
# Business plan for the development of a Self-Storage facility in the area of Thessaloniki

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I hereby declare that the work submitted is mine and that where I have made use of another's work, I have attributed the source(s) according to the Regulations set in the Student's Handbook.

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## Abstract

This paper is my thesis for my master's degree studies in the Executive MBA course at the International Hellenic University. The main body of this project is a business plan for the development of a self-storage facility in the area of Thessaloniki.

Self-storage (a shorthand for "self-service storage") is an industry in which storage space (such as rooms, lockers, containers, and/or outdoor space), also known as "storage units" is rented to tenants, usually on a short-term basis. Self-storage tenants include businesses and individuals. The specific industry exists since the 1960s in USA and is already very mature in most countries of western Europe. In my paper I focus mainly to modern indoor self-storage facilities that provide privately accessible and secured storage units to customers, in most cases with 24/7 access. In Greece at the moment, the specific industry is practically non-existent with only one small business operating in Attica.

The business plan concerns the hypothetical case of an existed building that is going to be converted to a Self-Storage warehouse. Literature review and data analysis revealed a strong correlation between supply of self-storage industry with specific statistical data in European countries. I exploited this fact and using multiple regression analysis I estimated the floor space per capita for Self-Storage in Greece. This number can be used by anyone that wants to make an estimation for the demand of a self-storage facility that is established in Greece.

Making a research through questionnaires, I tried to reveal the storage needs, the likelihood of using self-storage and the possible patterns of use of people that answered. Some results were used in order to define specific characteristics of the facility of my case study.

Market and industry analysis examined the factors that can affect positively or negatively the establishment of a similar business in the area of Thessaloniki. Finally, the marketing analysis, the management and financial plan complete the structure of a business plan, which is intended to investigate the viability of the specific business venture.

Keywords: Business Plan, Self-Storage.

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# 1. Introduction

What is Self-storage? The American Self-Storage Association defines self-storage precisely as “the term applied to facilities offering rental on a month-to-month basis where the tenant applies the lock and has sole access to the unit. No bailment is created by the facility by taking the care, custody, or control of the customer's goods”. Self-storage companies provide rooms of various size to offer different storage solutions for homes and business. Unlike in a warehouse, self-storage facility employees do not have casual access to the contents of the space. These rooms are solely accessible by the tenants 24/7, in a secured environment with enclosure, alarms, surveillance cameras and access cards. The self-storage consumers are usually renters, homeowners, students, businesses and transitional populations. Figure 1 and Figure 2 depict the facilities of a modern self-storage business.


Figure 1: The exterior of a modern self-storage facility

Figure 2: The interior of a modern self-storage facility.

The literature review examines the fundamentals of self-storage and the main drivers of success in USA and in Europe. A discovery in the literature was that European countries who have a high self-storage floor area per person also tend to have the highest propensity to move homes. Using data from Eurostat and with correlation analysis I verified this strong correlation discovering also a strong correlation with urbanization levels. Taking advantage of the multiple regression analysis method, I estimated the self-storage floor area per person for Greece that would be provided if the self-storage industry was present in this country and followed the same correlation principles.

A primary research was also performed, using questionnaires in order to identify the storage needs of people that answered, so that they can be contrasted with the relative data of the literature. The findings confirm that relocation and generally transitional phases of life, are a basic factor that makes people need extra storage space to store their belongings.

Business tools like PESTLE, SWOT, Porter's Five Forces, 5Cs & 4Ps Analysis, are used to analyze the Greek market and to build the necessary strategies, so that the proposed business venture becomes viable.

The management and operations plan reveal the resources needed for the daily operations, in human capital, equipment and infrastructure. I used 3 different investment scenarios, for which I estimated the corresponding investment returns, by

calculating the Net Present Values, the Internal Rate of Returns and the Payback periods. The capital expenditures for the investment, the operating expenses and the cost of revenues are chosen by intuition and are not a product of a rigorous research.

In the Appendix can be found the pro-forma financial statements for a five years' operating projection, the methods that were used to estimate the demand and the required size of the building and finally the method of computing the hurdle rate (cost of equity) of the investment of the specific case study.

# 2. Literature review

## *2.1 The history of the industry*

The development of the self-storage industry, began in United States after the World War II, mainly as an interim use, in cases when a developer would own land but not have anything to do with it. Parcels with low commercial value (but with good access) had been prime sites for self-storage facility development. While the trend until the past decade, in United States and UK, was for the industry to establish sites on far-flung industrial or suburban areas, there is a shift now to opening more locations in dense commercial districts, in vertical storage facilities, on smaller parcels of land (Groover, Apr2018).

Over the last 60 years, the industry has grown rapidly in United States, with an average rate of 834 facilities per year and exceeding the 50,000 self-storage facilities in 2011. To make thinks clearer, this pace of long-term growth of the specific industry, beats that of McDonald's (Sonne, 2013). Therefore, the $22 billion industry became very appealing to individual investors and real estate investment trusts (REITs). In 2000, REITs became eligible for Standard and Poor's indexes, increasing investors' exposure and lending credibility to the industry. There are currently 6 public listed American self-storage companies, with Public Storage (PSA) being the largest company and a member of the S&P 500. The significant growth of the industry in the period 1996-2011 is depicted in Figure 3.

| Year | Facilities | Annual Growth | Annual % |
|---|---|---|---|
| 2011 | 50,048 | 692 | 1.40% |
| 2010 | 49,356 | 635 | 1.30% |
| 2009 | 48,721 | 1,207 | 2.54% |
| 2008 | 47,514 | 2,540 | 5.65% |
| 2007 | 44,974 | 2,007 | 4.67% |
| 2006 | 42,967 | 1,845 | 4.49% |
| 2005 | 41,122 | 2,305 | 5.94% |
| 2004 | 38,817 | 1,806 | 4.88% |
| 2003 | 37,011 | 1,835 | 5.22% |
| 2002 | 35,176 | 1,343 | 3.97% |
| 2001 | 33,833 | 1,886 | 5.90% |
| 2000 | 31,947 | 1,992 | 6.65% |
| 1999 | 29,955 | 2,420 | 8.79% |
| 1998 | 27,535 | 2,355 | 9.35% |
| 1997 | 25,180 | 1,208 | 5.04% |
| 1996 | 23,972 | | |
| **15** | **Averages** | **1,738** | **5.05%** |

Figure 3: Industry growth in USA, between 1995-2011[1]

## *2.2 The European Self-Storage Industry*

Self-Storage did not arrive in Europe until the early 1980s, initially in the London area. Now there are nearly 3,800 facilities across Europe, providing over 9.7 million square meters of space. UK has the lion's share, as 40% of the total European facilities are established there, and along with France and Netherlands, they have 67% of the total self-storage current lettable area of Europe, while emerging markets are expanding rapidly. The annual report for 2018 of the Federation of European Self-Storage

[1] Source: (Sonne, 2013)

Association (FED.E.S.S.A) revealed some general characteristics of the European industry:

- There are 3,792 self-storage facilities in Europe with 9,707,500 square meters of space.
- It is a highly fragmented market, as the ten largest brands across Europe representing just 23% of the total number of facilities.
- The average rent is 262€ per square meter per annum
- Average occupancy is 78%
- The average Lettable area of a facility is 3,769 square meters.
- The average number of full-time staffs is 1.64 and of part-time staff is 0.34 per facility.
- Countries who have a high self-storage floor area per person also tend to have the highest propensity to move homes. .
- Table 1 illustrates this relation.

Table 1: The relation of the size of Self-Storage industry in European countries with the level of mobility in each country.

| **Country** | **Estimated number of facilities (2018)[2]** | **Rentable Floor space per capita ($m^2$)** | **Population having moved within the last five-year period (Census 2011 - %)[3]** |
|---|---|---|---|
| **Austria** | 47 | 0.01 | 20.2 |
| **Belgium** | 88 | 0.017 | 22 |
| **Czech Republic** | 5 | 0.001 | 7.6 |
| **Denmark** | 92 | 0.034 | 32.9 |
| **Estonia** | 3 | 0.002 | 15.6 |
| **Finland** | 68 | 0.028 | 31.9 |

[2] Source: (JLL & FEDESSA, 2018)

[3] Source: Eurostat

| | | | |
|---|---|---|---|
| **France** | 480 | 0.018 | 27 |
| **Germany** | 234 | 0.007 | 21.9 |
| **Hungary** | 16 | 0.004 | 7.4 |
| **Iceland** | 7 | 0.056 | 41.4 |
| **Ireland** | 28 | 0.019 | 14.8 |
| **Italy** | 56 | 0.003 | 8.9 |
| **Latvia** | 3 | 0.004 | 10.1 |
| **Lithuania** | 1 | 0.001 | 5.6 |
| **Netherlands** | 303 | 0.052 | 24.6 |
| **Norway** | 139 | 0.025 | 34.8 |
| **Poland** | 17 | 0.001 | 10 |
| **Portugal** | 19 | 0.005 | 10.2 |
| **Romania** | 5 | 0.001 | 1.9 |
| **Spain** | 426 | 0.02 | 13 |
| **Sweden** | 159 | 0.043 | 40.2 |
| **Switzerland** | 91 | 0.01 | 32.6 |
| **UK (inc. containers)** | 1,505 | 0.067 | 30.8 |

## *2.3 The drivers of self-storage growth*

Many people today are forced to relocate frequently in their lifetime, needing temporary storage during resettlement. The modern lifestyle is characterized by a material overflow and by living mainly in urban areas where apartments are small, and the extra space is expensive. The majority of countries in Europe have growing urban populations, even in countries which are experiencing negative population growth such as Spain and Italy (JLL & FEDESSA, 2018). The housing crisis has led many developers in Europe to innovate new types of affordable private accommodation, both for rent and sale, creating a new group of accommodation types, called “micro-living” (Inspired Homes.uk.com). High levels of urbanization, mobility of the populations and the growing

number of micro-living schemes gave the opportunity to the self-storage sector to flourish, especially in United States and in the biggest part of Europe.

## *2.4 The economics of the industry*

The economics of the self-storage industry are generally attractive. A self-storage facility can employ one or two sales staff to run the business during the day and the maintenance of a facility is usually minimal as the storage units are almost maintenance-free and customer traffic is low, which limits usage maintenance. Furthermore, unlike traditional real estate, self-storage operators can adjust rents as demand fluctuates. Customers rarely move out if rent increases (Andy, 2018).

So, after initial construction costs, self-storage facilities require little overhead and operating results demand a lower yield. For example, the breakeven occupancy rate for a self-storage facility is approximately 40% to 45%, as compared to 60% or more for apartments in the United States market (Sonne, 2013).

Self-storage is a life events business that benefits from demand drivers throughout the various stages of an economic cycle. Industry experts of United States, often refer to the four “D”s when describing demand drivers—death, divorce, downsizing and dislocation. Each of these factors occurs during periods of economic growth as well as during a recession (Lampi, 2017).

## *2.5 Facility Types*

There are 3 different facility types in the self-storage industry: Converted buildings to self-storage warehouses (Figure 4), purpose-built sites (Figure 5) and container based self-storage facilities (Figure 6). The bulk of container only operators are small sites, often run as secondary businesses on farm land or unused industrial land. Figure 7 presents the mix of facility types in UK.


Figure 4: Converted building to a self-storage facility

Figure 5: Purpose-built self-storage facility


Figure 6: Container based self-storage facility

Figure 7 illustrates that there is a steady increase in purpose-built sites in UK the last decade, maybe because market is very mature and there is a declining number of existing buildings that are suitable for conversion into self-storage (CUSHMAN & WAKEFIELD, Self Storage Association UK, 2017).

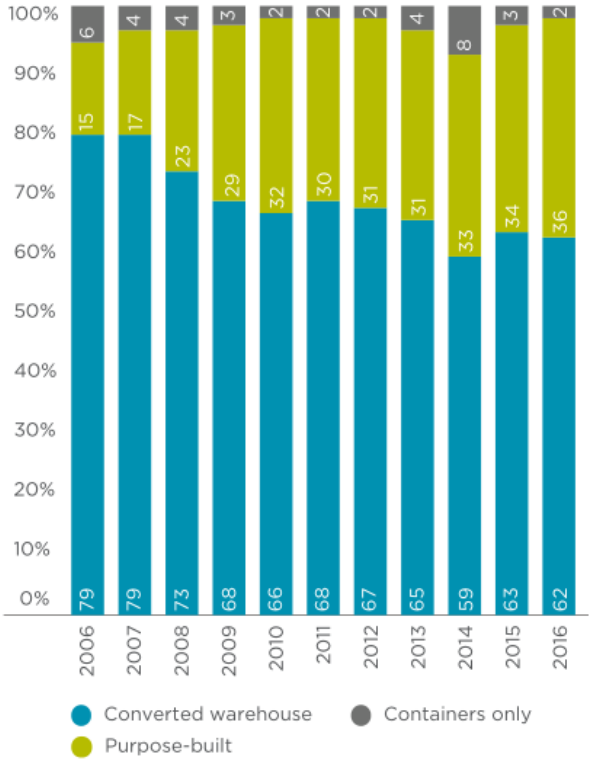


Figure 7: The mix of facility types in UK[4]

## *2.6 Supplementary products and Ancillary income*

A growing number of self-storage properties offer solutions for more specific needs like climate-controlled storage units, wine storage units and any other solutions depending on the demand of the specific location of the self-storage store. For example, a company in Lithuania offers specialized fur storage-units (Daiktams Self-Storage Lithuania).

It is very common for these businesses to have and other sources of revenues, apart from the rents of the self-storage units. They usually offer additional services like insurance coverage for the customer's belongings, truck rentals or transportation of the

[4]Source: CUSHMAN & WAKEFIELD, Self Storage Association UK, 2017

belongings from and to the storage facility. They also offer supplementary merchandise, like cardboard boxes, packing tapes, padlocks, permanent markers, bubble wraps and solutions for shelving.

The average portion across Europe, of the net income that was generated from the sales of these kind of services and retail products, was 12% in 2018. In more mature markets like UK and France, the corresponding portions were nearly at 20% (JLL & FEDESSA, 2018).

## *2.7 The profile of the customers*

Residential users make up approximately 77% of all those who use self-storage units both in United States and in Europe. Once a unit is rented, the average stay for residential customers is 12 to 18 months in United States (Sonne, 2013).

In January 2017 the Self-Storage Association in UK, undertook a survey of its member's customers. The survey provided insight into the types of users of the product and the patterns of use. Below are the key findings of this survey:

- 65% of customers were aged between 40 and 65. Only 10% of users were aged between 25 and 35, perhaps due to the fact that younger people are likely to have accumulated fewer possessions than the older age groups and are typically less able to afford self-storage.
- Divorced or separated people are more than twice as likely to use self-storage than single people.
- Couples that live together without children or other family members appear to have a much higher likelihood of using self-storage. Specifically, the more children or extra people in the household the less likely it is to use self-storage. Maybe an explanation could be the cost of storage, with families potentially having less disposable income than couples.
- 24% of the survey group were retirees, much higher than the corresponding portion of the general population in UK (3%). This further supports the couples without children results, as retirees are likely to live in 2-person households.

Commercial users often use self-storage as a flexible solution to their business storage needs. Small businesses, e-businesses, retailers and home-based entrepreneurs frequently want room to store their excess inventory or maybe their old equipment, until they can find potential buyers to resell it. Many new start-ups might want to use self-storage units in the transitional phase of their businesses, until their sales volumes increase enough that they buy or lease their own warehouse.

## *2.8 Design of a self-storage unit & the size mix of the storage units*

There are some key components existed in most of self-storage facilities:

- Having a secure defined perimeter (the building itself and/or a perimeter fence).
- Main and any secondary loading access points
- Stairways or mezzanine floor stairways
- Customer reception and offices
- Retail shop
- Goods lifts
- Customer parking

The mix of unit sizes in any facility is driven by the customer demand. However, in the self-storage environment demand rates and renting periods are uncertain. Often facilities are fitted out in phases which provides them a scope to refine their unit size supply to customer demand.

The new self-storage facilities, widely apply modular steel-base products like modular corridors, standardized internal wall panels, standardized swing doors, and roller doors. The internal panels have a special design to make repartitioning of warehouse space easier. This space flexibility creates room for self-storage managers to adapt the layout of their facility to the changing demand. Most facilities have a limited number of storage sizes (in the United States, usually 8 types) and most sizes are an integer multiple of a standard size (Gong, 2013).

The survey of the Self-Storage Association in UK revealed the size of units that the customers demand in UK. It is clear from the data (Table 2) that business customers tend to take larger units than private customers. The cost of a unit usually increases with the unit size, but the cost per square foot decreases as the unit size increases. Operators will therefore usually target customers seeking small unit sizes, but clearly the mix of unit sizes at any facility is driven by customer demand.

Table 2: Size of units that the customers demand in UK.[5]

| $ft^2$ | $m^2$ | Private customers (%) | Business Customers (%) |
|---|---|---|---|
| 0-10 | 0-0.9 | 5 | 5 |
| 11-50 | 1-4.5 | 46 | 22 |
| 51-100 | 5- 9 | 31 | 25 |
| 101-200 | 9.5- 19 | 12 | 17 |
| 201-500 | 19.5-46 | 5 | 19 |
| 501-1000 | 46.5-93 | 1 | 6 |
| 1001+ | 94+ | 0 | 5 |

## *2.9 The self-storage in Greece*

After scanning the Greek market, with research in the Internet and the Yellow Pages, I found only one company, "YouBox self-storage" located in Piraeus, which combines the basic characteristics of a modern self-storage facility: Offering private storage units with a variety in size of units, in a secure environment and accessible to customers 24/7. The company must be relatively new, since the first entries in the website and in the company's page in Facebook, begin in December of 2017. "YouBox" recently announced the opening of a second facility, in Galatsi, Athens (in November 2018).

Other findings are companies that mainly trade containers (selling or renting) and as a secondary business they offer container-based storage in their premises (or in the

[5] Source: (CUSHMAN & WAKEFIELD, Self Storage Association UK, 2017)

customer's place) mainly to business customers. "Elliniki metaforiki containers" is a typical example of these category of companies.

In Thessaloniki area, there is no a fully operational business right now, to offer self-storage solutions. "Titan Containers" a company based in Denmark, has announced in the company's website that it plans to open self-storage facilities in Athens and Thessaloniki in the beginning of 2019. "Titan Containers" is again a company that mainly trade containers, but also offers self-storage solutions (B2B and B2C) in 10 countries, both in containers and in indoor store rooms of various size (from under 2m² up to 11m²) depending on the site. What facility type "Titan Containers" intends to deploy (container based or indoor storage units) in Thessaloniki, is currently unknown.

