



Storable

2026 Self-Storage Industry Outlook

- ▶ **Why Storage Operators Cite New Market Competition as Top Concern—And What It Really Means**

▶ 2026 Self-Storage Industry Outlook

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Storable's 2026 Self-Storage Industry Outlook

2025 was a year of adjustment for self-storage. Pricing fell, occupancy churned without growing, and operators discovered that pandemic-era strategies no longer delivered results. The easy growth years are over.

To understand how operators are preparing for 2026—and what strategies will separate winners from losers—Storable surveyed 454 self-storage operators across the U.S. about their priorities, concerns, and competitive outlook.

One finding stands out: when asked about their biggest competitive threats, operators cited new market entrants as their primary concern, more than REITs, traditional operators, and corporate investors.

What makes this particularly interesting: actual new facility development has cooled considerably from pandemic-era peaks. The wave of new entrants that operators worry about are for the most part already here, having jumped in when the industry was in a boom stage. However, it is clear that technology has lowered the barriers to entry and self-storage continues to be an alluring business model for individual entrepreneurs and institutional capital alike.

Several other key themes emerge, too:

Technology has raised the competitive baseline. The concern about new entrants reflects less about waves of new development and more about how technology has permanently changed what customers expect and what it takes to compete.

Service requires technology. The 78% of operators who plan to compete on superior customer service understand that technology isn't the enemy of service. It's what makes personalized service possible at scale.

Cautious optimism prevails. Operators are confident about their own prospects (65% optimistic) but deeply concerned about economic conditions affecting demand, creating tension between local confidence and national anxiety.

Customer acquisition dominates. With occupancy flat despite significant churn, operators recognize they need to both fill units and keep them filled, making acquisition and retention equally critical.

Investment stays strategic. Smart operators are investing in technology that drives outcomes (security, communication, AI) while avoiding technology for technology's sake.

The storage industry enters 2026 facing a fundamental question: how quickly can all operators—established and newer alike—adapt to meet evolving customer expectations?

New Market Entrants: Understanding the Real Concern

- ▶ **31% of self-storage operators say competition from new market entrants is their biggest concern heading into 2026**, surpassing traditional operators (21%), REITs (17%), corporate investors (17%), and on-demand/portable storage services (12%).*

The concern likely stems from two factors. First, there's the relatively recent memory of the pandemic-era development boom when new facilities seemed to pop up everywhere, often operated by first-time owners with modern technology stacks. While that surge has slowed, the operators who entered during that period are now established competitors, and many came in as digital-natives from day one.

Second, and perhaps more significant, is what those operators represent: a shift in what's possible. Technology has fundamentally changed what it takes to compete in self-storage, and the implications go far beyond simple cost savings. Ten years ago, launching a competitive storage facility required significant capital, industry relationships, and years to build operational expertise. You needed physical infrastructure, specialized software, trained staff, and marketing know-how that took time to develop.

*Percentages do not add up to 100 as respondents could select multiple answers for this question.

Today, a new operator can launch with:

- Cloud-based property management software (no IT infrastructure needed)
- AI-powered marketing that optimizes ad spend automatically
- Digital customer service tools providing 24/7 support
- Dynamic pricing systems adjusting rates in real-time
- Mobile-first rental experiences (customers never visit before renting)

What hasn't changed are the fundamentals of running a successful storage operation. Technology gets operators to market faster than ever before, but operational expertise still separates good facilities from great ones. Understanding customer behavior, managing collections, maintaining properties—these skills develop over time regardless of when someone entered the industry.

This explains why technology investments are so prominent in operators' 2026 priorities. Not because new development is exploding, but because the competitive bar has been permanently raised. Matching digital capabilities isn't about defending against a wave of startups. It's about meeting customer expectations that have been shaped by seamless digital experiences across every other industry.

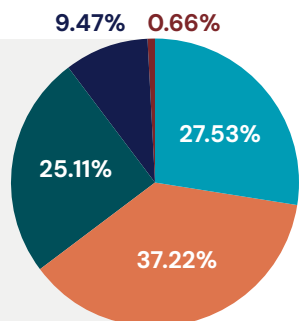
Balancing Concern and Optimism

- Despite the competitive pressures, operators remain generally bullish about their prospects in 2026, though economic concerns loom large.

