

Self Storage Demand Grows Across Asia: Key Trends In Hong Kong, Malaysia, Singapore and Thailand Revealed in 2024 Survey

Self Storage Association Asia Chair Helen Ng says crucial to innovate and diversify offerings to meet household and business demands

SINGAPORE, SINGAPORE, December 24, 2024 /EINPresswire.com/ -- The recent Self Storage



Whether driven by business needs or the constraints of urban living, self-storage continues to meet the demands of both businesses and households, adapting to the evolving market conditions in Asia.”

Helen Ng, Chair, Self Storage Association Asia

Association Asia (SSAA)-JLL Annual Survey Report 2024 reveals significant trends across multiple countries in Asia, highlighting the growing reliance on self-storage solutions among businesses and households alike. The survey underscores the importance of flexible, scalable storage options, which are becoming essential for micro-businesses and households looking to manage space constraints effectively.

Key Findings Across Four Countries:

Singapore: Surge in Business Demand

The survey reveals that 40% of businesses in Singapore

now use self-storage, marking a 14% year-on-year growth. This increase is fueled by the rise of e-commerce and the return-to-office trend. Businesses are increasingly seeking flexible storage solutions that allow them to scale their space according to their needs without long-term lease commitments.

The introduction of Pick-Up and Drop-Off (PUDO) services by storage operators has further enhanced the convenience for micro-business owners, helping them focus on business growth while reducing logistical burdens.

Yeni Lim, owner of Yenidraws, a boutique offering Singapore-inspired gifts, shares: “Lock+Store Tanjong Pagar provides the perfect blend of convenience and flexibility for our growing business. The ability to scale our storage space as we expand is invaluable. It’s a game-changer for small businesses like ours.”

Helen Ng, Chair of SSAA and CEO of General Storage Company (Lock+Store Singapore and Malaysia, The Store House Hong Kong), comments: "Self-storage has become essential for micro-businesses in Singapore, offering both cost-effectiveness and flexibility in today's dynamic business environment. With services like PUDO, we're enhancing accessibility, allowing entrepreneurs to focus on what they do best – growing their businesses."

Hong Kong: Household Demand Drives Growth Amid Economic Uncertainty

In Hong Kong, household demand remains the dominant force in the self-storage sector, with a steady 76% household-to-24% business usage ratio. Despite a subdued economic outlook, 44% of operators expect rental and profit growth of 5-10% over the next three to five years.

Helen Ng comments: "Household demand continues to stabilize Hong Kong's self-storage market, even amidst economic challenges. As urban living space shrinks, mini-storage solutions are increasingly vital, helping households cope with space limitations."

Malaysia: A Steady Reliance on Household Demand

In Malaysia, the survey highlights that household demand continues to dominate, with a 70% household-to-30% business usage ratio. Customers in Malaysia are showing a preference for larger units (41+ sqft). Despite this demand, profitability expectations have moderated. Only 17% of respondents expect profitability growth of 5 to 10% over the next three to five years, compared to 33% in 2024. Similarly, anticipated rental growth of 5 to 10% over the same period has declined to 33%, down from 50% in 2024.

Helen Ng notes: "Malaysia's self-storage sector demonstrates resilience, driven by household demand. As urban living evolves, self-storage continues to offer families the flexibility and convenience they need. This sector is well-positioned to adapt to changing economic conditions."

Thailand: Rising Household Demand

In Thailand, household demand for storage space has risen by 8% year-on-year, with households now representing 73% of the total demand, up from 65% in 2023. This shift emphasizes the growing reliance on residential customers, with new offerings such as safe deposit boxes and wine storage catering to more diverse needs.



Helen Ng, Chair, Self Storage Association Asia

However, the outlook for the next 3 to 5 years appears less optimistic, with 33% of respondents expecting profits to increase by over 20% in 2024, but none projecting such growth for the following years. A further 33% anticipate a profit increase of 16-20% over the next 3 to 5 years.

Helen Ng comments: "The shift towards household demand in Thailand highlights evolving customer needs. Innovation and diversification will be crucial for the self-storage sector to sustain growth in the coming years."

Conclusion

Across all four countries, the 2024 SSAA-JLL survey underscores the importance of flexibility, scalability, and innovation in the self-storage sector. Whether driven by business needs or the constraints of urban living, self-storage continues to meet the demands of both businesses and households, adapting to the evolving market conditions across Asia.

About Self Storage Association Asia

The Self Storage Association Asia's (SSAA) mission is to help grow and protect both our member's businesses and the industry in Asia through research, education, government advocacy, key introductions, and high level networking opportunities. We support the interests of current and future facility owners, managers, suppliers, and investors by assisting them realize their interests in the region. As a membership-based organization, we encourage these groups to join the SSAA and proactively participate in order to realize the fullest potential that each membership entails.

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