# 3. Methodology

## *3.1 Primary Data*

For the purposes of my primary research, I created questionnaires that were shared to people, via e-mail lists (students & alumni of I.H.U) and social networks (Facebook and LinkedIn). The advantages of using internet mediated questionnaires are (Mark Saunders, 2007):

- You can have a large size of sample, geographically dispersed
- Easy way to construct the questionnaires, since there are automated online systems that can be used for free (for example Google Forms).
- Easy way to distribute them, using social networks, e-mail lists, online advertising.
- Low probability of contamination or distortion of responder's answer.
- Data input is automated, so this method is ideal when there are time and resource constraints.

This research aimed to collect some data about the storage needs of the people that answered, so that they can be contrasted with the relative data of the literature (for example with results of respective researches in UK). In that way it is possible to make some assumptions about the characteristics of people in Greece that could become potential customers of a self-storage company.

In this case study, the sample of the research were the people that had the chance to receive and answer the questionnaire and the total population examined were all Greek spoken people (the questionnaire was in Greek language). This is a case of a non-random sampling, since the probability of each case being selected from the total population is not known and not equal for all cases. In other words, the people that received the questionnaire via e-mail lists of the university or through my personal accounts on social networks, are not form a representative sample of the characteristics of all Greeks, so we cannot make statistical inferences about the whole population.

However, we can make some generalizations, not on statistical grounds, to examine for example, the attributes of people that need extra space to store their personal or professional belongings and what characteristics or special services would attract them to become customers of a self-storage company. If we wanted to generalize our findings for the whole population of Greece, to learn for instance, the needs or habits of Greeks in storing their things, we would require a survey strategy, using probability sampling techniques, a process that requires large amount of time and human resources.

The form of the questionnaire is included at the very end of this document (in Greek language).

## *3.2 Secondary Data*

Secondary data were drawn from the literature review, mainly from journals, articles and reports that gave insights about how the self-storage industry works and about the key-drivers of its success in United States and in Europe. Secondary data were also drawn from statistical authorities like Hellenic Statistical Authority and Eurostat. For example, as it is going to be presented in the data analysis section, I used statistical data for European countries like “Population having moved within the last five-year period”, “Real Gross Domestic Product per capita” and “Distribution of population by degree of urbanization & income group”.

# 4. Data analysis

## *4.1 Analysis of the primary data*

Key charts and histograms from the analysis of the answers from the questionnaires, are mainly presented in the Appendix. In Table 3 are the key information of the primary research.

Table 3: Key information of the primary research

| | |
|---|---|
| **Size of the Sample** | 171 people |
| **Type** | Internet mediated questionnaire |
| **Medium** | - E-mail lists (students & alumni of I.H.U)<br>- Social networks (Facebook and LinkedIn) |

The key findings are:

- People chose “Relocation” as the main reason for needing extra storage space.
- Interestingly, the most popular needed time for storage was “over 6 months”.
- Family incomes over 1000 € (monthly) were more inclined in needing extra storage space, but in the corresponding questions, how possible is to use self-storage services the results didn’t show any interesting trend based on income.
- I didn’t find any interesting patterns in the relation between the number of persons in households with the likelihood of using self-storage.
- The majority of students and military personnel stated that it is more possible to use self-storage services for few days, to one month.

- People between 35-54, needed more frequently extra storage space and they were more inclined to use self-storage services for longer periods, compared to other age groups.
- Very few residents from the countryside answered the questionnaire, so there is no possible to make safe associations between the level of urbanization and the need for storage.
- Very few people answered that they needed in the past or they need in the present, storage space for professional reasons.

The only findings of my primary research that match with the corresponding findings in the literature review is that relocation and generally mobility is a basic factor that makes people need extra storage space to store their belongings. Also, the need for storage is more intense in older age groups (over 40) maybe because this group is more likely to have accumulated possessions than younger people.

## *4.2 Analysis of the secondary data*

As it is already presented in the literature review, the main drivers of the growth of self-storage industry were the high levels of urbanization in the specific countries and the modern lifestyle that is characterized by the fact that many people today, have many possessions, they relocate frequently and especially in big cities of Europe where there is a housing crisis, many people are obliged to choose micro-living schemes.

Trying to verify the above facts, I examined the level of correlation between storage space that is provided from self-storage companies that are present in European countries, with statistical data that are related with the income, the level of urbanization and the mobility of populations in the corresponding countries (Table 4). The computed correlation coefficients are depicted in Table 5.

Table 4: Supply of rentable self-storage space and statistical data in European Countries

| **Country** | **Rentable floor space per capita from Self-Storage companies ($m^2$ – 2018)[6]** | **Distribution of population having moved within the last five-year period (% - 2011)[7]** | **Distribution of population by degree of urbanization & income group above 60% of median eq. income (% - 2017)** [7] | **Real GDP per capita (€ - 2017)**[7] |
|---|---|---|---|---|
| Austria | 0.01 | 20.2 | 24.3 | 37200 |
| Belgium | 0.017 | 22 | 20.5 | 35000 |
| Czech Republic | 0.001 | 7.6 | 27.5 | 17200 |
| Denmark | 0.034 | 32.9 | 26.7 | 47100 |
| Estonia | 0.002 | 15.6 | 35.6 | 14600 |
| Finland | 0.028 | 31.9 | 33.7 | 35700 |
| France | 0.018 | 27 | 39.9 | 32300 |
| Germany | 0.007 | 21.9 | 29.8 | 35500 |
| Hungary | 0.004 | 7.4 | 28.6 | 11800 |
| Iceland | 0.056 | 41.4 | 59.5 | 38500 |
| Ireland | 0.019 | 14.8 | 37.8 | 56400 |
| Italy | 0.003 | 8.9 | 26.9 | 26400 |
| Latvia | 0.004 | 10.1 | 36.1 | 11600 |
| Lithuania | 0.001 | 5.6 | 37.8 | 12700 |
| Netherlands | 0.052 | 24.6 | 47.5 | 40700 |
| Norway | 0.025 | 34.8 | 35.4 | 69100 |
| Poland | 0.001 | 10 | 30.6 | 11800 |
| Portugal | 0.005 | 10.2 | 35.8 | 17500 |
| Romania | 0.001 | 1.9 | 27.1 | 8300 |
| Spain | 0.02 | 13 | 41.6 | 24500 |
| Sweden | 0.043 | 40.2 | 33.5 | 42800 |
| Switzerland | 0.01 | 32.6 | 23.2 | 58100 |
| UK | 0.067 | 30.8 | 48.8 | 32200 |

[6] (JLL & FEDESSA, 2018)

[7] Eurostat

Table 5: Correlation coefficients of the variable “Supplied floor space per capita” with the other 3 variables depicted in Table 4.

| **Correlation Coefficients** | **Mobility** | **Urbanization** | **Real GDP per capita** |
|---|---|---|---|
| **Floor space per capita** | 0.6589 | 0.7597 | 0.4897 |

In the Appendix 1 , is presented my effort to exploit this linear relationship, conducting a multiple regression analysis in order to make an estimation for the rentable floor space per capita in Greece, that would be provided if the self-storage industry was present in this country and followed the same trend (relatively good correlation between the supply of rentable floor space per capita, the mobility of population and the level of urbanization).

# 5. Business Plan

The business plan concerns the development of a Self-Storage facility in the eastern outskirts of the metropolitan area of Thessaloniki. This case study is imagenary and the business plan is performed in order to examine the establishment and viabilty of a similar business venture.

In the Appendix can be found the analysis of estimating the demand for self-storage space for the facility, the computation of the required size of the building and of the hurdle rate of the project.

## *5.1 Executive Summary*

"BoxIT Self-Storage" is a company that is about to be formed from the joint investment of two partners. The one partner will take part in the capital formation of the company, with one building, located in Thermi, Thessaloniki and the second partner will join in with cash. This investment concerns the conversion of the existed building to a fully operational Self-Storage facility, with all the characteristics that are analyzed in the business plan.

The company will provide many of the services and conveniences that deliver modern self-storage facilities in Europe and USA: Storage units in various sizes according to the needs of the customers, 24/7 access, increased security using automations, alarms and surveillance cameras, in an ergonomic and user-friendly environment.

The market analysis revealed that the business environment has improved the last 2 years, since Greek economy shows some signs of recovery and private consumption starts to increase again, after many years of shrinkage. The upcoming elections in 2019, are not expected to affect negatively the business climate, since the potential winners (Governmental party or the largest opposition party) are considered in favor of private investments and entrepreneurship.

Using Porter's Five Forces Framework, I analyzed the industrial environment in which "BoxIt Self-Storage" is about to operate. Currently, there are no other businesses offering Self-Storage in the area of Thessaloniki, however a Danish company, announced recently the opening of similar facilities in Athens and Thessaloniki.

The SWOT analysis and the Marketing Plan try to define the strategies that should be implemented, in order the partners can manage all the resulting difficulties, by starting-up a business that is about to offer innovative services for the market of Greece. A derived conclusion is that "BoxIt Self-Storage" should position its services as a modern and flexible storage solution for residentials and commercial users that need a privately accessible and secure space for their possessions.

Staffing needs for the proposed business venture are expected to be low: 2 employees (one secretary and one administrative assistant) and additionally one proficient general manager in the case that none of the partners undertakes this position. The staff of the company will undertake the basic activities that will take place in the daily operations: Sales, Customer service and Business management. Supplementary services and provisions like the insurance coverage to customers and the security of the facility is suggested to be outsourced.

The total investment cost under the base case scenario, is estimated to be 205,000 €. The provision of external financing is also considered mandatory, so that all investment costs can be covered, and the business can be sustained in the first 2 years of operation, when occupancies are expected to be low.

The investment returns are estimated under 3 different scenarios. The factors that are changed in the scenarios are the life of the project and the investment costs. The results show that the returns are characterized by relatively long payback periods (at least 11 years) and low internal rate of returns: 10.28%, 12.93%, and 15.60% for the 3 different investment scenarios.

Finally, the milestones of the project are presented, with the corresponding major

tasks that must be completed, from the phase that the two partners decide that they want to evaluate the business opportunity, up to the phase that the self-storage facility is ready to launch the services.

## *5.2 Company description*

The company will be established in an existed building of size 4,000 $m^2$ approximately, located in the area of Thermi, Thessaloniki, near the highway that leads to Chalkidiki. It will offer storage solutions to private and business users, aiming primarily to supply the market demand of the south and south-eastern areas of Thessaloniki, as well as the demand of the nearby suburbs. The total rentable area provided to the customers will be 2,415$m^2$ and the total number of the storage units will be 340. The proposed size mix of the units is presented in Table 6.

Table 6: The initial size mix of the storage units of "BoxIt Self-Storage"

| **Size of storage unit ($m^2$)** | **Distribution of storage units based on the size (%)** | **Number of storage units** |
|---|---|---|
| 1 | 7 | 24 |
| 3 | 30 | 102 |
| 6 | 25 | 85 |
| 9 | 25 | 85 |
| 15 | 10 | 34 |
| 30 | 3 | 10 |
| | | **Total: 340** |

According to bibliography, the mean of the unit sizes in self-storage industry, generally fall around 100 square feet (9.29 $m^2$). The mean can be skewed to the left upto 75 square feet (6.97 $m^2$) in cases that the customers is projected to be mainly residential users (Wilson, 1987) . In my case the related mean is 7.12$m^2$.

The existed building will be converted to a self-storage facility, using modular partitional systems in the designing, so that the management of the company can adjust the size mix of the storage units periodically, depending on the demand.

Apart from renting storage units, the company will offer these additional services:

- Insurance coverage to customers that want to insure their belongings

- Transportation services to customers that want safe and convenient transportation of their belongings
- Retail shop to offer supplementary merchandise (cardboard boxes, packing tapes, solutions for shelving, etc.)

### *Ownership Structure and Legal Form*

The initiators of this business venture, are suggested to form a Private Company legal form (IKE in Greek terms) in order to utilize the fact that in this legal form the corporate shares are not limited only to the capital provided by the partners, but the possible contributions can be also provided services or undertaking to carry out work. The value of these contributions is laid down in the Statute, which essentially shapes the company's operating rules.

In Table 7 is depicted the ownership structure of the company taking in consideration only the capital contributions, that is the building that is provided by the one partner and the cash provided by the second partner.

Table 7: Ownership Structure of the company, taking in consideration only the capital contributions (cash and building)

| | **Capital Formation** | **Ownership Structure** |
|---|---|---|
| **1st Partner** | Building of commercial value 400,000 € | 400,000 / 520,000 = 77% |
| **2nd Partner** | Cash: 120,000 € | 120,000 / 520,000 = 23% |
| **Total Capital value** | 520,000 € | |

## *5.3 Greek market analysis*

### 5.3.1 Political environment

In August 2018, Greece emerged from a three-year stability support program and a total of eight years of financial assistance programs. Greece now seeks to finance itself in the markets without official lending support, but with increased international monitoring, with implementation of structural reforms, privatizations, and delivery of agreed budget surpluses, continuing to dictate policy direction.

The coalition between the left-leaning SYRIZA and the right-wing ANEL has a slim parliamentary majority (152 out of 300 parliament members). The public support for the government is low, due to the legislation of publicly unpopular measures demanded by Greece's international creditors (cuts, privatizations, easier dismisses of employees, etc.).

An early election is possible in the first half of 2019, before the government reaches the end of its term in September that year. Currently, the political scene is fragmented, with parliamentary representation from a full range of political ideologies from ultra-left to ultra-right.

The largest opposition party is the right-wing “Nea Dimokratia” (N.D), which surveys show that is most likely to form the next government, but probably without achieving parliamentary majority. So, collaborations should be pursued, to form majority government, with the center-left “Kinima Allagis” (Kin.Al) and center “Potami” to be the most prospective candidate parties. N.D, Kin.Al, Potami as long as the governmental parties, support the participation of Greece in the eurozone and have declared their belief that private investments and entrepreneurship are the key factors for the recovery of Greek economy.

### 5.3.2 Economic environment

The continual shrinking of the Greek economy stopped in 2017, since in that year we had 1.5% increase of the Gross Domestic Product (Greek Statistics Authority, 2018).

Forecasts from the European Commission expect 1.9% and 2.3% growth for 2018 and 2019 respectively with the main driver of this expansion to be investments, due to improvements on business environment and increased foreign direct investment (European Commision, July 2018).

The positive fiscal performance since 2016 and the positive expectations for 2018, has led to consecutive upgrades of the credit rating from international rating agencies, to significant reductions in Greek Government Bond yields and to the successful completion of the ESM economic adjustment program in August 2018.

Table 8 analytically presents the macroeconomic estimations for 2018 and projections for 2019 and

Table 9 depicts the tax rates in Greece.

Table 8: Key indicators of the Greek economy (% annual changes, constant prices)[8]

| | **2017** | **2018**** | **2019**** |
|---|---|---|---|
| **Real GDP** | 1.4 | 2.1 | 2.5 |
| **Private consumption** | 0.1 | 1.0 | 1.1 |
| **Public consumption** | -1.1 | 0.2 | 0.6 |
| **Gross fixed capital formation** | 9.6 | 0.8 | 11.9 |
| **Exports of goods and services** | 6.8 | 7.5 | 5.8 |
| **Imports of goods and services** | 7.2 | 3.4 | 5.2 |
| **Harmonized Index of Consumer Prices** | 1.1 | 0.6 | 1.2 |
| **Employment** | 2.1 | 1.7 | 1.8 |
| **Wages** | - | 2.9 | 1.8 |
| **Unemployment rate** | 19.8 | 18.3 | 16.7 |

** Estimates/ projections

Table 9: Tax rates in Greece

| **Greek Tax Rates (%)** | |
|---|---|
| Corporate Tax Rate | 28 |
| Personal Income Tax Rate | 22-29-37-45 (Progressive) |
| Sales Tax Rate | 24 |
| Social Security Rate | 40.06 |
| Social Security Rate for Companies | 24.06 |

[8] (General Accounting Office of Ministry of Finance, Hellenic Republic, 2018)

| | |
|---|---|
| Social Security Rate for Employees | 16 |

Key discretionary measures included in the Draft Budget for 2019: (General Accounting Office of Ministry of Finance, Hellenic Republic, 2018)

- Property tax reduction: Reduction of the basic property tax (ENFIA) by a weighted average rate of 10% in 2019.
- Corporate Income Tax reduction: Gradual reduction of the tax rate from 29% to 25% in a 4 years period (the rate is already reduced to 28% for 2019 and is about to be at 27% for 2020).
- Reduction in dividends tax rate: Reduction of the tax rate on distributed profits by 5 percentage points (it was 15% in 2018).

### *Economic activity in Thessaloniki area*

Regional section of Thessaloniki contributed 15,175 million euros in the Gross Domestic Product of Greece in 2015 (8.6% of the national G.D.P), second in ranking below Regional section of Attica, which contributed 84,374 million euros (47.8% of the national G.D.P). These data depict the overaccumulation of the economic activity of Greece in Attica.

Thessaloniki presents the typical characteristics of an urban center (the second largest city center of the country): particularly high participation of the tertiary sector of economy, significant presence of the secondary and limited primary sector (Table 10).

Table 10: Sectoral structure of economic activities in region of Thessaloniki and in national level (%)

| | **Primary** | **Secondary** | **Tertiary** |
|---|---|---|---|
| **Greece** | 4.4 | 16.2 | 83 |
| **Regional Sector of Thessaloniki** | 2 | 17.5 | 80.4 |

### 5.3.3 Social environment

Population of Greece got in a declining phase since 2010, running a decrease of 3.1% in the period 2010-2017 (World Bank). This reduction apart from the low birth rate, is explained from the high number of people that emigrated the last decade, with the main reason to be the financial crisis and the high unemployment. This situation created the so called “brain drain” effect, since many well-educated people left Greece in order to find employment abroad.