A solid majority of operators (65%) express optimism about the self-storage industry's growth in the New Year, with 28% very optimistic and 37% somewhat optimistic. Only 10% lean pessimistic, suggesting broad confidence despite headwinds. This optimism likely stems from operators' confidence in their own facilities and local market knowledge.

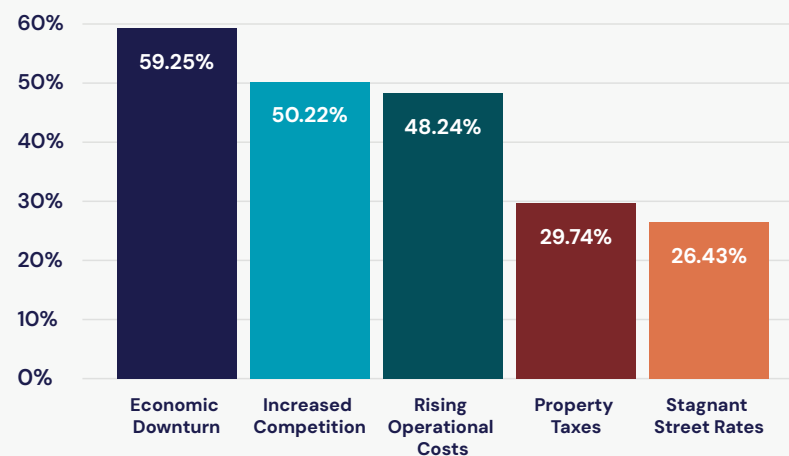
OPTIMISM LEVELS

Very Optimistic
Somewhat Optimistic
Neutral
Somewhat Pessimistic
Very Pessimistic



However, optimism coexists with significant concerns. An economic downturn affecting demand tops the worry list at 59%, followed closely by increased competition (50%) and rising operational costs (48%). Property taxes (30%) and stagnant street rates (26%) round out the top five concerns, painting a picture of operators bracing for margin pressure from multiple directions.

TOP CONCERNS FOR 2026



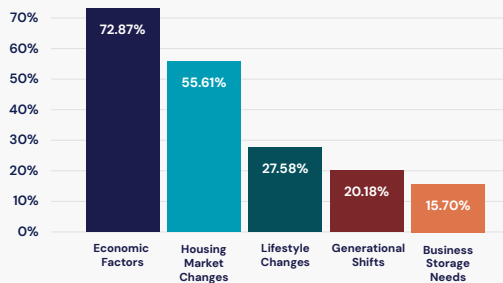
*Percentages do not add up to 100 as respondents could select multiple answers for this question.

This tension between optimism and concern isn't contradictory. Operators know their own facilities, their customers, and their local markets well. They're confident in their ability to adapt and compete. But they can't control broader economic forces.

What's notable is that operators aren't sitting still. The concerns about competition and rising costs are driving action: investing in technology, refining customer service approaches, and finding ways to operate more efficiently. The optimism comes from feeling prepared, not from ignoring the challenges.

Operators' Occupancy & Pricing Outlook

DRIVERS OF CUSTOMER BASE CHANGES



*Percentages do not add up to 100 as respondents could select multiple answers for this question.

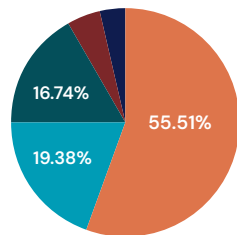
► **Economic factors dominate customer behavior in 2026.** When asked what drives the biggest changes in their customer base, operators point to economic factors (73%) and housing market changes (56%), with lifestyle changes (28%) trailing significantly.

Consequently, most operators (56%) expect

move-in patterns to stay about the same in 2026 compared to 2025. Of those expecting change, opinions split: 24% expect increased demand while 20% expect decreased demand.

EXPECTED CUSTOMER MOVE-IN PATTERNS

- About the Same: **55.51%**
- Slight Increase: **19.38%**
- Slight Decrease: **16.74%**
- Significant Increase: **4.63%**
- Significant Decrease: **3.52%**



This "steady as she goes" outlook aligns with what actually happened throughout 2025. [Storable's industry data](#) shows occupancy stayed essentially flat in the second half of the year despite significant move-in and move-out activity.

