SPIN FRESH COIN LAUNDRY 'THE DIFFERENCE IS IN THE DETAILS'



OCTOBER 2010 • By Haley Jorgensen



Greg Koehler's new vended laundry gives his customers what they crave— a wash and dry in 60-minutes or less. Spin Fresh Coin Laundry, in Appleton, Wis., is a spotless and relaxing refuge providing all the comforts of home—posh living room furniture, wireless Internet and enormous flatscreen TVs. Drawn to the store like bees to honey, customers relish the laundry's modern interior and elaborate furnishings as much as they enjoy its efficient equipment and superior customer care.

An Interior Designer's Touch

"I wanted a home atmosphere," says Koehler of Spin Fresh. "Everyone tried to talk me out of it," he says. "They said customers would destroy the furniture, jump on it and lose the TV remotes. But, I felt like if I gave them a really nice place to do laundry, they would respect it. That's what happened. We opened in August of 2009 and this place looks still looks like brand new."

Koehler, an interior designer who also owns a furniture store, maintains he got

into the laundry business because it made good sense. "I was looking for a business that wouldn't be crushed by an economic downturn," he says. "I also buy and sell real estate and I had a building sitting empty. The result is his 5,000-square-foot laundry offering wash-dry-fold service, wireless Internet, cable TV, vending machines, large family room areas and a generous game room complete with foosball and pool. Its high-speed Continental E-Series Washers not only reduce utility costs, they ensure a speedy 60-minute wash/dry!

Owning the Property

"This building is profitable because of other adjacent tenants," says Koehler. "I have five tenants paying me an income and I'm cash flowing the buildings even without the laundry. It's a great business move."

Located in a largely Hispanic and Hmong residential area dense with renters, Spin Fresh's equipment, atmosphere and service set it apart from the competition, according to Koehler. "I knew I could give customers something better and was willing to take the risk to make it nice here," he says. "I figured that would pull customers from the other four stores nearby."

Building a Foundation

Since opening, Spin Fresh's customer base has grown exponentially. "If my projections continue to be realized, the store will be very successful within a year. The profit will come," says Koehler. "So far it is exactly what I expected, which makes me excited. But the next six months are very critical."



2500 State Road 44 • Oshkosh, WI 54904 920-231-8222 • Fax 920-231-4666 800-256-1073 • www.continentalgirbau.com

Referral Reward

As part of his quest to build a client base of 550, Koehler rewards customer referrals and has extended operation hours to meet the needs of working parents. "We a have referral program in which customers can give their friends a referral card and receive a stamp for the first and second visit to the store. If I can get them to the store twice, I figure they will love the place by then," Koehler adds. "On their third visit, they receive a free wash and \$5 cash. Then we call the referring customer and give them \$5 cash. This is really effective for getting people in the door."

Spin Fresh, according to Koehler, brings more amenities, high-speed equipment and essential customer service to the table. It's also a laundry that welcomes children, who according to Koehler, drive business. Parents enjoy doing laundry with children at Spin Fresh, because kids are entertained and content to watch their favorite TV shows, Koehler maintains.

"Customers love that their loads of laundry dry sooner. The high-extract speeds of our washers definitely cut dryer time," says Koehler.

A Quicker Dry & High-Speed Continental E-Series Washers

"Customers also love that their loads of laundry dry sooner," he says. "People say they spend \$2.25 per dryer at other stores and only \$.75 here. The high-extract speeds of our washers definitely cut dryer time."

Koehler worked closely with Fritz Baenen of OPL Services, in Green Bay, Wis., to properly equip and design his new laundry. That's why Spin Fresh was outfitted with Continental high-speed washers, including 14 EH020s, six EH030s, six EH040s and six EM055s. The store also features four 75-pound capacity Continental L-Series hard-mount washers for family sized loads of laundry. Ten Continental 45-pound and 10 30-pound capacity dual-pocket stack dryers round out the store's equipment mix.

Koehler installed Continental E-Series freestanding washer-extractors over traditional hard-mount washers because they deliver high-speed extract and use less energy, natural gas and water. And, since E-Series Washers are not bolted to the floor like hard-mount washers, they were easy to install. They also differentiate Spin Fresh over the competition. The washers reach extract speeds of up to 354 G-force compared with the 75-150 G-force speeds characteristic of hard-mount machines, according to Baenen. "Because the high-speed machines remove significantly more water per load during extract, laundry dries 30-40 percent more guickly," he says, "reducing dryer gas consumption and customer bottlenecks." Clients notice loads take less time to dry, cost less to dry, and that they can finish laundry in an hour or less, according to Koehler. That, he says, keeps bringing them back ...

High-Speed Efficiency for Reduced Overhead Costs

On the flip side, the high-speed washers benefit Koehler because they reduce overall utilities – boosting profits.

Koehler keeps a daily log to record customer visits, tracking the time clients enter and leave the laundry, which machines they use, and the reasons for leaving other stores. His data indicates that the 20-pound-capacity E-Series Washers are the most craved.

Appealing to Families

Moreover, while the 75-pound washer-extractors aren't used as often, they do draw large families and homeowners to the laundry to clean bulky comforters, bed spreads, drapes and rugs. And that's the point. By offering a variety of equipment, Koehler feels his store is better able to appeal to a broader market—satisfying the needs of everyone.

Caring Customer Service

While the self-service side of the business generates the lion's share of revenue, full-service wash-dry-fold and vending machines contribute additional income streams. Still in its infancy, wash-dry-fold brings in two percent of total revenue, but over time, Koehler is sure that percentage will surge ... By offering wash-dry-fold, he successfully occupies attendants and equipment during slower business hours —a win-win.

The laundry offers exemplary service. Not only is it clean and neat, machines are wiped down inside and out after every use. The difference is in the details, according to Koehler.