Some key facts that need attention are:

- Unemployment rate although in a declining phase, is still high (projected 16.7% for 2019) (General Accounting Office of Ministry of Finance, Hellenic Republic, 2018)
- 34.8% of the population is in risk poverty or social exclusion (reduction 0.8% compared to 2016). (Greek Statistics Authority, 2018)
- Average Monthly Expenditures of Greek households increased in 2017 (+0.9%), for the first time after 8 consecutive years of reductions. (Greek Statistics Authority, 2018)
- Home Ownership Rate is at 73.3% (2017), with a downward trend the last 8 years (Eurostat).
- 15.8% of the households possess a second residence and 12.9% an indoor parking space (Greek Statistics Authority, 2018).
- Millennials in Greece, as in the majority of developed countries, “settle down” later in life in terms of establishing more permanent relationships, having children and settling into a permanent residency – all factors which are more likely to contribute to a need for self-storage.
- Mobility of population in Greece is below the European Union average (Table 11). This data is from the census of 2011 and as we have already discussed, the last decade many young Greeks emigrated. It is difficult to estimate how many of them will return to Greece, but certainly this number is expected to be highly effected.
- Urbanization level in Greece is near the European Union average (Table 11).

Table 11: Mobility of population and urbanization levels in Greece and in European Union[9]

| Country | Population having moved within the last five-year period (Census - 2011) | Distribution of population by degree of urbanization & income group above 60% of median eq. income (2017) |
|---|---|---|
| **Greece** | 9.8% | 31.9% |
| **European Union average (EU-28)** | 17.8% | 32.6% |

## 5.4.4 Technological environment

There are many solutions in the international market that provide customized services to self-storage businesses. They provide interactive mapping and management of the lettable storage space, integrated reservations system, pricing and billing control and real time reporting capabilities. Using these tools, self-storage businesses gain increased flexibility and efficiency in their operations.

### *Internet Usage*

In Greece the use of internet is still below the European Union average (70% of population used internet the last 12 months in 2017 – the corresponding average in EU-28 is 85%). The internet usage drops in very low levels in ages between 55 and 74, with Greece holding one of the last 4 places in the corresponding ranking with 34 European countries (Eurostat 2017). This fact must be considered when implementing the marketing strategies of the company of our case study.

[9] Eurostat

## *5.5 The industrial Environment*

### 5.5.1 Threat of new entrants in the self-storage market of Thessaloniki

Establishing a self-storage facility is considered a capital-intensive investment when we put in the equation the acquiring of the land and the construction of the buildings. In cases of existed buildings that are going to be converted to self-storage warehouses the investment needs are much lower. So, the threat of new entrants is much higher from investors that already possess large buildings with good accessibility.

### 5.5.2 Bargaining power of suppliers

Self-storage businesses don't have any specialized needs in terms of supplying materials, for running their operations. Normally, the needs will be consumables for the office and the retail shop, materials and equipment related to the maintenance and functionality of the facility. I believe that under normal conditions, many suppliers can be found in the Greek market to cover these needs. For this reason, bargaining power of suppliers is considered to be low.

### 5.5.3 Bargaining power of buyers

Since there isn't currently any competition that provides the same product in Thessaloniki (indoor self-storage services), the bargaining power of private users will be low. Professionals and other businesses that usually have higher storage needs, can always be serviced by logistics companies or use container-based storage services. So, their bargaining power will be higher than private users, but eventually will be in moderate levels especially for small and medium sized businesses.

### 5.5.4 Threat of substitute products

Substitute products can be considered the services provided from some companies that can take over to receive and store bulky furniture and personal items to their warehouses but without offering the right to the customer to access them whenever he likes and in a private environment. Substitute service is also container-based

storage service, which is addressed mainly to professional users. Because these 2 alternatives usually achieve a price advantage compared to self-storage facilities, the threat of these substitute products is high.

### 5.5.5 Competitive Rivalry

As we have already discussed, there is no business right now in Thessaloniki that offers similar services. Even If other companies enter in the specific market (like “Titan Containers”), we don’t know the level of adoption by the market and how much the specific industry will grow. So, at the moment the competitive rivalry is considered to be low.

## *5.6 Company’s Strategy*

Market and industrial analysis provided information about the general context in which the proposed business is going to be established and operate. The information is input data that are going to be used in order to devise a strategic plan for the company. SWOT analysis, which is a well-known tool that is used in strategic planning, addresses the internal strengths and weaknesses of the company relative to the external opportunities and threats (the general context).

### 5.6.1 SWOT analysis

| | **Strengths** | **Weaknesses** |
|---|---|---|
| | **1)** The company will probably be the first in providing indoor self-storage services in the market of Thessaloniki.<br><br>**2)** Existed building suitable to be converted to self-storage warehouse.<br><br>**3)** Strategic plant location, near to the highway that leads to Chalkidiki and in 10km radius from densely populated areas.<br><br>**4)** Self-Storage facilities usually have low operating costs.<br><br>**5)** The demand drivers in international self-storage industry are usually factors occurring during periods of economic growth as well as during a recession. | **1)** High investment cost.<br><br>**2)** Difficult to find in the Greek market, a manager with experience in self-storage industry, to run the business.<br><br>**3)** Difficult to find in the Greek market collaborators with expertise in designing self-storage facilities**.**<br><br>**4)** Demand rates and renting periods in international self-storage industry are uncertain.<br><br>**5)** Self-Storage facilities rarely exceed 90% occupancy due to the natural turnover of customers. |
| **Opportunities**<br><br>**1)** There is a gap currently in the market of Thessaloniki for specific services.<br><br>**2)** Increased urbanization levels in Greece<br><br>**3)** There are companies in Europe that are specialists in designing and constructing self-storage facilities and they provide their services across the Europe. | S.O. Suggested Strategies<br><br>S1-O1: Apply a structured marketing strategy to dominate quickly in the market, before new competitors come in.<br><br>S3-O6: People from Balkans that have acquired properties in Chalkidiki, might be an attractive segment. | W.O. Suggested Strategies<br><br>W4-O5: Use standardized modular steel-based products in the design of the facility, so that the management can adapt the layout to the changing demand.<br><br>W2-O3: Consider using consulting services of a specialized European company, which will also |

| | | |
|---|---|---|
| **4)** There are many new automation systems and software in the market, that help managing the business with increased efficiency and flexibility.<br><br>**5)** Standardized modular steel-based products make repartitioning of a warehouse space easier.<br><br>**6)** Many people from the Balkans are regular visitors of Chalkidiki. Some of them have acquired properties in the region. | | provide training to the General manager.<br><br>W3-O3: Assign the designing of the facility to a specialized European company. |
| **Threats**<br><br>**1)** Because Self-Storage will be a new concept for Greeks, there is an uncertainty about how the market will react.<br><br>**2)** Difficulty of Greek banks in offering new investment loans.<br><br>**3)** Because this is a new type of business for the Greek market, there is an uncertainty about the legal requirements for running the business.<br><br>**4)** "Titan Containers" announced the opening of a self-storage facility in Thessaloniki, in the beginning of 2019.<br><br>**5)** Greek economy and tax policy are still unstable | S.T. Suggested Strategies<br><br>S2-T3: The building can be leveraged against a bank loan.<br><br>S1-T1: Apply a sound product-positioning strategy, in order to shape potential customers' opinions about the provided service.<br><br>S1, S3-T4: Applying all the modern characteristics of a self-storage facility (indoor storage, automations, online reservation, 24/7 reservation & access) as long as the strategic location of the facility, would give a competitive advantage to the company. | W.T. Suggested Strategies<br><br>W1-T2: Involve other private shareholders (other individuals or private equity funds.<br><br>W1, W4-T1: Consider developing the facility in phases, which will provide the scope to refine the unit size supply to customer demand and to have lower investment needs in the beginning of the project. |

## *5.7 Marketing Plan*

### 5.7.1 Marketing Analysis

#### *Customers*

Users of self-storage internationally are divided to 2 categories: Residential users and commercial users.

Residential users

As literature review showed, the majority of self-storage customers in USA and Europe, are residential users, between 40 and 65-year-old. Couples that live together without children or other family members appear to have a much higher likelihood of using self-storage.

Divorced or separated people have also increased likelihood to use self-storage than single people. Furthermore, my primary research revealed a tendency of students and military personnel to consider more possible to use self-storage for very short periods (few days to one month). The common characteristic of students, military personnel and divorced people are the need to relocate, to change homes. And as already shown in the literature review and in the data analysis, mobility/relocation appears to be a significant driver in the use of self-storage services.

Commercial users

Commercial users make up usually the 30% of the customers mix in the countries that self-storage is mature. But this portion varies geographically according to the needs of the local market. Small businesses, e-businesses, retailers, home-based entrepreneurs and new start-ups in the transitional phase of their businesses, through self-storage they seek a flexible solution to their business storage needs. Business customers tend to take larger units than private customers and for longer periods.

### *Company*

The facility will be situated near Thermi, Thessaloniki, very close to the highway that leads to Chalkidiki. With the initially chosen size mix of the storage units, it will offer 340 storage units, with total lettable area of 2415$m^2$. The self-storage company will serve geographically the market that is in a range of 15km distance from the location of the facility, that is the south-eastern metropolitan area of Thessaloniki and the suburbs that are inside this area.

### *Competitors*

Currently there is no active company that provides self-storage in the area of Thessaloniki. “Titan Containers” announced the opening of a facility in Thessaloniki in the beginning of 2019, but what type of service they will be offer (indoor self-storage or container based) is currently unknown.

“YouBox self-storage”, the only active indoor self-storage company in Greece, is located in Attica with 2 facilities (one in Piraeus and another in Athens) and started its operations one year ago. I believe that there are low chances that they expand in Thessaloniki at least in the short term.

### *Collaborators*

<u>Pre-opening Collaborators</u>

- The company that will design the facility
- The suppliers of all the necessary materials and equipment that will transform the building to an operational self-storage warehouse.
- The companies and technicians that will be involved in the necessary constructions for the transformation of the building to an operational self-storage warehouse.
- Third-party advisors (Legal advisors, industry specific advisors, technical advisors)
- The company that will provide and maintain the specialized software for the efficient management of the operations.

After-opening Collaborators

- Security company
- Insurance company
- Transportation company
- I.T services company
- Advertising agency
- All the collaborators that will be involved in the maintenance of the property and of the equipment, so that the facility performs in high standards in matters of functionality, cleanliness and attractiveness.

### *Context*

Thessaloniki is the second largest city in Greece with over 1 million inhabitants in its metropolitan area and the second major economic, industrial and commercial center of the country. Currently, there is a gap in the market of Thessaloniki for self-storage services and the fact that this industry is already successful in USA and in a big part of Europe, makes this business venture appealing.

However, self-storage is a new concept for Greece, so there is an uncertainty about the level of adoption by the Greek market and there are no industry-specific historic data for this market particularly, which can be used to apply a customized marketing plan. Data drawn from the international self-storage industry show that mobility/relocation of populations, increased urbanization levels and the growing number of micro-living schemes in densely populated areas are the main drivers of growth for the specific industry.

## 5.7.2 Market Segmentation

The market segmentation was conducted according to the different needs that basic users of self-storage internationally have:

Table 12: Need-based segmentation of the market and segment identification

| Need-based segmentation | Segment identification |
|---|---|
| People that need small to medium sized storage units for short periods (up to 6 months) | - Residential users in a transitioning phase (relocating, renovation or selling houses and other life changing events) |
| People that need big sized storage units for short periods (up to 6 months) | - Commercial users in a transitioning phase (selling equipment, renovating premises or changing the base of the business) |
| People that need small to medium sized storage units for longer periods (over 6 months) | - Residential users with higher disposable incomes and with need for extra storage Space. |
| People that need big sized storage units for longer periods (over 6 months) | - Commercial users<br>- Residential users with special needs (for example storing of small boats) |

### *Segment attractiveness*

It is not possible to estimate the size of each different segment in the specific area, which the company will serve. The company can be benefited by targeting all these 4 segments, since at the moment there is no competition offering similar services in the area.

However, among these 4 segments, the most attractive is probably people that need small to medium sized storage units for longer periods. As it was presented in literature review, in self-storage the revenues per square meter increases as the unit size decreases.

I didn't find any statistic data relating to disposable incomes in municipal level, in order to make an estimation about the size of this segment in the geographic area, which the facility will serve. However, its commonly accepted that residents of south-eastern areas of the metropolitan area of Thessaloniki and of the suburbs in the south-east have at the average, incomes at least above the median of incomes in Thessaloniki.

### 5.7.3 Positioning

Positioning requires the identification of an appropriate frame of reference and associated points of parity and points of difference.

#### *Frame of reference*

Storage services provided to Residential and Commercial users.

#### *Points of Parity*

- Storage of furniture, appliances and personal equipment.
- Storage of goods and professional equipment.
- Transportation services.

#### *Points of difference*

Attributes or benefits that should be strongly associated with the positioning:

1. **Benefits that prompt consumption:** Self-Storage services provide private rooms for storage to people that want:
    a. To improve their living conditions by creating more space at home, but with convenient access to their stored belongings.
    b. A flexible solution during life events (relocation, renovation, marriage, divorce, etc.).
    c. A flexible solution for self-employed or small businesses that can't have their own warehouse.
2. **Reliability, Durability, Serviceability**: Secure environment, accessible 24/7, size of units according to the customers' needs.
3. **Effectiveness, efficiency, empathy:** Easy access, auxiliary equipment, additional accommodating services
4. **Style and design:** Ergonomic environment
5. **Value and price:** Unique services with flexible pricing

Concluding “BoxIt Self-Storage” should position its services as “a modern and flexible storage solution for residentials and commercial users that need a privately accessible and secure space for their possessions”.

### 5.7.4 Marketing Mix

#### *Services definition*

“BoxIt Self-Storage” will deliver storage services to individuals and businesses, providing private rooms of various sizes, accessible 24/7, in an ergonomic and secure environment.

#### *Service line planning*

Breadth of the services

Apart from renting storage units, the company will offer these additional services:

- Insurance coverage to customers that want to cover their belongings
- Transportation service to customers that want safe and convenient transportation of their belongings
- Retail shop to offer supplementary merchandise (cardboard boxes, palettes, packing tapes, solutions for shelving, etc.)

Length of the services

The company will offer initially a limited number of climate-controlled storage units.

Depth of the services

The facility will offer a mix of sizes of units, which the management of the company could adjust it periodically, depending on the demand. Initially the proposed size mix is:

| Type of storage unit ($m^2$) | Distribution of storage units based on the type (%) | Number of storage units |
|---|---|---|
| 1 | 7 | 24 |
| 3 | 30 | 102 |
| 6 | 25 | 85 |
| 9 | 25 | 85 |
| 15 | 10 | 34 |
| 30 | 3 | 10 |
| | | **Total: 340** |

### *Distribution Channels*

"BoxIt Self-Storage" will have a direct distribution of its services, meaning that the customers will be informed and buy the services directly from the company, through the website, over the phone or by paying a visit in the premises, but without using a third-party.

### *Advertising*

The advertising in media will have the target to:

- Increase the brand awareness
- Describe the special features of self-storage services
- Suggest usage situations
- Directing the potential customers to the website or to the premises of the company.

The main advertising platforms that may be used are:

- Distribution of brochures in a 5-kilometre radius around the self-storage facility or to specifically selected densely populated areas.
- Social media advertising. This kind of advertising has plenty of targeting options.
- Radio spots in local radio stations.
- Print ads in local newspapers, real-estate publications or in Yellow Pages.
- Online ads in online editions of Yellow pages or in real-estate pages.

### *Sales promotion*

Sales promotions should be used as a short-term inducement to generate action during the early stages of the company's life, when the brand awareness is still low.

- Special discount offers for students and military personnel
- Free trial periods to specific segments. For example, commercial users that need higher volumes for storage could have a short trial period free of charge.
- Rewarding offers to loyal customers.

### *Direct Marketing*

The company should use Search engine marketing (SEM) that will involve the promotion of the company's website by increasing its visibility in search engine results pages primarily through paid advertising. SEM usually incorporates search engine optimization (SEO), which adjusts or rewrites website content and site architecture to achieve a higher ranking in search engine results pages to enhance pay per click (PPC) listings. (Wikipedia)

### *Pricing*

Proper pricing requires input from diverse sources; accounting provides cost estimates, marketing communicates the pricing strategy, sales provides specific customer input and finance establishes the requirements for the company's monetary health. So, the pricing setting process requires strong coordinating and monitoring mechanisms.

The primary guide in the pricing process, should be the customer's perception of the value of the firm's product or service, in a given competitive context. The customer's perceived value on a product is usually based on the perceived value of a reference product. In our case self-storage is a new type of service for the market of Thessaloniki. Reference services for the specific market, could be general warehousing services from classical transportation and logistics companies.

The perceived value of the provided services of “BoxIt Self-Storage” is expected to be different between people that need storage for short periods and people that need storage for longer periods. The special features of self-storage, that is private access 24/7 to storage units, maybe are irrelevant for a customer that needs a quick and convenient storage solution for a very short time (a few days or weeks), for relocation or renovation purposes, especially If this customer doesn’t have its own means to transport his items. He can always seek the standard warehousing services of a classic transportation company. For this particular segment the provided services of “BoxIt” should be a cheap alternative, with the company maintaining low profit margins, as long as the returns are worth the cost to serve.

From the other hand, people that want a more permanent storage solution may find a significant higher perceived value for the self-storage services. Higher perceived value can be found and in the additional services from users with special needs, like climate-controlled storage units, insurance coverage and in the merchandize that the retail shop will provide. In these segments the company can get higher profit margins.

My proposal is that the company should provide the first month of storage to all users in very competitive prices, so that all kind of users be attracted to try self-storage services, especially the short-term users for the reasons I analyzed above. Besides, findings in literature review suggest that many self-storage customers take out a self-storage with short term use in mind, but once experiencing the service they end up staying longer than initially envisaged (CUSHMAN & WAKEFIELD, Self Storage Association UK, 2017)

## *5.8 Management Plan*

### 5.8.1 Organizational Structure

The new company in order to start its operations, should employ at the beginning at least 3 people. The advisable process is that the partners should firstly employ a high qualified General Manager (in the case that this position isn’t covered by one of the partners) and with his coordination and diligence the rest of the employees. The

workforce is expected to increase and the organizational structure to expand, as the sales increase and the company grows. Below is presented the organizational structure of the company, at the start of its operations, beginning from the General Assembly of the partners and continuing with the responsibilities and expected qualifications for each position of the workforce.

### *General Assembly of the partners*

It will be the supreme governing body of the company, consisted from the founding partners. It will be responsible for the appointment of the General Manager and the monitoring of his actions. It will be taking decisions regarding the strategy of the company, the investment planning and the distribution of dividends. It will approve or amend the annual budgets.

