable. Finally, a strong selling point for the Orem and Spanish Fork locations was that the units were both secure and affordable. While affordable in comparison to local competition, the Springville units lacked in security and needed significant and costly upgrades.

The Solution

Because of its position in the market prior to the Springville acquisition, JW Storage had not invested much time or money into marketing. Aside from a few social media accounts with weekly posts, marketing consisted of the signs on the property with a phone number. Referrals and word of mouth were huge drivers of new renters for the company that operated on a \$0 marketing budget. Faced with 100 vacancies and the need for a higher occupancy in order to complete needed upgrades, JW Storage turned to Google AdWords in an attempt to connect with new renters.

Targeting for the campaign was very localized. With Springville located in Southern Utah County, targeting consisted of the areas within a reasonable driving distance of the Springville facility. While the initial targeting area extended into Orem, as shown on



the map, the target area was later tightened by reducing the Northern reach to Provo as the campaign progressed.

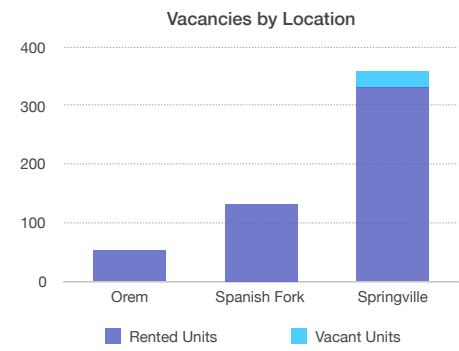
The next step in the process was research. A thorough analysis of search reports, extensive keyword research, and a competitor analysis was completed leading to specific long-tail keywords being selected for the campaign. Campaign monitoring dictated a few changes to the selected keywords, including adding and removing a few as the campaign progressed. Exact phrase matching was used for most keywords with broad matching being utilized on a few words.

After determining the targeting and keywords for the campaign, a budget of \$20/day was recommended and implemented on the basis of the projected number of potential clicks and the expected average cost per click. As the campaign began to see success, the owners of JW Storage decided to double the budget for a short time in an attempt to capitalize on students at the

end of the semester for two local universities. After a week at \$40/day, however, the data suggested that the increased budget was unnecessary and did not result in more clicks. The daily budget was never fully utilized at \$40/day and was cut to \$25/day, as the data suggested that it was the amount that would result in the maximum number of clicks in the given target area.

The Results

The AdWords Campaign for JW Storage was very successful. With a little over \$2,000 in ad spend over a 6-month period, JW Storage was able to achieve over 91% occupancy for its Springville units. Amassing 302 clicks in a 6-month span, this campaign had a 4.21% click through rate, average cost per click of \$8.75, and average position of 1.3.



The conversion rate for the campaign was difficult to track based on the conversion process. Once a user clicked on the ad, they were taken to a landing page where a call to JW Storage was required to complete the conversion process. After receiving the

call, JW Storage relied on the customer to self-report how they heard about the company. While there is a margin of error for this process, based on the data it is estimated that the conversion rate for the campaign was 12.67%.

During the campaign an unprecedented 10 units opened up in the Spanish Fork facility due to a large number of move outs. The process of targeting, selecting keywords, and writing copy for a new ad was completed and the new campaign targeted at the Spanish Fork location filled all units with a new waiting list in three weeks. The budget remained a combined \$25/day for both the Spanish Fork and Springville campaigns during this time. At 31 clicks, a CTR of 5.84%, and an average position of 1.5, this campaign bolstered a conversion rate of 29.03%.

keep improving occupancy rates, AdWords continues to be the main marketing channel for JW Storage coupled with regular social media posts.

Continued monitoring and data analysis will determine future decisions on adjusting targeting, keywords, and budget as JW Storage seeks to lead the local market in secure, affordable self-storage.



Conclusion

Turnover in the self-storage business is inevitable, however, with the current model JW Storage employs they have been able to normalize the Springville occupancy rates to align with their other locations. With turnover rates and a desire to