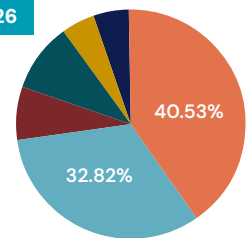
In other words, the market is churning but not growing. Facilities are backfilling vacancies but not adding net customers, which explains why operators are so focused on both acquisition and retention.

Meanwhile, 41% of operators expect prices to remain stable in 2026, while another third (33%) anticipate moderate increases. Only 5% expect significant increases and just 5% expect prices to decrease. This suggests the industry believes rates have reached a sustainable level and may have bottomed out.

The data supports this stabilization view. Recent quarters saw storage pricing fall approximately 4%, with move-in rates averaging \$107.76 and barely moving quarter over quarter—even during what's traditionally the busy leasing season. This pricing pressure mirrors broader housing market corrections, particularly in markets like Austin where home prices dropped 23% from peak.

EXPECTED PRICING STRATEGIES IN 2026

- Remain Stable: **40.53%**
- Increase Moderately: **32.82%**
- More Dynamic/Variable: **7.49%**
- Unsure: **9.69%**
- Decrease Slightly: **4.85%**
- Increase Significantly: **5.07%**



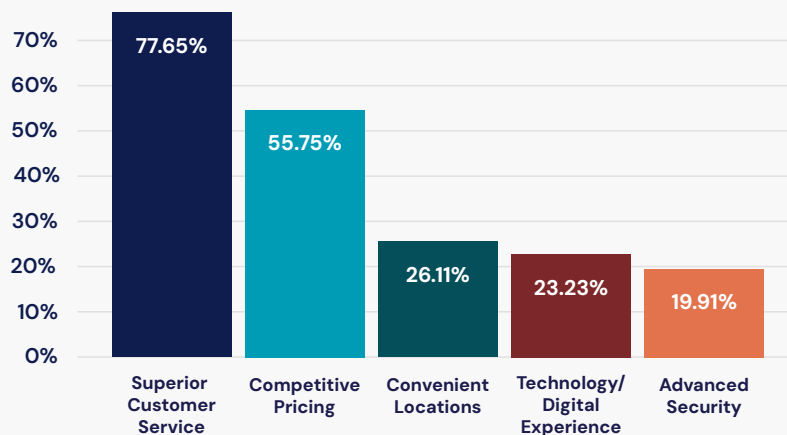
The fact that prices held relatively steady despite the housing market turbulence suggests the storage market may have already absorbed much of the correction. Operators expecting stable or modestly increasing prices in 2026 aren't being overly optimistic. They're reading a market that's already adjusted to new economic realities.

The Customer Service Advantage: Why Technology Enables Rather Than Replaces

- ▶ **Operators plan to differentiate primarily through superior customer service (78%) and competitive pricing (56%).** Other strategies include convenient locations (26%), technology/digital experience (23%), and advanced security features (20%).

The emphasis on customer service makes sense. As technology becomes more widely available, it's harder to differentiate on technology alone. But here's the key insight: technology and customer service aren't competing strategies—technology is what enables superior customer service at scale.

DIFFERENTIATION STRATEGIES



* Percentages do not add up to 100 as respondents could select multiple answers for this question.

Nearly every operator now has property management software, online payments, and digital marketing. What separates the leaders from the pack is how they use that technology. Are they using AI to handle routine rate and account inquiries so staff can focus on meaningful sales conversations? Using data analytics to identify which customers are likely to stay long-term versus those at risk of churning? Leveraging dynamic pricing tools to optimize rates based on individual tenant behavior rather than blanket increases?

The 23% who see technology as a differentiator most certainly understand this. They're not differentiating because they have technology. They're differentiating because they're using it better to deliver the superior service that 78% of operators recognize as essential. Technology investments that strengthen retention, sharpen operational efficiency, and free up staff for higher-value interactions are what create true competitive advantage.



Balancing Automation and the Human Touch

- **Most operators (54%) plan to maintain their current balance between automation and human interaction.** However, 30% want to shift toward more automation (25% slightly more, 6% significantly more), while 18% want to increase human interaction.

The trend toward automation suggests operators are looking for ways to improve efficiency without sacrificing service quality. The key is using technology to enhance rather than replace human interaction.