### *General Manager*

The General Manager will be the responsible for the oversight of all operations of the company and for the implementation of decisions of the General Assembly. He will be the representative of the company, the responsible for public relations and for the marketing strategy. This person should have a bachelor's degree in Business Administration and a master's degree in Marketing or a degree in MBA. Experience in the real-estate industry or in property management should be considered as a plus.

### *Secretary*

The secretary will be the personal assistant of the General Manager, will manage the company's call center, making appointments with customers and offering them storage units according to their needs. This person should have good communication and organizational skills and be computer literate. Experience in secretarial positions is a must, preferably in the real-estate industry.

### *Administrative Assistant*

The administrative assistant will offer auxiliary work to the secretary, will monitor the online reservation system and will prepare all the necessary paperwork when a

storage unit is rent to a customer. He/she will also be responsible to guide new customers inside the facility and inform them about additional services and provisions. This person must be computer literate, with good communication skills and should have a driver license.

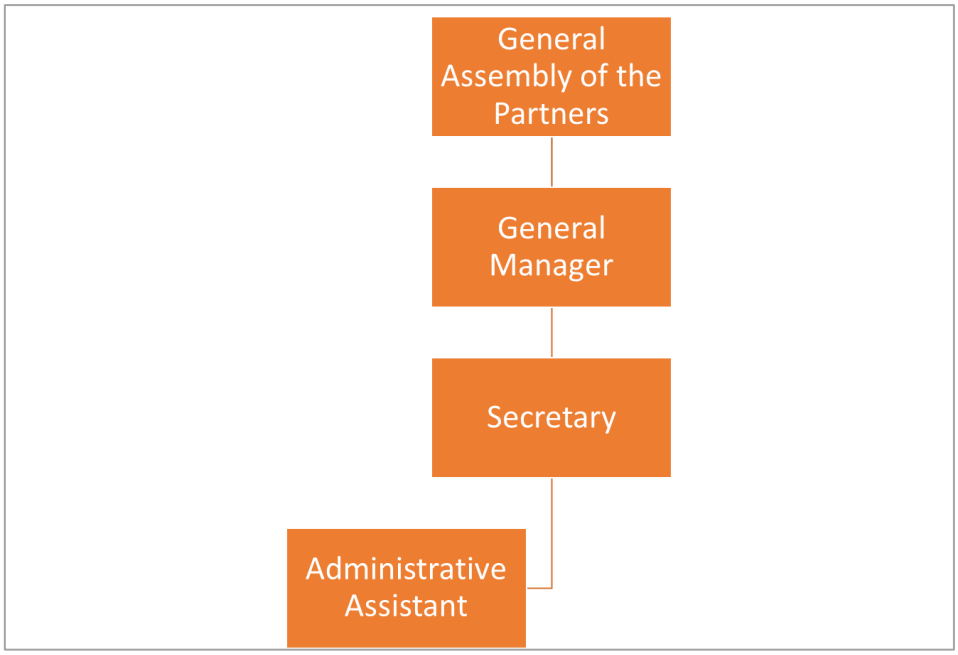


Figure 8: Organizational Structure of the company at the beginning of the operations

## *5.9 Operations plan*

The basic activities that will take place in the facility are:

*Customer service*: The reception of customers that walk in the facility, the presentation of the available services and provisions, and the resolution of problems that tenants might have. Customer service includes also managing the phone calls, email requests and online reservations.

*Sales:* All the necessary activities for the renting of storage units (contracts and the necessary paperwork), the selling of additional services and the selling of supplementary merchandise in the retail shop.

*Business management:* Planning, organizing and directing the operations in the facility, and training of the staff to provide excellent customer service.

### *Outsourcing*

The company should outsource some necessary activities, at least at the first years of its operation, in order to deliver services of high standards to its customers and to keep low the administrative expenses (for example wages). This will be achieved with third-party entities that should have verified credibility and quality to the provided services. Below are the 5 main activities that is suggested to be outsourced.

1) *Property maintenance:* The maintenance of the facility can be undertaken by a concessionaire, who's the main responsibility will be to maintain the facility in high standards in matters of functionality, cleanliness and attractiveness.
2) *Security service:* Security companies can usually provide an integrated package, including the supplying of the necessary technical and electronic equipment for the protection of a space. The company that it will be chosen, should be a well-known security company in order to provide a sense of safety to the customers (this necessity occurs as long as the brand awareness of the self-storage company is very low). The agreement should contain the provision of:
    *a.* 24-hour support in cases of robbery or fire
    *b.* Technical and electronic equipment required to install surveillance cameras, access cards, security and fire alarms.
3) *IT. Service*: An IT. Company will take over the construction and the maintenance of the website and of the online reservation system.
4) *Insurance coverage delivered to customers:* The need of some customers to cover with an insurance their belongings inside the storage units, will be served by a third-party insurance company. An agreement with an insurance company will define the different insurance packages provided to the customers and the commissions paid to the self-storage company, after each contact signed between the customer and the insurance company.
5) *Transportation of customers' belongings:* This service is going to be provided to the customers at a specific time slot each day and after an appointment. The self-storage company will be the intermediate between the customer and the transportation company. The latter should provide a truck and human resources according to the

transportation needs. If the transportation service proves to have high demand among the customers, the self-storage company should consider stopping the outsourcing and assume on its own means the delivery of this service. This will require the buying or leasing of a truck and the hiring of additional personnel.

## *5.10 Investment and Operating Costs*

### 5.10.1 Estimated investment costs

The total investment costs (Table 13) will be consisted by all the necessary organization, constructions and equipment costs so that the existed building be converted to an operational self-storage facility with all the aforementioned characteristics. Organizational costs are all the costs incurred that relate to the setup of a business (legal costs, consulting costs and filing fees for the establishing and operation of the company).

Table 13: Investment Costs

| **Type of Investment Costs** | |
|---|---|
| Design & Construction costs | |
| Landscaping | |
| Painting | |
| Branding/signage | |
| Car park | |
| Fencing/security | |
| Mechanical & Electronic equipment | |
| Other auxiliary equipment | |
| Unexpected costs | |
| **Total Construction & Equipment costs** | **200.000 €** |
| **Organizational Costs** | **5.000 €** |
| **Total Investment Costs** | **205.000 €** |

### 5.9.2 Operating costs and Breakeven Point

Almost all operating expenses in self-storage industry, like salaries, insurance, most maintenance, office administration, supplies and so forth, are unrelated to occupancy (Wilson, 1987). The majority of utility bills are attributed to exterior yard lighting, interior hallways and the office, and thus are not related to occupancy either.

Costs that are related to the rent-up phase and can be attributed as variable costs, are usually:

- The bonuses to the managers and employees for each tenant signed.
- The eviction costs for tenants who pay late or not at all. They include attorney's fees, auctioning costs and expense of storage or hauling of goods.
- Special rental discounts to facilitate rapid rent up.
- Other administrative expenses related to the sales (contracts with customers, third-party agreements and additional services).

All these variable costs are usually depicted in the pro-forma income statements and are estimates that are based on historical data. In our case it is assumed that the total variable costs will be 1.2 € per $m^2$ per rentable month, or 14.4 € per $m^2$ per rentable year.

Table 14: Estimated yearly operating costs

| Operating expenditure | Operating cost type | Cost |
|---|---|---|
| Energy Consumption | Fixed | 75,600 € yearly (For the first 2 years of operation) |
| Third Party Agency (Contracts) | | |
| Employees fees | | |
| Employees bonuses | Variable | 14.4 € / $m^2$ of yearly rented space |
| Other expenses (for example commissions to third parties) | | |

The chosen monthly rent prices of the storage units, the corresponding rents per $m^2$ and the yearly average rent per $m^2$ is depicted in Table 15.

Table 15: Rent Prices of storage units and the yearly average rent per $m^2$

| Type of storage unit ($m^2$) | Monthly rent prices (€) | Monthly rent per $m^2$ | Distribution of storage units based on the type (%) |
|---|---|---|---|
| 1 | 20 | 20 | 7 |
| 3 | 30 | 10 | 30 |
| 6 | 50 | 8.33 | 25 |
| 9 | 80 | 8.88 | 25 |
| 15 | 100 | 6.66 | 10 |
| 30 | 170 | 5.66 | 3 |
| **Yearly average rent per $m^2$: 114.5 €** | | | |

In Table 16 is depicted the computed Contribution margin per unit, so that we can subsequently estimate the Breakeven Point.

Table 16: Contribution margin per unit (per $m^2$)

| Statement | €/$m^2$ |
|---|---|
| Yearly average rent per $m^2$ | 114.50 |
| - Yearly variable costs per $m^2$ | - 14.4 |
| = *Contribution Margin per $m^2$* | = *100.1* |

The Breakeven Point will be: $\frac{Fixed\ Costs}{Contribution\ Margin} = \frac{75600}{100.1} \approx$ 755 $m^2$

Breakeven Occupancy: $\frac{Breakeven\ Point}{Total\ rentable\ area} = \frac{755}{2415} \approx$ 0.312 or 31.2%.

Meaning that the facility must be at the average 31.2% occupied yearly, in order to cover its costs.

## *5.10 Financial Plan*

The proposed investment cannot benefit from the measures of the New Development Law N.4399 / 22-06-2016, since according to the article 7, renting and leasing activities cannot be subsidized. Furthermore, there are not at the moment, active/running programs from the Cohesion funds of the European Union (Ε.Σ.Π.Α) to subsidize the establishment of new businesses.

Involving other private shareholders like private equity funds and other large investors is usually easier, when the business is in operation and profitable and presents good perspectives for greater profitability if it expands. Furthermore, in such cases, the equity that is given up (for example to Venture Capitals) is higher valued, meaning that the entrepreneurs give up lower equity to be funded, compared to the case that they choose this kind of financing in the start-up phase.

Since in the specific case study, one of the founding partners participates in the formation of the equity of the company with a building with commercial value 400.000 €, I believe that the most realistic financing scenario at this phase, is to leverage the building against a bank loan. I assume that a 150.000€ bank loan is granted to the 2 founders to establish the business under the following conditions:

- 7-year repayment period with payments of principal and interest performed at yearend.
- Fixed interest rate at 6%.
- First 2 years is a grace period for principal repayments.

Table 17: Repayment of the Bank Loan

| **Fixed Interest Rate 6%** | | **Year-end** | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Principal amount** | **150,000** | **1** | **2** | **3** | **4** | **5** | **6** | **7** |
| Principal payment (€) | | - | - | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Outstanding amount | 150,000 | 150,000 | 150,000 | 120,000 | 90,000 | 60,000 | 30,000 | - |
| Interest rate expense (€) | | 9,000 | 9,000 | 9,000 | 7,200 | 5,400 | 3,600 | 1,800 |
| *Bank Loan monthly installment* | | *9,000* | *9,000* | *39,000* | *37,200* | *35,400* | *33,600* | *31,800* |

So, the asset mix of the new business after the granting of the loan and before the beginning of the necessary investment operations will be (Table 18):

Table 18: Asset mix after the granting of the Bank loan and before the investment operations.

| | |
|---|---|
| Cash from partner | 120,000 |
| Cash from Bank loan | + 150,000 |
| *Total Cash* | *= 270,000* |
| Building from partner | + 400,000 |
| *Total Assets* | *= 670,000* |

Pro-forma financial statements for a 5 year-period can be found in the Appendix. The following assumptions should be considered when interpreting the pro-forma financial statements:

- Expected average occupancy is 20%, 40%, 70%, 85%, 90% for the first, second, third, fourth and fifth year of operation correspondingly.
- The yearly revenues of other activities (retail shop, insurance & transportation commissions) are considered as 15% of the yearly revenues from renting of the storage units.
- The rent prices and the size mix of the storage units are fixed for the 5-year period.
- Rent premiums for climate-controlled units, are not included.
- After the first 2 years of operations, the company reduces some third-party costs (for example advertising costs) but hires one additional person. So, fixed costs are maintained almost at the same level.
- Inventories for the retail shop, valued 1.000 € are bought at the pre-opening phase.
- Straight line Depreciation method is applied to all assets, with 15 years of useful life for all the capital expenditures for the investment (with no residual value) and 25 years useful life for the building (with 100.000 € residual value).
- Income corporate tax is considered fixed 28% for the 5-year period.

### 5.10.1 Investment returns in different scenarios

For the estimated investment returns I used the equity investment in the project, the discounted free cash flows to equity, using as discounting rate the cost of equity (the calculation of cost of equity is presented in Appendix), in order to calculate the Net Present Value, the Internal Rate of Return and the Payback Period of the project, assuming that:

- The project will have 15 years of life with residual value, the residual value of the building (in the Base case scenario).
- At the 7th year 100.000 € are reinvested in the business for renovation of the premises and replacements of the old equipment.
- Depreciation expenses are not affected during the life of the project.
- The occupancy remains stable at 90% after the 5th year of the project.
- Revenues are increased by 2% each year from the 6th year up to the 10th year of the project.
- Operating expenses are decreased by 5% after the 5th year of operation and remain stable.

In Table 19 are presented the results of the estimated investment returns under the Base Case scenario.

Table 19: Investment Returns under the Base Case scenario

| **Base Case Scenario** | |
|---|---|
| Life of the project | 15 years |
| Residual Value | Only the residual value of the building (estimated 220,000 €) |
| Capital Expenditures for the investment | 200,000 € |
| Bank Loan | 150,000 € |
| Value of the Building | 400,000 € |
| Cash from partner | 120,000 € |
| Hurdle Rate (Cost of equity) | 6.78% |
| **NPV** | **190,713.45 €** |
| **IRR** | **10.28%** |
| **Payback period** | **13-14 years** |

Although the results reveal a positive Net Present Value, comparing the IRR with the Hurdle Rate, we can see that there is a relatively small difference between these two values. This means that under this scenario the margin of making errors in estimating all the different parameters of the project is tight. For example, if the hurdle rate (in our case the cost of equity) is estimated wrongly and is greater than Internal Rate of

Return, the project would be economically harmful for the investors. For this reason, I examined how the investment returns are affected using 2 additional scenarios, in which the life of the project is extended, and the size of the investment is reduced.

### *2nd Scenario*

Under this scenario we assume that the project will have an expected life far longer than 15 years, so at the Net Present Value is added the discounted residual value of the project, assuming zero perpetual growth.

Table 20: Investment Returns under the 2nd Scenario

| **2nd Scenario** | |
|---|---|
| Life of the project | The project continues in perpetuity |
| Residual Value | Present value of cash flows after 16th year, assuming zero perpetual growth rate |
| Capital Expenditures for the investment | 200,000 € |
| Bank Loan | 150,000 € |
| Value of Building | 400,000 € |
| Cash from partner | 120,000 € |
| Hurdle Rate (Cost of equity) | 6.78% |
| **NPV** | **739,810.45 €** |
| **IRR** | **12.93%** |
| **Payback period** | **13-14 years** |

### *3rd Scenario*

Under the third scenario I examine how the investment returns will be affected if the total size of the investment is reduced:

- Reducing Capital expenditures to 150.000 €, without affecting the size and the productivity (revenues) of the project.
- Reducing the amount of cash that the one partner is funding the project.
- Reducing the amount of debt that is granted from the bank.
- Assuming that the building has a lower commercial value at 300.000 €

Table 21: Investment Returns under the 3nd Scenario

| **3nd Scenario** | |
|---|---|
| Life of the project | The project continues in perpetuity |
| Residual Value | Present value of cash flows after 16th year, assuming zero perpetual growth rate |
| Capital Expenditures for the investment | 150,000 € |
| Bank Loan | 120,000 € |
| Value of Building | 300,000 € |
| Cash from partner | 100,000 € |
| Hurdle Rate (Cost of equity) | 6.83%[10] |
| **NPV** | **845,828.83 €** |
| **IRR** | **15.60%** |
| **Payback period** | **11-12 years** |

## *5.11 Milestones of the project*

In Table 22 are presented the milestones of the project, with the corresponding major tasks that must be completed, from the phase that the two partners decide that they want to evaluate the business opportunity, up to the phase that the self-storage facility is ready to launch the services. The Gantt chart of the time schedule of the project can be found in the Appendix.

The milestones and time schedule of the project, which are presented here are indicative. In a real case the timeline of a project is dynamic, meaning that the duration of many tasks can't be estimated with accuracy at the planning and a lot of changes could happen during the development of the project. This is especially true when the project is highly innovative for the people that manage it.

[10] The Hurdle Rate is affected because the financial mix (Debt/Equity) changes. In Appendix can be found the calculations of the Hurdle Rate.

Table 22: Milestones of the project and related tasks

| **Project Begins 01/05/2019** | |
|---|---|
| **Milestones & *Suggested Delivery Date*** | **Tasks** |
| Market Research *11/06/2019* | Investigation of the Greek market |
| | Investigation of the characteristics of the industry in USA and Europe. Consider making a trip to Europe, to pay a visit in a modern Self-Storage facility |
| | Searching for potential contractors that will take over the design and construction operations. Receiving non-binding offers. |
| | Searching for potential equipment suppliers. Receiving non-binding offers. |
| Preparation of the Business Plan & Budgeting of the project *09/07/2019* | Building a concrete and verifiable business plan will increase the chances for external funding and will coordinate all the necessary actions and strategies for the achievement of the project |
| Research for Funding Opportunities *24/07/2019* | Contacts and negotiations with Banks |
| | Search for other funding/subsidizing opportunities from private, state or European financing programs. (For example, from the Cohesion funds of the European Union) |
| | Contacts with Venture Capitalists & Angel Investors |
| Company Establishment *23/07/2019* | Legal and notary advisement |
| | Partners Agreements Contracts (Share Capital Created) |
| | GEMI Register |
| Raising Funds *26/07/2019* | Share Capital Increase (Applicable if V.C or Ang. Investors are going to be involved) |
| | Contracts for the Bank loan |
| Pre-Construction Bidding Phase *12/08/2019* | Pending final offers from design & constructing contractors |
| | Evaluate offers from design & constructing contractors |
| Construction Phase *23/09/2019* | The building is converted to a Self-Storage facility. The surrounding area is prepared accordingly to the designs. |
| Pre-Opening Bidding Phase *02/10/2019* | Evaluate offers from third-party agents (Security company, insurance company, advertising agency, I.T services) & choosing the best offers. |
| | Evaluate offers from auxiliary equipment suppliers & for the inventory of the retail shop & choosing the best offers. |
| Provide Staffing *25/10/2019* | Interviews Phase |
| | Hiring staff |
| | Train Staff |

**Launch of Self-Storage services *29/10/2019***

## Conclusions

The literature review revealed that the Self-Storage industry is already a very mature industry in USA and in most parts of western Europe with the economics being very attractive, even to institutional and private equity investors. In Greece at the moment there is only one small company established in Attica, that offers indoor self-storage services. Other businesses mainly trade containers and as a secondary business they offer container-based self-storage in their premises, mainly to business customers.

Data analysis revealed that there is a good correlation between mobility of populations and level of urbanization with the offer of lettable self-storage space in European countries. Using the hypothetical location of the building that is going to be converted in self-storage (with a geographic market in a range of 15km distance) and using multiple regression analysis, I estimated a demand of 2.415 $m^2$ of lettable self-storage space for the specific market.

The majority of people that answered my questionnaire said that it is possible to use self-storage in the future for short periods, even though many of them believe that they need a permanent solution to store their belongings. However, the sample of my research isn't representative enough (for the reasons I analyzed in the data analysis) to make safe generalizations.

The results from the financial analysis, suggest that an investment in self-storage, with similar characteristics of my case study (size of investment, pricing of services, operating expenses and occupancy levels), would have relatively long payback periods (at least 11 years) and low internal rate of returns (10.28%, 12.93%, and 15.60% for the 3 different investment scenarios I used). As it was expected, as the value of the initial investment decreases (cash provided from the one partner, commercial value of the building provided by the second partner and loan granted form the bank), the metrics of the investment returns are improved.

Another important fact is that the average rent per square meter per annum in my case study was only 114.5 €, while the equivalent average in Europe was 262 € in 2017

(JLL & FEDESSA, 2018). My pricing structure was based mainly on the rent prices of the only Greek indoor Self-storage company that is based in Attica (YouBox Self-Storage) and of other container-based services. It is generally accepted that Self-Storage is strongly affected by house prices in a country, so a pricing policy to Self-Storage units in Greece should be adjusted to the level of prices in Greek real estate.

In conclusion, I believe that currently, investing in Self-storage in Greece, is a potential option mostly for someone that possesses a property with low commercial value; land or even better a building that can easily be converted, with good accessibility from densely populated areas of the city. Furthermore, a good choice is to develop the facility in phases, as it happens in many cases in Europe, in order to keep the investment needs low in the beginning and to proceed in expanding phases only if there is sufficient demand. I believe that as the real estate prices start to increase again, with the recovery of Greek economy, the economics of investing in this industry will become more attractive in the future.

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# Appendix

## 1. *Estimating the floor space per capita for Greece, using multiple regression analysis*

In Table 23 and in the first column is depicted the lettable floor space per capita, which is provided in each European country that there is activity of self-storage facilities (JLL & FEDESSA, 2018). At the second column are the quotas of the population of each country (in decimal form), which stated that had moved at least once within the last five-year period (last European census in 2011 - Eurostat). In the third column is the distribution of population (in decimal form) of each country that lives in cities and the equivalized income is above the 60% of the median equivalized income of the corresponding country (Eurostat). In the fourth column is the corresponding of each country Real Gross Domestic Product per capita (Eurostat).

Table 23: The relation of the provided lettable Self-Storage space in European countries, with the level of mobility, urbanization and with the Real GDP per capita, in each country.

| **Country** | **Floor space per capita ($m^2$ – 2018)** | **Population having moved within the last five-year period (decimal form - 2011)** | **Distribution of population by degree of urbanization & income group above 60% of median eq. income (decimal form 2017)** | **Real GDP per capita (€ - 2017)** |
|---|---|---|---|---|
| Austria | 0.01 | 0.202 | 0.243 | 37200 |
| Belgium | 0.017 | 0.22 | 0.205 | 35000 |
| Czech Republic | 0.001 | 0.076 | 0.275 | 17200 |
| Denmark | 0.034 | 0.329 | 0.267 | 47100 |
| Estonia | 0.002 | 0.156 | 0.356 | 14600 |
| Finland | 0.028 | 0.319 | 0.337 | 35700 |
| France | 0.018 | 0.27 | 0.399 | 32300 |
| Germany | 0.007 | 0.219 | 0.298 | 35500 |
| Hungary | 0.004 | 0.074 | 0.286 | 11800 |
| Iceland | 0.056 | 0.414 | 0.595 | 38500 |
| Ireland | 0.019 | 0.148 | 0.378 | 56400 |
| Italy | 0.003 | 0.089 | 0.269 | 26400 |
| Latvia | 0.004 | 0.101 | 0.361 | 11600 |
| Lithuania | 0.001 | 0.056 | 0.378 | 12700 |

| | | | | |
|---|---|---|---|---|
| Netherlands | 0.052 | 0.246 | 0.475 | 40700 |
| Norway | 0.025 | 0.348 | 0.354 | 69100 |
| Poland | 0.001 | 0.1 | 0.306 | 11800 |
| Portugal | 0.005 | 0.102 | 0.358 | 17500 |
| Romania | 0.001 | 0.019 | 0.271 | 8300 |
| Spain | 0.02 | 0.13 | 0.416 | 24500 |
| Sweden | 0.043 | 0.402 | 0.335 | 42800 |
| Switzerland | 0.01 | 0.326 | 0.232 | 58100 |
| UK | 0.067 | 0.308 | 0.488 | 32200 |

Calculating the coefficient correlation of variable “Floor Space per capita” with the other 3 variables separately, it is revealed that there is a relatively good linear relationship, especially with the variable “Population having moved within the last five-year period” from now on “mobility” and with the variable “Distribution of population by degree of urbanization & income group above 60% of median eq. income” from now on “Urbanization”.

Table 24: Correlation Coefficients of the variable “Floor space per capita” with the variables “mobility”, “urbanization” and Real GDP per capita.

| Correlation Coefficients | Mobility | Urbanization | Real GDP per capita |
|---|---|---|---|
| **Floor space per capita** | 0.6589 | 0.7597 | 0.4897 |

The results of the multiple regression analysis taking as independent variable the “mobility”, the “urbanization” and the “Real GDP per capita” and as dependent variable the “floor space per capita”, are depicted in the figure below:

Table 25: The results of the multiple regression analysis

| *Regression Statistics* | | | | | | |
|---|---|---|---|---|---|---|
| Multiple R | 0,877722405 | | | | | |
| R Square | 0,77039662 | | | | | |
| Adjusted R Square | 0,734143455 | | | | | |
| Standard Error | 0,010120325 | | | | | |
| Observations | 23 | | | | | |
| | | | | | | |
| ANOVA | | | | | | |
| | *df* | *SS* | *MS* | *F* | *Significance F* | |
| Regression | 3 | 0,00652948 | 0,002176493 | 21,25046501 | 2,7326E-06 | |
| Residual | 19 | 0,001945998 | 0,000102421 | | | |
| Total | 22 | 0,008475478 | | | | |
| | | | | | | |
| | *Coefficients* | *Standard Error* | *t Stat* | *P-value* | *Lower 95%* | *Upper 95%* |
| Intercept | -0,036269377 | 0,00948147 | -3,825290419 | 0,00114191 | -0,056114323 | -0,016424432 |
| **Urbanization** | 0,100222934 | 0,026160293 | 3,831109005 | 0,001126841 | 0,045468811 | 0,154977056 |
| **Mobility** | 0,099877648 | 0,030484554 | 3,276336188 | 0,003971403 | 0,036072743 | 0,163682554 |
| **Real GDP per capita** | 1,03319E-08 | 2,05624E-07 | 0,050246238 | 0,960450634 | -4,20045E-07 | 4,40709E-07 |

As we can see the R square is 0.7703 which means that 77.03% of the variation in "Floor space per capita", is explained by the variation in "mobility", "urbanization" and "Real GDP per capita". Some other facts that are revealed for Confidence level 95% (α=0.05):

- The p value of for the F Test (Significance F) is below α=0.05, meaning that there is evidence that at least one independent variable affects the "floor space per capita" variable.
- The P-values of the test statistic (t Stat) for variables "urbanization" and "mobility" are below α=0.05, meaning that there is evidence that both these 2 variables affect the "floor space per capita" variable.
- The P-value of the test statistic (t Stat) for variable "Real GDP per capita" is above α=0.05, meaning that we can't reject the possibility that there is no linear relationship between "Real GDP per capita" and "floor space per capita". For this reason, I will exclude the specific variable for the formation of the regression equation.

Thus, the regression equation is:

$$\widehat{Floor\ space\ per\ capita} = -0.0362 + 0.1002 * urbanization + 0.0998 * mobility$$

Taking the corresponding quota of the population in Greece (Table 26), which stated that had moved at least once within the last five-year period in the census of 2011, as the value of "mobility" variable and the distribution of population of Greece that lives in cities and their equivalized income is above the 60% of the median equivalized income, it is possible to make an estimation for the floor space per capita in Greece, that would be provided if the self-storage industry was present in this country and followed the same trend (good correlation between the supply of rentable floor space per capita, the mobility of population and the level of urbanization).

The result is going to be used subsequently, to make an estimation of the demand for rentable space in the area that the facility will operate. This fact is important, because it is useful to have a picture about how many storage units the facility will offer and eventually how big the facility will be, in order to find the appropriate space for establishment.

Table 26: Levels of mobility and urbanization in Greece.

| **Country** | **Population having moved within the last five-year period (2011)** | **Distribution of population by degree of urbanization & income group above 60% of median eq. income (2017)** |
|---|---|---|
| Greece | 0.098 | 0.319 |

$\widehat{Floor\ space\ per\ capita}$ (Greece) = $-0.0362 + 0.1002 * 0.319 + 0.0998 * 0.098$

$\widehat{Floor\ space\ per\ capita}$ (Greece) = **0.005489748** (square meters per capita)

## 2. *Estimating the demand for the facility*

The self-storage company is considered to serve geographically the market that is in a range of 15km distance from the hypothetical location of the facility, that is the south-eastern metropolitan area of Thessaloniki and the suburbs that are inside this area. The answers from the questionnaires, indicated that people are less willing to choose a self-storage facility that is more than 10km distant. For this reason, I used a "distance coefficient" to the subsequent calculations of the demand, in order to put an effect for this unwillingness and to include other unfavorable facts like the increasing commuting time as we get close to the center of Thessaloniki due to the high traffic (Table 27).

Table 27: Distance Coefficient that were used in the estimation of the demand

| Radius (km) | Distance coefficient |
|---|---|
| 5 | 1 |
| 10 | 0.75 |
| 15 | 0.25 |

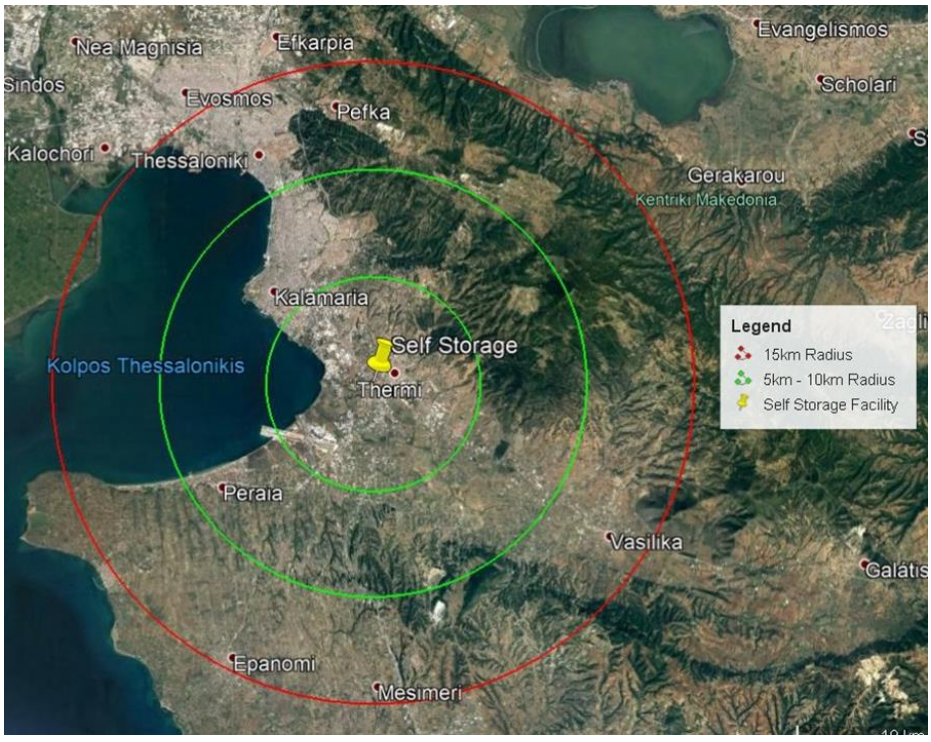



Figure 9: The geographic market, which the facility will serve, from the hypothetical location.

In Table Table 28 are the different towns, municipalities and suburbs (with population over 1000 people), which are located inside the geographic market.

Table 28: Towns, municipalities and suburbs that are inside the geographic market.

| **Town / Area** | **Radius (km)** | **Population** | **Distance coefficient** |
|---|---|---|---|
| Thermi - Triadi | 5 | 16004 | 1 |
| N. Raidestos | 5 | 3869 | 1 |
| N. Risio | 10 | 2952 | 0.75 |
| Tagarades | 10 | 2088 | 0.75 |
| Agia Paraskeyi | 10 | 2244 | 0.75 |
| Panorama | 10 | 17444 | 0.75 |
| Pilea | 10 | 34625 | 0.75 |
| 5th municipal district of Thessaloniki* | 10 | 150321 | 0.75 |
| Kalamaria | 10 | 91279 | 0.75 |
| Peraia | 10 | 18546 | 0.75 |
| Plagiari | 10 | 5392 | 0.75 |
| Trilofos | 10 | 7405 | 0.75 |
| Kardia | 10 | 3394 | 0.75 |
| 4th municipal district of Thessaloniki* | 10 | 92882 | 0.75 |
| Municipal district of Triandria* | 10 | 11289 | 0.75 |
| 1st municipal district of Thessaloniki* | 15 | 53017 | 0.25 |
| 2nd municipal district of Thessaloniki* | 15 | 35962 | 0.25 |
| 3rd municipal district of Thessaloniki* | 15 | 31805 | 0.25 |
| Ampelokipoi | 15 | 36974 | 0.25 |
| Neapoli | 15 | 27084 | 0.25 |
| Stavroupoli | 15 | 46008 | 0.25 |
| Polichni | 15 | 39332 | 0.25 |
| Sikies | 15 | 37753 | 0.25 |
| Agios Pavlos | 15 | 6852 | 0.25 |
| Pefka | 15 | 13052 | 0.25 |
| Asvestochori | 15 | 6392 | 0.25 |
| Vasilika | 15 | 3762 | 0.25 |
| Chortiatis | 15 | 4873 | 0.25 |
| Agia Triada | 15 | 3023 | 0.25 |
| N. Kerasia | 15 | 1948 | 0.25 |
| Epanomi | 15 | 8979 | 0.25 |
| Mesimeri | 15 | 1831 | 0.25 |
| Kato scholari | 15 | 1954 | 0.25 |
| Souroti | 15 | 1560 | 0.25 |

*Census 2001

The formula with which the estimated demand of each town/area is going to be computed (Table 29) is:

$\widehat{Demand}_i = Population_i * \widehat{Floor\ space\ per\ capita}$ (Greece) * $Distance\ coefficient_i$

With $\widehat{Floor\ space\ per\ capita}$ (Greece) = 0.005489748 (square meters per capita)

Table 29: Computed demand for each town/area

| **Town / Area** | $\widehat{Demand}_i$ (m$^2$) |
|---|---|
| Thermi - Triadi | 87.85792925 |
| N. Raidestos | 21.23983556 |
| N. Risio | 12.15430238 |
| Tagarades | 8.596945589 |
| Agia Paraskeyi | 9.239246121 |
| Panorama | 71.82237493 |
| Pilea | 142.561897 |
| 5th municipal district of Thessaloniki | 618.9183227 |
| Kalamaria | 375.8240404 |
| Peraia | 76.35965177 |
| Plagiari | 22.20054148 |
| Trilofos | 30.48868874 |
| Kardia | 13.97415389 |
| 4th municipal district of Thessaloniki | 382.4240901 |
| Municipal district of Triandria | 46.48032507 |
| 1st municipal district of Thessaloniki | 72.7624943 |
| 2nd municipal district of Thessaloniki | 49.35558066 |
| 3rd municipal district of Thessaloniki | 43.65035991 |
| Ampelokipoi | 50.74448694 |
| Neapoli | 37.17108466 |
| Stavroupoli | 63.14308312 |
| Polichni | 53.98069347 |
| Sikies | 51.81361539 |
| Agios Pavlos | 9.403938565 |
| Pefka | 17.91304818 |
| Asvestochori | 8.772617529 |
| Vasilika | 5.163108127 |
| Chortiatis | 6.687885673 |
| Agia Triada | 4.148877158 |
| N. Kerasia | 2.673507345 |
| Epanomi | 12.32311214 |
| Mesimeri | 2.512932212 |
| Kato scholari | 2.681741967 |
| Souroti | 2.141001775 |
| **Total Demand in the chosen area (m$^2$)** | **2417.185514** |

## *3. Estimating the required size of the building*

In the previous section, I estimated the demand for floor space area in the selected geographic market, which the company of my case study will serve. This value will be the total rentable area of the facility that will be offered through the various sizes of storage units.

To make an estimation of the required size of the building that will store the storage units I used the fact that companies that are experts in designing and constructing self-storage facilities ,achieve an optimized space mix, typically between 60-70% of the Gross Floor Area (this is the entire floor area including staircases and other areas unsuitable for building self-storage units).

Total rentable area = 2417.185≈ 2417 $m^2$

Optimized space mix ≈ 60 % = 0.6

Gross Floor Area (size of the structure of the building) $\approx \frac{2417}{0.6}$ = 4028.333 ≈ **4028 $m^2$**

## 4. *Estimating the cost of equity of the project*

The cost of equity ($q_e$) was estimated using the Capital Asset Pricing Method:

$q_e$= Risk Free Rate + Beta * Equity Risk Premium

In this case as Risk Free rate is used the return of the 10-year German Bond that was at 0.27 in 13/12/2018.