AUTOMATION VS. HUMAN INTERACTION BALANCE

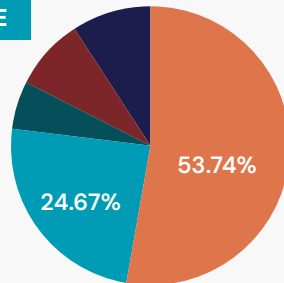
Keep current balance: 53.74%

Slightly more automation: 24.67%

Significantly more automation: 5.51%

Slightly more human: 8.59%

Significantly more human: 9.03%



*Percentages do not add up to 100 as respondents could select multiple answers for this question.

Think about it this way: if AI handles the customer who calls asking "what's your rate for a 10x10?" in three seconds, the human agent who would have spent two minutes on that call can now spend ten minutes with the customer who needs help figuring out what size unit they need, advice on packing, or reassurance about security features. That's a sales conversation, not an information transaction.

The operators who get this balance right—automating the mundane to elevate the meaningful—will be the ones who successfully differentiate on service in 2026. They'll match the efficiency of tech-first competitors while delivering the personalized experience that creates customer loyalty.



Top Business Priorities for 2026: Attraction and Retention

► **Customer acquisition is the top business priority for 2026**, but retention is also critical as economic uncertainty threatens to increase churn.

Acquiring new customers is the clear top priority for 2026, cited by 75% of operators. But the full picture reveals a balanced approach to growth that addresses both revenue generation and cost management.

In addition to customer acquisition, operators are prioritizing:

- Reducing expenses (38%)
- Increasing revenue per customer (33%)
- Improving customer retention (32%)
- Upgrading facilities (28%)
- Implementing new technology (19%)
- Enhancing security features (15%)
- Expanding to new locations (14%)
- Staff training/development (13%)

In a market where occupancy stayed flat despite significant churn, operators recognize they can't just focus on filling units. They need to keep them filled. It's a recognition that the "leaky bucket" problem is real: acquiring new customers doesn't help if existing ones are walking out the door.

This is undoubtedly another key reason why one-in-five show continued interest in new technology and innovation. When you need to both acquire and retain at the same time, technology becomes the lever that lets operators do both effectively without proportionally increasing staff or marketing spend.



The Operational Challenges

Keeping Operators Up At Night

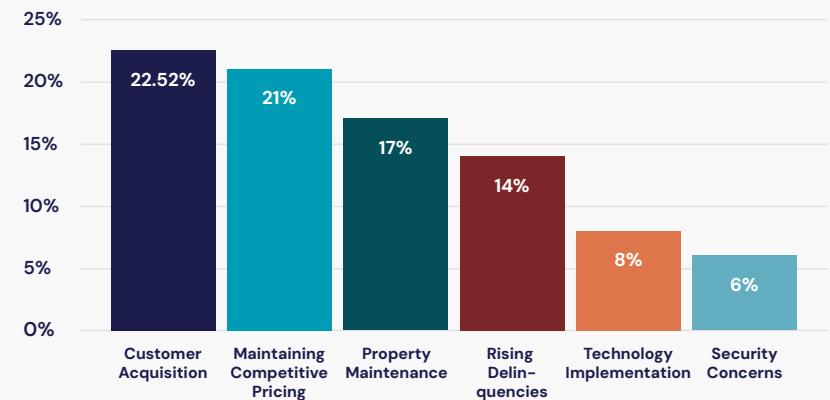
- Interestingly, customer acquisition isn't just operators' top strategic priority. It's their biggest operational challenge, cited by 23%. The irony isn't lost: operators know what they need to do to succeed in 2026, but executing it remains difficult. It's the practical reality of standing out in an increasingly crowded market where operators are competing aggressively and marketing costs continue to rise.

Following customer acquisition, operators' top challenges are:

- Maintaining competitive pricing (21%)
- Property maintenance and upkeep (17%)
- Rising delinquencies (14%)
- Technology implementation (8%)
- Security concerns (6%)

The 14% citing delinquencies is a concerning trend undoubtedly tied to economic pressures. As consumers face financial stress, late payments and defaults increase, creating both cash flow issues and additional work for staff who must manage collections and re-rent units.