Risk Free Rate= 0.27

Equity Risk Premium for Greece was taken from datasets provided in Damodaran Online, the personal website of Aswath Damodaran, Professor of Finance at the Stern School of Business at New York University.

Equity Risk Premium for Greece[11]= 14.99% (January 2019)

For the calculation of the Beta coefficient, I used the unlevered beta corrected for cash for Western-European Real Estate Investment Trusts (R.E.I.T.) taken again from datasets provided in Damodaran Online.

Unlevered beta corrected for cash for Western-European R.E.I.T.s[12] = 0.36

From the theory is known:

Levered beta = Unlevered beta * (1+(1-Tax Rate)*(Debt/Equity))

In our case:

[11] http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html

[12] http://www.stern.nyu.edu/~adamodar/pc/datasets/betaEurope.xls

- Debt=150,000 €
- Equity= 520,000 € (cash + building)
- Tax Rate = 28%

Levered beta = 0.36 * (1+(1-0.28)*(150000/520000))

Estimated Levered beta of company = 0.4347

I considered not to use a correction for cash for the estimation of the levered beta, because this is an investment project, in which the majority of cash are going to be spent for capital expenditures.

Finally, the estimated cost of equity is: $q_e$= 0.27 + 0.4347 * 14.99

**$q_e$= 6.78%**

## 5. Pro-Forma Financial Statements

Table 30: Balance Sheet

| BALANCE SHEET | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Pre-Investment Phase | Pre-Opening | END OF YEARS | | | | |
| | | | 1 | 2 | 3 | 4 | 5 |
| **Assets** | | | | | | | |
| *Current Assets* | | | | | | | |
| Cash from partner | 120.000,00 | | | | | | |
| Cash from Bank loan | 150.000,00 | | | | | | |
| **Total Cash** | **270.000,00** | **69.000,00** | **32.658,60** | **42.575,80** | **85.480,90** | **150.563,79** | **216.742,43** |
| Inventories (retail shop) | | 1.000,00 | 130,60 | 391,80 | 348,90 | 153,95 | 241,65 |
| **Total Current Assets** | **270.000,00** | **70.000,00** | **32.789,20** | **42.967,60** | **85.829,80** | **150.717,74** | **216.984,08** |
| *Non-Current Assets* | | | | | | | |
| Building | 400.000,00 | 400.000,00 | 388.000,00 | 376.000,00 | 364.000,00 | 352.000,00 | 340.000,00 |
| Construction & Equipment | | 200.000,00 | 186.666,67 | 173.333,33 | 160.000,00 | 146.666,67 | 133.333,33 |
| **Properties, plant & equipment** | **400.000,00** | **600.000,00** | **574.666,67** | **549.333,33** | **524.000,00** | **498.666,67** | **473.333,33** |
| **Total Assets** | **670.000,00** | **670.000,00** | **607.455,87** | **592.300,93** | **609.829,80** | **649.384,41** | **690.317,42** |
| **Liabilities** | | | | | | | |
| *Current Liabilities* | | | | | | | |
| Loan payable-current | | | | 30.000,00 | 30.000,00 | 30.000,00 | 30.000,00 |
| **Total current liabilities** | | | | **30.000,00** | **30.000,00** | **30.000,00** | **30.000,00** |
| *Noncurrent liabilities* | | | | | | | |
| Loan payable | 150.000,00 | 150.000,00 | 150.000,00 | 120.000,00 | 90.000,00 | 60.000,00 | 30.000,00 |
| **Total Liabilities** | **150.000,00** | **150.000,00** | **150.000,00** | **150.000,00** | **120.000,00** | **90.000,00** | **60.000,00** |
| **Shareholder's Equity** | | | | | | | |
| Common stock | 520.000,00 | 520.000,00 | 520.000,00 | 520.000,00 | 520.000,00 | 520.000,00 | 520.000,00 |
| Retained earnings | | | - 62.544,13 | - 77.699,07 | - 30.170,20 | 39.384,41 | 110.317,42 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Total Shareholder's Equity** | **520.000,00** | **520.000,00** | **457.455,87** | **442.300,93** | **489.829,80** | **559.384,41** | **630.317,42** |
| **Total liab. & shareholders' equity** | **670.000,00** | **670.000,00** | **607.455,87** | **592.300,93** | **609.829,80** | **649.384,41** | **690.317,42** |

Table 31: Income statement

| INCOME STATEMENT | | | | | |
|---|---|---|---|---|---|
| | YEARS | | | | |
| | 1 | 2 | 3 | 4 | 5 |
| *expected average occupancy* | *20%* | *40%* | *70%* | *85%* | *90%* |
| **Revenues** | 54.344,40 | 108.688,80 | 190.205,40 | 230.963,70 | 244.549,80 |
| Cost of Revenues (-) | 6.955,20 | 13.910,40 | 24.343,20 | 29.559,60 | 31.298,40 |
| **Gross Profit** | 47.389,20 | 94.778,40 | 165.862,20 | 201.404,10 | 213.251,40 |
| Operating Expenses (-) | 75.600,00 | 75.600,00 | 84.000,00 | 84.000,00 | 84.000,00 |
| **EBITDA** | - 28.210,80 | 19.178,40 | 81.862,20 | 117.404,10 | 129.251,40 |
| Interest Expense (-) | 9.000,00 | 9.000,00 | 9.000,00 | 7.200,00 | 5.400,00 |
| Depreciation (-) | 25.333,33 | 25.333,33 | 25.333,33 | 25.333,33 | 25.333,33 |
| **Earnings Before Taxes** | **- 62.544,13** | **- 15.154,93** | **47.528,87** | **84.870,77** | **98.518,07** |
| **NET Operating Loss** | | | | | |
| Opening Carryforward Loss balance | | 62.544,13 | 77.699,07 | 30.170,20 | |
| Losses used (-) | | | 47.528,87 | 84.870,77 | |
| Losses added (+) | 62.544,13 | 15.154,93 | | | |
| Losses expired (-) | | | | | |
| Closing Carryforward Loss balance | 62.544,13 | 77.699,07 | 30.170,20 | - 54.700,57 | |
| Taxable Income | | | | 54.700,57 | |
| Income Tax (28%) (-) | | | | 15.316,16 | 27.585,06 |
| **Net Income** | **- 62.544,13** | **- 15.154,93** | **47.528,87** | **69.554,61** | **70.933,01** |

Table 32: Cash Flow Statement

| Cash Flow Statement | | | | | | |
|---|---|---|---|---|---|---|
| | **Pre-Opening** | **1** | **2** | **3** | **4** | **5** |
| **Cash & Equivalents - Start of Period** | **270.000,00** | **69.000,00** | **32.658,60** | **42.575,80** | **85.480,90** | **150.563,79** |
| *Cash Flow from Operations* | | | | | | |
| Net Income | | - 62.544,13 | - 15.154,93 | 47.528,87 | 69.554,61 | 70.933,01 |
| Depreciations | | 25.333,33 | 25.333,33 | 25.333,33 | 25.333,33 | 25.333,33 |
| Inventory | - 1.000,00 | 869,40 | - 261,20 | 42,90 | 194,95 | - 87,70 |
| **Net Cash Flow from Operations** | **- 1.000,00** | **- 36.341,40** | **9.917,20** | **72.905,10** | **95.082,89** | **96.178,64** |
| | | | | | | |
| *Cash Flow from Investing Activities* | | | | | | |
| Capital Expenditure (-) | - 200.000,00 | | | | | |
| Investments (+) | | | | | | |
| **Net Cash Flow from Investing Activities (-)** | **- 200.000,00** | | | | | |
| | | | | | | |
| *Cash Flow from Financial Activities* | | | | | | |
| Repayment of loan (-) | | | | - 30.000,00 | - 30.000,00 | - 30.000,00 |
| Payment of common stock dividents (-) | | | | | | |
| **Net Cash Flow from Financing Activities (-)** | | | | **- 30.000,00** | **- 30.000,00** | **- 30.000,00** |
| **Net Change in Cash and Equivalents** | **- 201.000,00** | **- 36.341,40** | **9.917,20** | **42.905,10** | **65.082,89** | **66.178,64** |
| **Cash & Equivalents - End of Period** | **69.000,00** | **32.658,60** | **42.575,80** | **85.480,90** | **150.563,79** | **216.742,43** |

## 6. *Key charts of answers of the questionnaire*

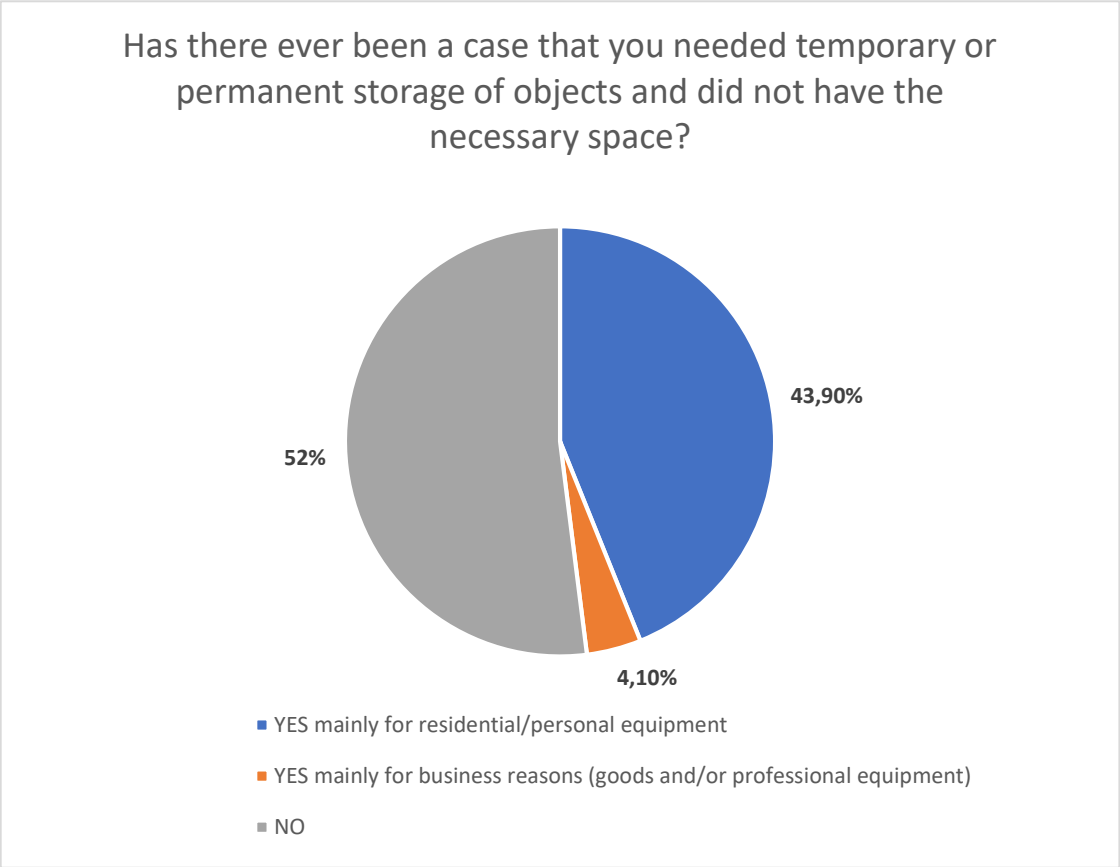



Figure 10: Pie chart that depicts the storage needs of people that answered the questionnaire.

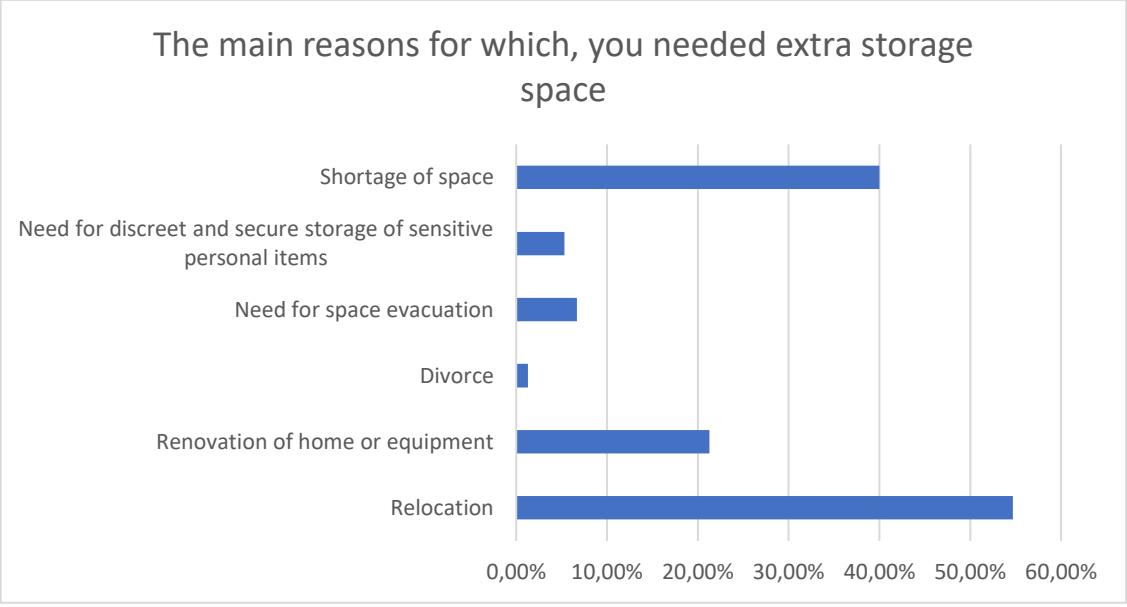



Figure 11:Histogram related to the reasons for needing extra storage space.

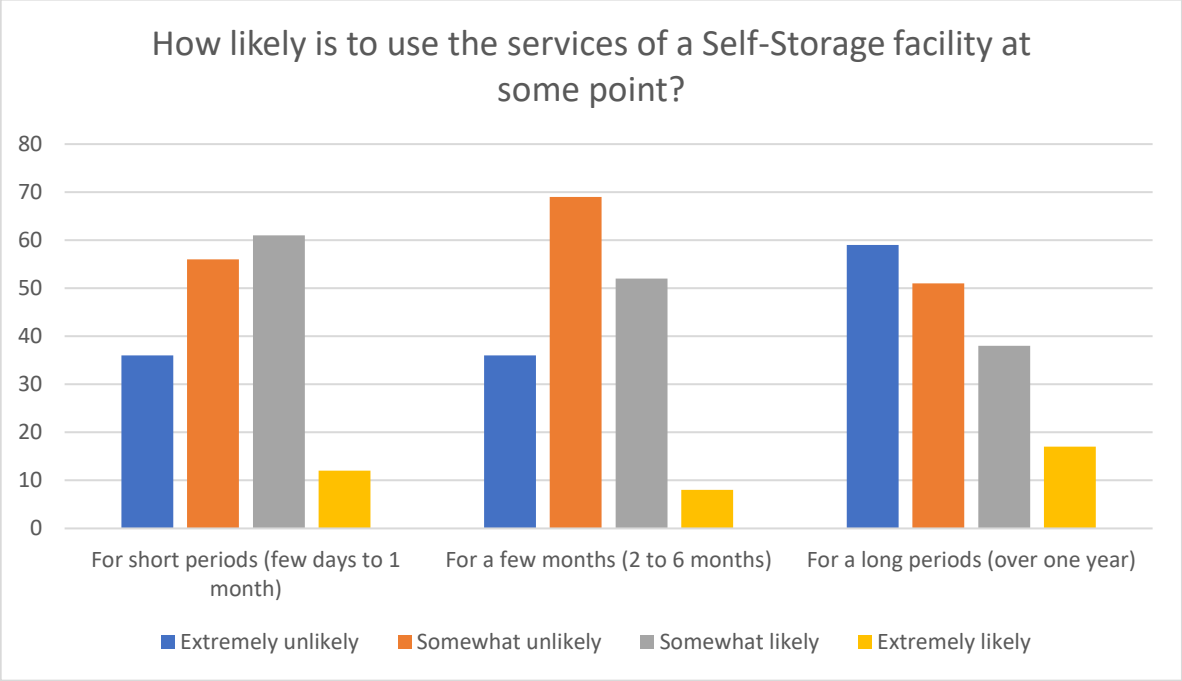



Figure 12: Histogram related to the probability of using Self-Storage services, in relation to rent periods.

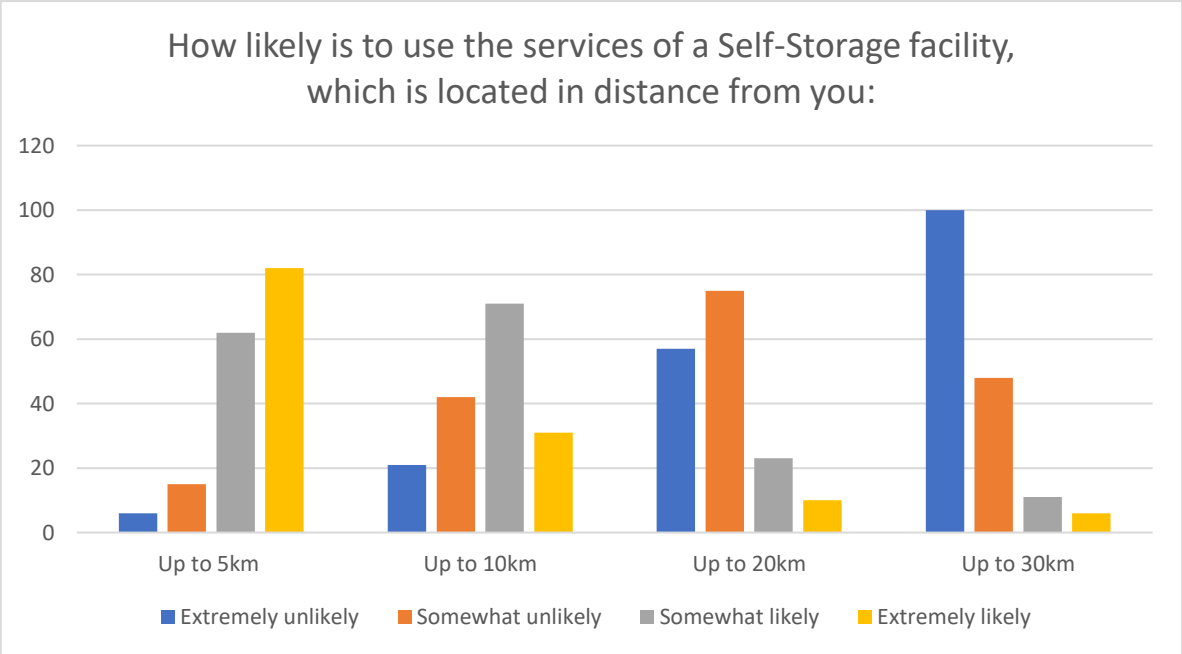



Figure 13: Histogram related to the probability to use Self-Storage services, in relation to the proximity of the facility from potential customers.

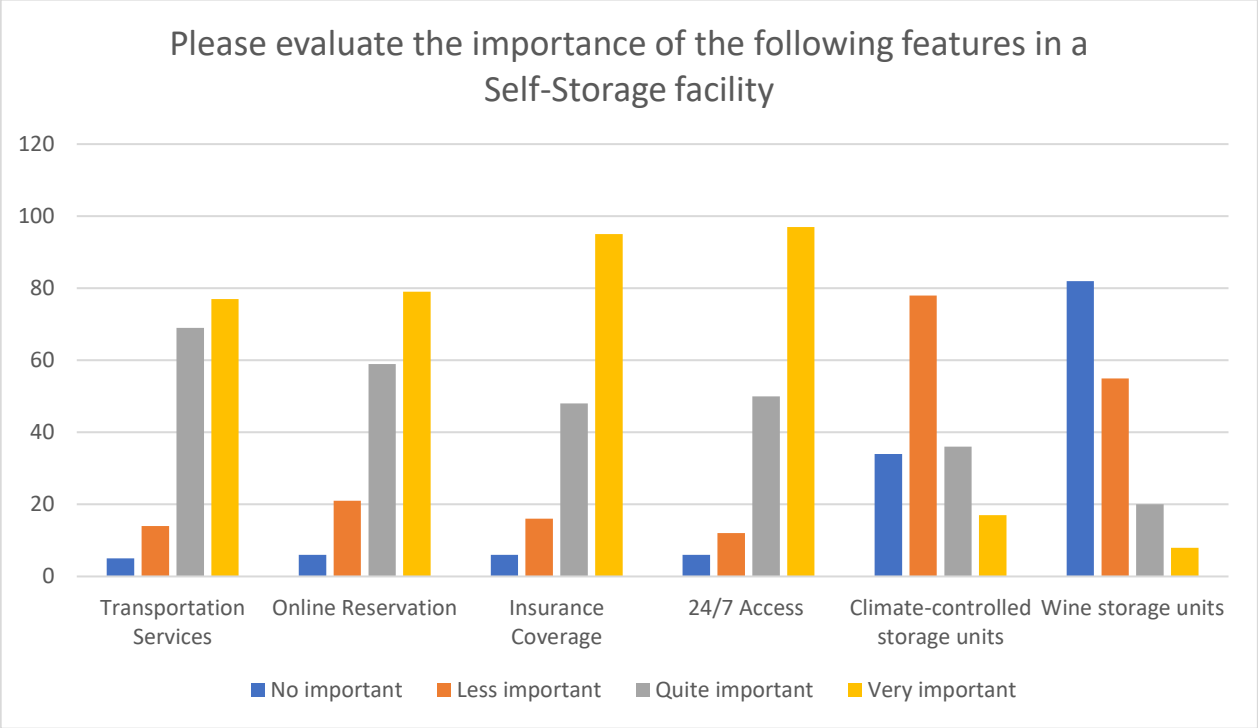
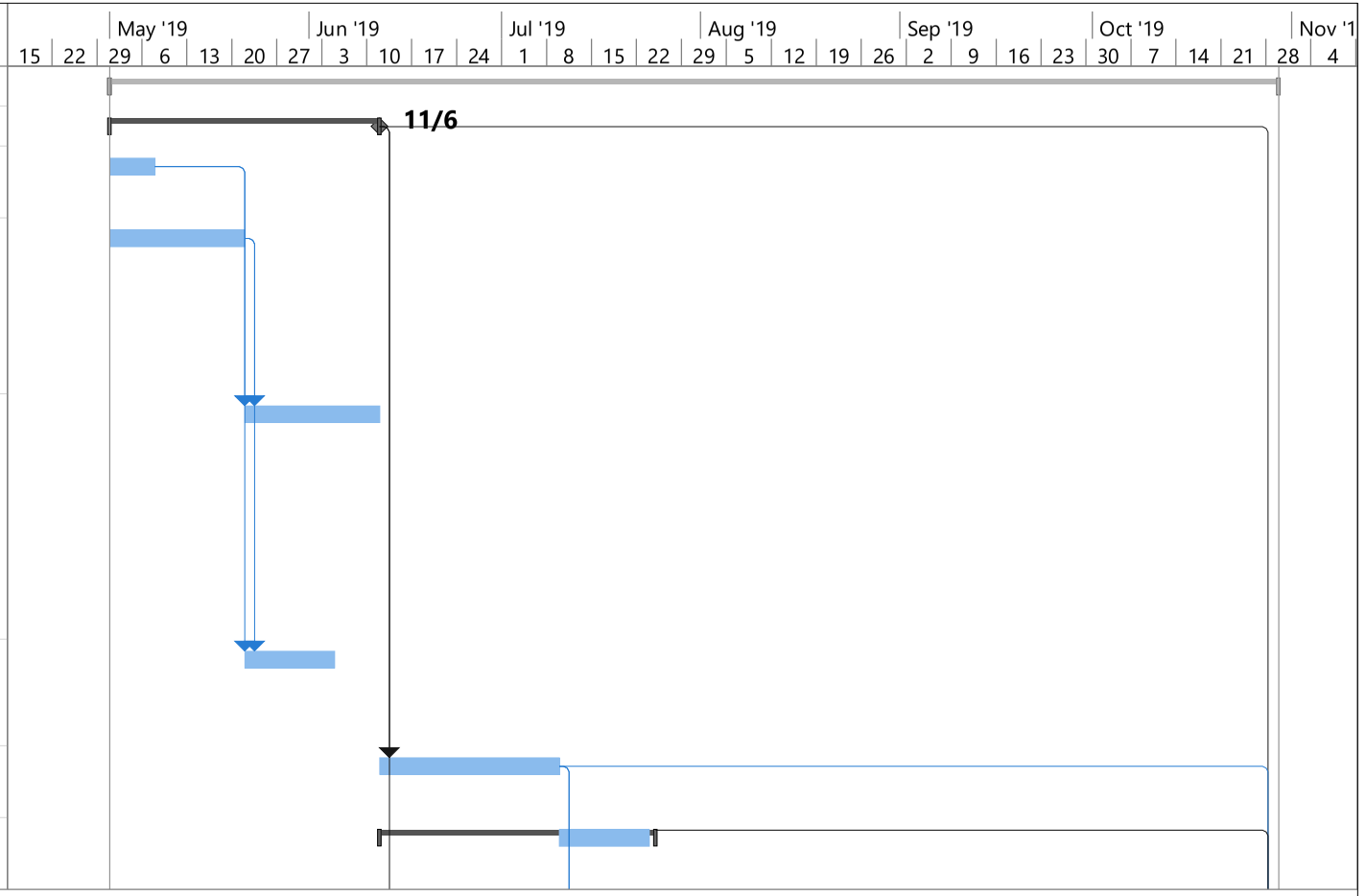



Figure 14: Histogram related to the evaluation of importance of special features that could be provided by a Self-Storage facility.

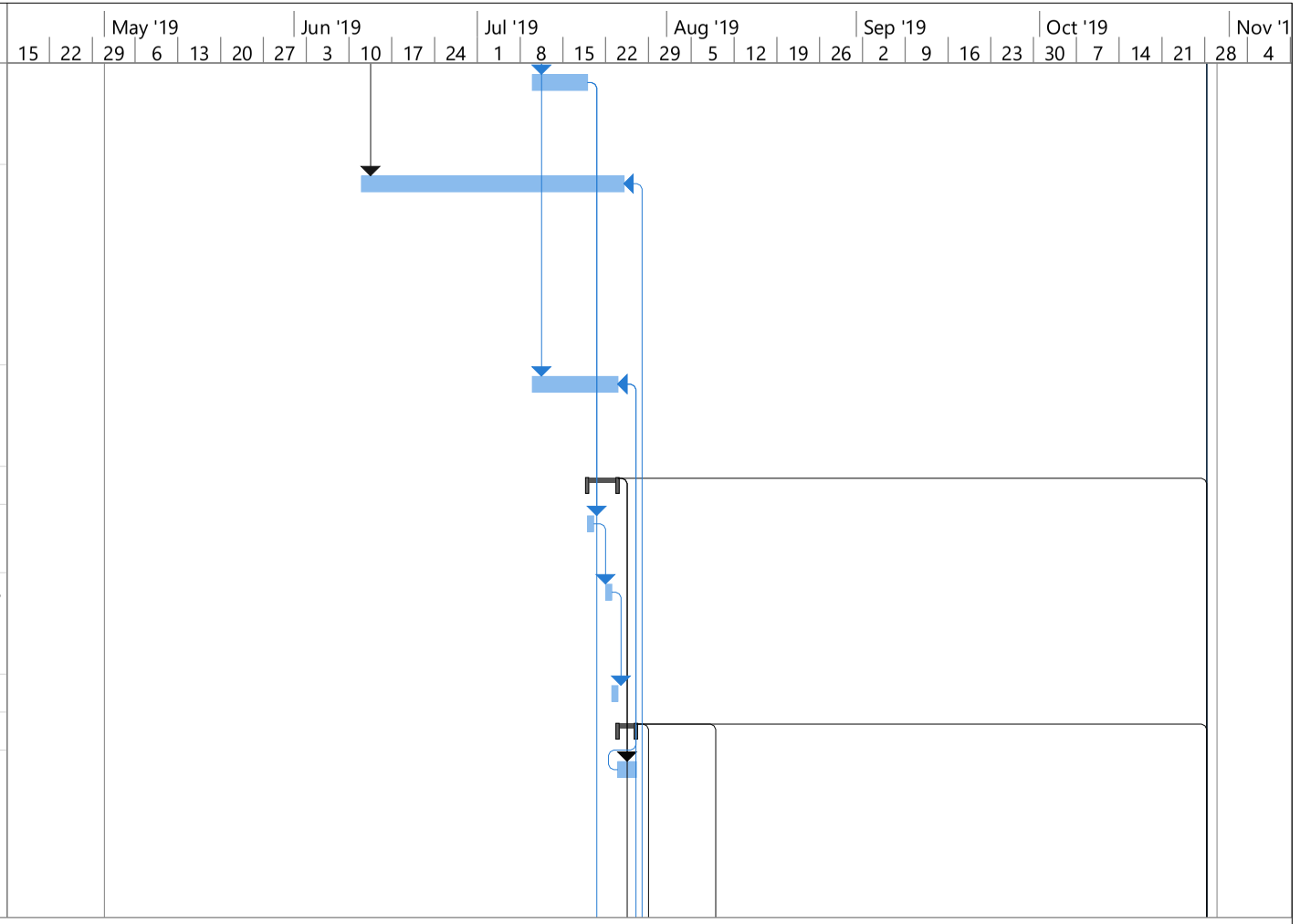
| ID | Task Mode | Task Name |
|---|---|---|
| 0 | | **Self-Storage facility** |
| 1 | | **Market Research** |
| 2 | | Investigation of the Greek market |
| 3 | | Investigation of the characteristics of the industry in USA and Europe. |
| 4 | | Searching for potential contractors that will take over the design and construction operations. |
| 5 | | Searching for potential equipment suppliers |
| 6 | | **Preparation of the Business Plan & Budgeting of the project** |
| 7 | | **Research for Funding Opportunities** |




Project: Self-Storage facility
Date: Sat 12/1/19

| | | | | | |
|---|---|---|---|---|---|
| Task | | Inactive Summary | | External Tasks | |
| Split | | Manual Task | | External Milestone | |
| Milestone | | Duration-only | | Deadline | |
| Summary | | Manual Summary Rollup | | Progress | |
| Project Summary | | Manual Summary | | Manual Progress | |
| Inactive Task | | Start-only | | | |
| Inactive Milestone | | Finish-only | | | |

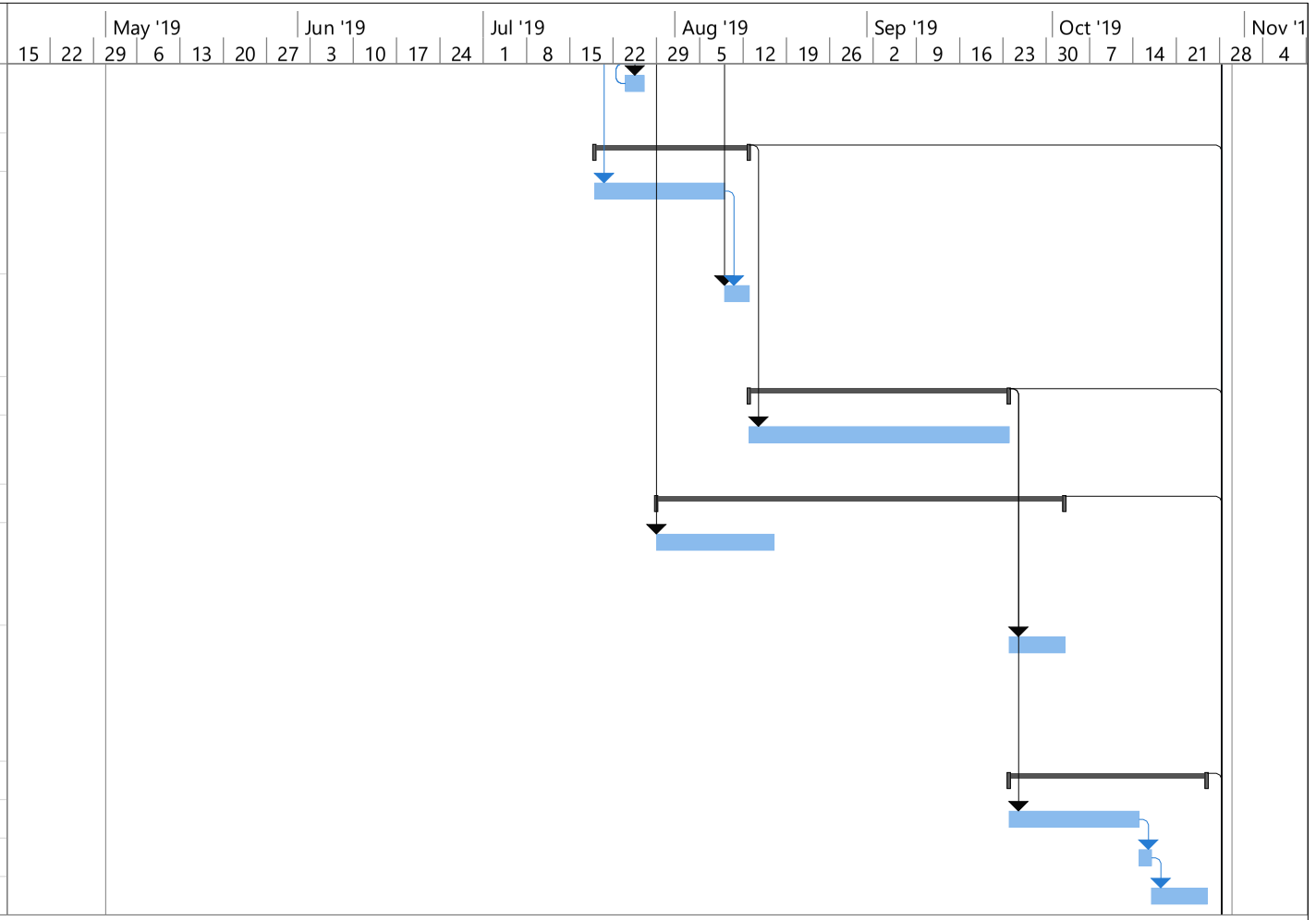
| ID | Task Mode | Task Name |
|---|---|---|
| 8 | | Contacts and negotiations with Banks |
| 9 | | Search for other funding/subsidizing opportunities from private, state or European financing programs. |
| 10 | | Contacts with Venture Capitalists & Angel Investors |
| 11 | | **Company Establishment** |
| 12 | | Legal and notary advisement |
| 13 | | Partners Agreements Contracts (Share Capital Created) |
| 14 | | GEMI Register |
| 15 | | **Raising Funds** |
| 16 | | Share Capital Increase (Applicable if V.C or Ang. Investors are going to be involved) |




Project: Self-Storage facility
Date: Sat 12/1/19

| | | |
|---|---|---|
| Task | Inactive Summary | External Tasks |
| Split | Manual Task | External Milestone |
| Milestone | Duration-only | Deadline |
| Summary | Manual Summary Rollup | Progress |
| Project Summary | Manual Summary | Manual Progress |
| Inactive Task | Start-only | |
| Inactive Milestone | Finish-only | |

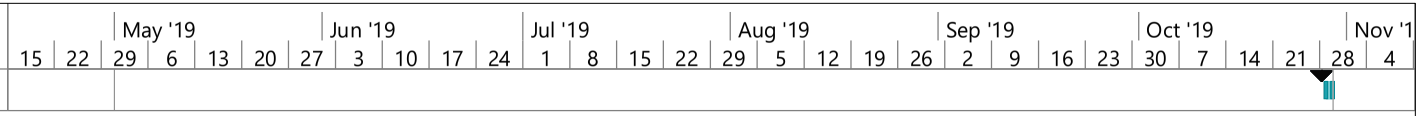
| ID | Task Mode | Task Name |
|---|---|---|
| 17 | | Contracts for the Bank loan |
| 18 | | **Pre-Construction Bidding Phase** |
| 19 | | Pending final offers from design & constructing contractors |
| 20 | | Evaluate final offers from design & constructing contractors |
| 21 | | **Construction Phase** |
| 22 | | The building is converted to a Self-Storage facility. |
| 23 | | **Pre-Opening Bidding Phase** |
| 24 | | Evaluate offers from third-party agent & choosing the best offers |
| 25 | | Evaluate offers from auxiliary equipment suppliers & for the inventory of the retail shop. Choosing the best offer |
| 26 | | **Provide Staffing** |
| 27 | | Interviews |
| 28 | | Hiring staff |
| 29 | | Train staff |