BIGGEST OPERATIONAL CHALLENGES

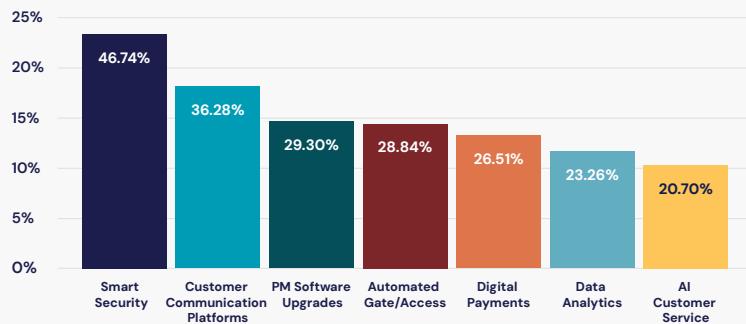


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Where the Money's Going: 2026 Tech Investments

TECHNOLOGY INVESTMENT PRIORITIES



* Percentages do not add up to 100 as respondents could select multiple answers for this question.

- ▶ **Technology investments for 2026 reveal a strategic focus on tools that directly support the industry's top priorities:** customer acquisition, retention, and operational efficiency. Smart security cameras and monitoring lead at 47%, followed by customer communication platforms (36%), property management software upgrades (29%), automated gate/access systems (29%), and digital payment solutions (27%).

Security investments serve a dual purpose: they protect tenant belongings while providing the peace of mind that drives retention—especially critical when 14% of operators cite rising delinquencies as a challenge. Modern AI-powered video surveillance can flag unusual activity automatically and verify staff presence, eliminating hours of manual footage review that once consumed staff time.

Customer communication platforms also enable the personalized service operators say they want to compete on, but at scale. The best platforms don't

just automate messages. They use data to determine the right message, to the right customer, at the right time, whether that's a payment reminder, a service update, or a retention offer.

Perhaps most significant is the emerging interest in AI. Over one-in-five operators (21%) are prioritizing AI-powered customer service, while just under a quarter (23%) plan to invest in data analytics and reporting tools. While these numbers may seem modest, they represent the industry's early adopters—operators who recognize that AI will drive more change in self-storage than any technology that's come before.

The applications are already here:

- **AI-powered customer service** handles the 10–12% of inbound calls that are routine rate and account inquiries, freeing agents to focus on sales conversations that actually convert.
- **Predictive analytics** analyze which customers are likely to churn based on payment patterns and engagement history, allowing operators to intervene proactively before they leave.
- **Dynamic pricing systems** use AI to analyze local market conditions, competitor pricing, and demand patterns to optimize rates in real time, moving beyond blanket rate increases to personalized adjustments based on individual tenant behavior.

The key is viewing technology investments through the lens of strategic impact: Does this help us retain customers better? Does it free up staff for higher-value work? Does it give us insights that drive better decisions? The operators who answer yes to these questions and invest accordingly will be the ones who successfully navigate 2026's challenges while their competitors struggle with the same problems they had in 2025.

What Success Looks Like in 2026

- ▶ **2026 won't reward operators who wait to see what happens.** The market has already shifted. Pricing has corrected. Competition has intensified. Economic uncertainty is baked in. Success in 2026 will come from execution on fundamentals, not hoping for better conditions. That means:
- **Making customer service a genuine differentiator, not just a talking point.** The 78% who say they'll differentiate on service need to back that up with training, processes, and technology that enables staff to deliver exceptional experiences consistently. Some operators built their competitive advantages through years of operational expertise and customer relationships. Others built advantages through digital-native approaches and technology efficiency. The winners in 2026 will be those who combine both.
 - **Solving the acquisition-retention equation.** You can't out-market a leaky bucket. Operators can crack this balance using technology to efficiently attract customers while building the relationships that keep them. Doing this, they will grow while others churn in place.
 - **Investing in technology that drives outcomes, not features.** The operators who pull ahead won't be the ones with the most tools. They'll be the ones who use AI to free up staff capacity, data analytics to make smarter decisions, and automation to deliver better service at scale.

- **Preparing for economic pressure while positioning for opportunity.** Cost discipline matters, but cutting your way to success rarely works. The operators who maintain investment in the capabilities that strengthen their competitive position—even while watching expenses—will emerge stronger when conditions improve.

Success in 2026 won't be determined by how long you've been in business. It will be determined by how well you execute. The operators who combine operational excellence with smart technology investments will be the ones who thrive, whether they opened their first facility last year or 30 years ago.



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