Project: Self-Storage facility
Date: Sat 12/1/19

| | | |
|---|---|---|
| Task | Inactive Summary | External Tasks |
| Split | Manual Task | External Milestone |
| Milestone | Duration-only | Deadline |
| Summary | Manual Summary Rollup | Progress |
| Project Summary | Manual Summary | Manual Progress |
| Inactive Task | Start-only | |
| Inactive Milestone | Finish-only | |

| ID | Task Mode | Task Name |
|---|---|---|
| 30 | | **Launch of Services** |




Project: Self-Storage facility
Date: Sat 12/1/19

| | | |
|---|---|---|
| Task | Inactive Summary | External Tasks |
| Split | Manual Task | External Milestone |
| Milestone | Duration-only | Deadline |
| Summary | Manual Summary Rollup | Progress |
| Project Summary | Manual Summary | Manual Progress |
| Inactive Task | Start-only | |
| Inactive Milestone | Finish-only | |

# Εγκατάσταση αυτό-εξυπηρετούμενης αποθήκευσης (self storage)

* Απαιτείται

1. **Φύλο** *
   *Να επισημαίνεται μόνο μία έλλειψη.*
   - ◯ Άνδρας
   - ◯ Γυναίκα

2. **Ηλικία** *
   *Να επισημαίνεται μόνο μία έλλειψη.*
   - ◯ 15-24
   - ◯ 25-34
   - ◯ 35-44
   - ◯ 45-54
   - ◯ άνω των 55 ετών

3. **Ιδιότητα** *
   *Να επισημαίνεται μόνο μία έλλειψη.*
   - ◯ Άνεργος
   - ◯ Φοιτητής
   - ◯ Δημόσιος Υπάλληλος
   - ◯ Στρατιωτικός
   - ◯ Ιδιωτικός Υπάλληλος
   - ◯ Ελεύθερος Επαγγελματίας

4. **Οικογενειακή κατάσταση** *
   *Να επισημαίνεται μόνο μία έλλειψη.*
   - ◯ Ελεύθερος-η
   - ◯ 'Εγγαμος-η / Συγκατοίκηση με σύντροφο
   - ◯ Διαζευγμένος-η
   - ◯ Χήρος-α

5. **Μηνιαίο Οικογενειακό Εισόδημα** *
   *Να επισημαίνεται μόνο μία έλλειψη.*
   - ◯ κάτω από 500€
   - ◯ 500-1000€
   - ◯ 1001-2500€
   - ◯ 2501-4000€
   - ◯ άνω των 4000€

6. **Είστε κάτοικος της ευρύτερης περιοχής της Θεσσαλονίκης;** *
   *Να επισημαίνεται μόνο μία έλλειψη.*

   - ◯ ΝΑΙ, μένω (ή είμαι πιο κοντά) στη Δυτική πλευρά της πόλης
   - ◯ ΝΑΙ, μένω (ή είμαι πιο κοντά) στην Ανατολική πλευρά της πόλης
   - ◯ ΝΑΙ, μένω στο κέντρο της πόλης
   - ◯ ΟΧΙ, δεν είμαι κάτοικος της ευρύτερης περιοχής της Θεσσαλονίκης

7. **Αν απαντήσατε όχι, ποιας ευρύτερης περιοχής είστε κάτοικος;**

   _____

8. **Υπήρξε ποτέ περίπτωση που να χρειαστήκατε προσωρινή ή μόνιμη αποθήκευση αντικειμένων (π.χ έπιπλα ή διάφορα είδη εξοπλισμού) και δεν διαθέτατε τον απαραίτητο χώρο;** *
   *Να επισημαίνεται μόνο μία έλλειψη.*

   - ◯ ΝΑΙ για προσωπικά κυρίως αντικείμενα (έπιπλα, ηλεκτρικές συσκευές, προσωπικός εξοπλισμός) *Παράβλεψη και μετάβαση στην ερώτηση 9.*
   - ◯ ΝΑΙ κυρίως για επαγγελματικούς λόγους (εμπορεύματα ή/και διάφορα είδη εξοπλισμού της εργασίας ή επιχείρησης μου) *Παράβλεψη και μετάβαση στην ερώτηση 20.*
   - ◯ ΟΧΙ *Παράβλεψη και μετάβαση στην ερώτηση 27.*

## Οι ανάγκες σας για αποθήκευση οικιακού-προσωπικού εξοπλισμού

9. **Το χρονικό διάστημα για το οποίο χρειαστήκατε αποθήκευση του προσωπικού σας εξοπλισμού ήταν:** *
   *Να επισημαίνεται μόνο μία έλλειψη.*

   - ◯ Λίγες μέρες
   - ◯ Έως 1 μήνα
   - ◯ Έως 3 μήνες
   - ◯ Έως 6 μήνες
   - ◯ Πάνω από 6 μήνες

10. **Οι λόγοι που χρειαστήκατε προσωρινή ή μόνιμη αποθήκευση του προσωπικού σας εξοπλισμού;** *
    *Επιλέξτε όλα όσα ισχύουν.*

    - ☐ Μετακόμιση ή Μετεγκατάσταση
    - ☐ Ανακαίνιση οικίας ή εξοπλισμού
    - ☐ Διαζύγιο
    - ☐ Ανάγκη εκκένωσης χώρου (λόγω π.χ υπενοικίασης ή πώλησης του χώρου)
    - ☐ Ανάγκη για ασφαλή και εχέμυθη αποθήκευση ευαίσθητων προσωπικών αντικειμένων
    - ☐ Δεν διέθετα τον απαιτούμενο χώρο για τα προσωπικά μου αντικείμενα. Χρειαζόμουν (ή χρειάζομαι) μόνιμη λύση αποθήκευσης
    - ☐ Άλλο: _____

11. **Πόσο εκτιμάτε ότι ήταν το μέγεθος χώρου που χρειαστήκατε (ή χρειάζεστε) για την αποθήκευση των αντικειμένων σας** *

*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Περίπου 1 τ.μ (μέγεθος τηλεφωνικού θαλάμου)
- ◯ Περίπου 3 τ.μ (μέγεθος μικρού μπάνιου με λουτρό)
- ◯ Περίπου 6 τ.μ (μέγεθος αποθήκης κήπου)
- ◯ Περίπου 9 τ.μ (μέγεθος μονής θέσης σε γκαράζ)
- ◯ Περίπου 12 τ.μ
- ◯ Περίπου 15 τ.μ (μέγεθος μικρού δωματίου ξενοδοχείου)
- ◯ Πάνω από 20 τ.μ (μέγεθος μικρής γκαρσονιέρας)
- ◯ Δεν είμαι σίγουρος-η

12. **Μένετε σε** *

*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Ιδιόκτητη κατοικία
- ◯ Ενοικιαζόμενη κατοικία
- ◯ Είστε φιλοξενούμενος

13. **Το σπίτι σας είναι** *

*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Διαμέρισμα
- ◯ Μονοκατοικία

14. **Πόσα τετραγωνικά μέτρα (τ.μ) είναι περίπου το σπίτι που μένετε;** *

*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ κάτω από 30 τ.μ
- ◯ 30 - 60 τ.μ
- ◯ 60 - 90 τ.μ
- ◯ 90 - 120 τ.μ
- ◯ Πάνω από 120 τ.μ
- ◯ Δεν είμαι σίγουρος-η

15. **Μαζί με εσάς, πόσα είναι τα άτομα που μένετε μαζί;** *

*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ 1 (μόνο εγώ)
- ◯ 2
- ◯ 3
- ◯ 4
- ◯ 5 και πάνω

16. **Ασχολείστε με κάποιο σπορ, χόμπι ή τέχνη που η αποθήκευση του εξοπλισμού του αποτελεί πρόβλημα για εσάς;** *

*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ ΝΑΙ
- ◯ ΟΧΙ

17. **Αν απαντήσατε ΝΑΙ, πιο σπορ, χόμπι ή τέχνη είναι αυτό;**

_____

18. **Διαθέτετε εσωτερική θέση στάθμευσης; (γκαράζ)** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ ΝΑΙ
- ◯ ΟΧΙ

19. **Διαθέτετε δεύτερη κατοικία; (π.χ εξοχικό)** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ ΝΑΙ
- ◯ ΟΧΙ

*Παράβλεψη και μετάβαση στην ερώτηση 33.*

## Οι ανάγκες για αποθήκευση του επαγγελματικού σας εξοπλισμού ή/και των εμπορευμάτων σας

20. **Το χρονικό διάστημα για το οποίο χρειαστήκατε αποθήκευση του επαγγελματικού σας εξοπλισμού ή των εμπορευμάτων σας ήταν:** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Λίγες μέρες
- ◯ Έως 1 μήνα
- ◯ Έως 3 μήνες
- ◯ Έως 6 μήνες
- ◯ Πάνω από 6 μήνες

21. **Οι λόγοι που χρειαστήκατε προσωρινή ή μόνιμη αποθήκευση του επαγγελματικού σας εξοπλισμού ή των εμπορευμάτων σας** *
*Επιλέξτε όλα όσα ισχύουν.*

- ☐ Μετεγκατάσταση ή παύση εργασιών της επιχείρησης
- ☐ Ανάγκη για προσωρινή αποθήκευση παλαιού εξοπλισμού με σκοπό τη μεταπώληση του
- ☐ Ανάγκη για προσωρινή αποθήκευση εξοπλισμού, λόγω ανακαίνισης του χώρου εργασίας
- ☐ Δεν διαθετω τον απαιτούμενο/ασφαλή χώρο για τον εξοπλισμό ή τα εμπορεύματα μου
- ☐ Η επιχείρηση δραστηριοποιείται εποχιακά. Στον "νεκρό" χρόνο χρειάστηκε/χρειάζεται χώρους αποθήκευσης.
- ☐ Άλλο: _____

22. **Πόσο εκτιμάτε ότι ήταν το μέγεθος χώρου που χρειαστήκατε (ή χρειάζεστε) για την αποθήκευση του εξοπλισμού ή των εμπορευμάτων σας** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Περίπου 6 τ.μ (μέγεθος αποθήκης κήπου) ή λιγότερο
- ◯ Περίπου 9 τ.μ (μέγεθος μονής θέσης σε γκαράζ)
- ◯ Περίπου 12 τ.μ
- ◯ Περίπου 15 τ.μ (μέγεθος μικρού container)
- ◯ Μεταξύ 18 τ.μ - 25 τ.μ
- ◯ Περίπου 30 τ.μ (μέγεθος μεγάλου container)
- ◯ Περισσότερο από 30 τ.μ
- ◯ Δεν είμαι σίγουρος

23. **Αν επιθυμείτε, αναφέρετε την επαγγελματική σας δραστηριότητα που σχετίζεται με την ανάγκη σας για αποθήκευση (π.χ ιδιοκτήτης καφετέριας)**

_____

24. **Η επιχείρηση προσφέρει κυρίως τα προϊόντα ή τις υπηρεσίες της σε:** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Φυσικά πρόσωπα
- ◯ Άλλες επιχειρήσεις
- ◯ Τόσο σε φυσικά πρόσωπα, όσο και σε άλλες επιχειρήσεις
- ◯ Άλλο: _____

25. **Πόσους εργαζόμενους απασχολεί η επιχείρηση;** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Μόνο εμένα
- ◯ Από 2 έως 10 εργαζόμενους
- ◯ Από 11 έως 50 εργαζόμενους
- ◯ Από 51 έως 250 εργαζόμενους
- ◯ Πάνω από 250 εργαζόμενους

26. **Η επιχείρηση προσφέρει τα προϊόντα ή τις υπηρεσίες της διαδικτυακά (online shop);** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Ναι ΜΟΝΟ διαδικτυακά
- ◯ Ναι ΚΑΙ διαδικτυακά
- ◯ ΟΧΙ

## Κάποια γενικά στοιχεία για τον χώρο που μένετε

27. **Μένετε σε** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Ιδιόκτητη κατοικία
- ◯ Ενοικιαζόμενη κατοικία
- ◯ Είστε φιλοξενούμενος

28. **Το σπίτι σας είναι** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ Διαμέρισμα
- ◯ Μονοκατοικία

29. **Πόσα τετραγωνικά μέτρα (τ.μ) είναι περίπου το σπίτι που μένετε;** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ κάτω από 30 τ.μ
- ◯ Από 30 τ.μ έως 60 τ.μ
- ◯ Από 60 τ.μ έως 90 τ.μ
- ◯ Από 90 τ.μ έως 120 τ.μ
- ◯ Πάνω από 120 τ.μ
- ◯ Δεν είμαι σίγουρος-η

30. **Μαζί με εσάς, πόσα είναι τα άτομα που μένετε μαζί;** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ 1 (Μόνο Εγώ)
- ◯ 2
- ◯ 3
- ◯ 4
- ◯ 5 και πάνω

31. **Διαθέτετε εσωτερική θέση στάθμευσης; (γκαράζ)** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ ΝΑΙ
- ◯ ΟΧΙ

32. **Διαθέτετε δεύτερη κατοικία; (π.χ εξοχικό)** *
*Να επισημαίνεται μόνο μία έλλειψη.*

- ◯ ΝΑΙ
- ◯ ΟΧΙ

*Παράβλεψη και μετάβαση στην ερώτηση 33.*

## Εγκατάσταση αυτό-εξυπηρετούμενης αποθήκευσης (self storage)

Η εκπόνηση του επιχειρηματικού σχεδίου, αφορά την ανάπτυξη μιας εγκατάστασης αυτό-εξυπηρετούμενης αποθήκευσης (self storage) στη περιοχή της Θεσσαλονίκης που θα ακολουθεί τα πρότυπα ενός ευρέως διαδεδομένου κλάδου στις Η.Π.Α, Μεγάλη Βρετανία και Βόρεια Ευρώπη.

Θα προσφέρει λύσεις για οικιακή και επαγγελματική αποθήκευση. Η πρόσβαση στα προσωπικά σας

αντικείμενα θα είναι αυστηρά προσωπική, με χρήση προσωπικού κλειδιού και κάρτα access control. Ο χώρος της εγκατάστασης θα είναι ελεγχόμενος με περίφραξη, πυρανίχνευση, συναγερμούς ασφαλείας και 24ωρη παρακολούθηση με κάμερες.

Θα έχετε τη δυνατότητα επιλογής χώρων αποθήκευσης διαφόρων μεγεθών, ανάλογα με τις ανάγκες σας.

33. **Πόσο πιθανό είναι να χρησιμοποιήσετε κάποια στιγμή τις υπηρεσίες μιας τέτοιας εγκατάστασης;** *

*Να επισημαίνεται μόνο μία έλλειψη ανά σειρά.*

| | Εξαιρετικά απίθανο | Λίγες πιθανότητες | Αρκετά πιθανό | Εξαιρετικά πιθανό |
|---|---|---|---|---|
| Για μικρό χρονικό διάστημα (Λίγες μέρες έως 1 μήνα) | ◯ | ◯ | ◯ | ◯ |
| Για λίγους μήνες (2 έως 6 μήνες) | ◯ | ◯ | ◯ | ◯ |
| Για μεγάλο χρονικό διάστημα (Πάνω από 1 χρόνο) | ◯ | ◯ | ◯ | ◯ |

34. **Παρακαλώ αξιολογήστε πόσο σημαντικά θα ήταν για εσάς, τα παρακάτω χαρακτηριστικά σε μια τέτοια εγκατάσταση** *

*Να επισημαίνεται μόνο μία έλλειψη ανά σειρά.*

| | Αδιάφορο | Λίγο σημαντικό | Αρκετά σημαντικό | Πολύ σημαντικό |
|---|---|---|---|---|
| Κοντά σε κύρια οδική αρτηρία | ◯ | ◯ | ◯ | ◯ |
| Δυνατότητα μεταφοράς του εξοπλισμού σας, με δικά μας μέσα, από και προς την εγκατάσταση | ◯ | ◯ | ◯ | ◯ |
| Δυνατότητα κράτησης αποθηκευτικού χώρου μέσω διαδικτύου (online reservation) | ◯ | ◯ | ◯ | ◯ |
| Δυνατότητα παροχής ασφαλιστικής κάλυψης του εξοπλισμού σας | ◯ | ◯ | ◯ | ◯ |
| Δυνατότητα 24 ωρης πρόσβασης στον προσωπικό σας χώρο αποθήκευσης | ◯ | ◯ | ◯ | ◯ |
| Δυνατότητα παροχής Θέρμανσης/Κλιματισμού στον χώρο αποθήκευσης | ◯ | ◯ | ◯ | ◯ |
| Δυνατότητα παροχής ειδικών χώρων αποθήκευσης κρασιού / Προσωπικό κελάρι | ◯ | ◯ | ◯ | ◯ |

35. **Πόσο πιθανό είναι να χρησιμοποιήσετε τις υπηρεσίες μιας τέτοιας εγκατάστασης, η οποία θα απέχει:** *

*Να επισημαίνεται μόνο μία έλλειψη ανά σειρά.*

| | Εξαιρετικά απίθανο | Λίγες πιθανότητες | Αρκετά πιθανό | Εξαιρετικά πιθανό |
|---|---|---|---|---|
| Μέχρι 5 χιλιόμετρα από εσάς | ◯ | ◯ | ◯ | ◯ |
| Μέχρι 10 χιλιόμετρα από εσάς | ◯ | ◯ | ◯ | ◯ |
| Μέχρι 20 χιλιόμετρα από εσάς | ◯ | ◯ | ◯ | ◯ |
| Μέχρι 30 χιλιόμετρα από εσάς | ◯ | ◯ | ◯ | ◯ |

*Παράβλεψη και μετάβαση στην ερώτηση 36.*

# Επικοινωνία - Διαφήμιση

36. **Με ποιους από τους παρακάτω τρόπους επικοινωνίας θα ήταν αποτελεσματικότερο να ενημερωθείτε για τέτοιου είδους υπηρεσίες;** *

*Επιλέξτε όλα όσα ισχύουν.*

- [ ] Μέσα κοινωνικής δικτύωσης (Facebook, Twitter, Instagram)
- [ ] YouTube
- [ ] Ραδιοφωνικά σποτ
- [ ] Τοπικά τηλεοπτικά κανάλια
- [ ] Τοπικές εφημερίδες ή περιοδικά
- [ ] Διαφημιστικές πινακίδες σε κεντρικούς δρόμους
- [ ] Άλλο: _____