



Tod Sorensen is a regional sales manager at Girbau North America (GNA) and vice president of Continental Girbau West, a full-service distributorship serving the Southern California vended, on-premise and industrial laundry markets. He holds more than 20 years of experience in vended laundry development and market analysis. Please contact him at tsorensen@cgilaundry.com or call 866-950-2449.

VENDED LAUNDRY SOLUTIONS



THE URBAN LAUNDROMAT RENEWAL

MAXIMIZING TURNOVER, REVENUE & PROFIT

In many urban settings utility, real estate and rent costs are on the rise, which makes doing business there tricky. Luckily, for the vended laundry owner, there are many concrete ways to effectively combat costs, while simultaneously strengthening customer turnover. Read on for constructive tips for renewing the urban laundry for maximized revenue and profit. As always, call on your equipment distributor to help you wade through the options.

Updated Demographic Study & Competitive Market Analysis

Whether you've just purchased an existing laundry, or have owned one for years, the first step to any laundry improvement process is to reevaluate its potential using an updated demographic study and competitive market analysis. Many urban neighborhoods are being revitalized to appeal to young, wealthy workers and homeowners. And because of rising housing costs, other urban areas are becoming more populated, with multiple individuals sharing one residence.

Ever-changing demographics makes it important to reexamine what's going on in your laundry's service area every three to five years. Trust your equipment distributor to spearhead this process by running a demographic study and competitive analysis. Most demographic reports provide information on income, housing, racial/ethnic composition, transportation, education and population, among others. Your distributor can use this data to provide tailored suggestions for boosting customer turnover and revenue per square foot; capturing a larger percentage of your demographic through new services and offerings; and adopting new technologies and services. A good distributor will create a Proforma that details how the laundry is likely to perform given these improvements. If that looks good, move forward ...

Equipment Retooling Tips

Most likely, an equipment tweak is in order to lower overhead costs, maximize wash capacity, improve customer turnover and launch revenue per square foot. But keep current demographics in mind when selecting your mix. Are there more homeowners than before? Then, draw them in with equipment that can handle family-sized loads and bulky comforters and blankets.

Evaluate Utilities

Many times, equipment retools double or triple a laundry's previous wash capacity and revenue. But, before moving forward with any



equipment switch, know if the current sewer, water, gas and electricity capacities are appropriate for the equipment you want to install.

If your utilities can handle the retool, seek out washer and dryer models on the market with large capacities, yet small footprints. This can make a big difference, especially in a small laundry where space is at a premium.

Go for Greater Capacity

Always look to replace small-capacity washers and dryers with larger capacity machines. In doing so, laundries can increase wash and dry capacity to serve more customers and maximize revenue. Typically, because today's washers and dryers are so efficient, any equipment changeout will also lower utility costs per load.

Soft-Mount or Hard-Mount Washers

When choosing equipment, hash out whether soft- or hard-mount washers are right for you. While softmounts are typically more



expensive than hardmounts, they're simpler and less costly to install. Soft-mount washers slide into place without the concrete and bolt-down requirements of their hard-mount counterparts. This simplifies outfitting a second story laundry or unconventional location. They also generate high G-force extract speeds for more water removal, shorter dry times, lower utility costs and improved customer turnover.

Moreover, there's a high-speed benefit. Soft-mount washers generate up to 400 G-force extract speeds, while hard-mount washers typically don't exceed 200 G-force. Softmounts remove more moisture during extract, which significantly lowers dry time and natural gas consumption. This equates to lower overhead costs and the ability to serve more paying customers per day.

Differentiate from the Competition

During the laundry improvement process, initiate ways to stand apart from the competition through equipment controls, alternative payment systems, LaundryCares™ Read Play Learn literacy centers, and ozone and automatic chemical/softener injection systems, among others.

Ozone

Ozone use in vended laundries is a growing trend. It works by automatically injecting ozone into the washer load at just the right time and water temperature. The ozone naturally releases stains and soils on linen, while sanitizing each laundry load using lower-than-typical water temperatures, according to SAN-O₃-WASH Owner Ralph Daniels. "Ozone kills viruses and bacteria at extraordinary rates and makes laundry bright, white and fresh-smelling," he said. "Customers love that the ozone sanitizes the washers they use, as well as their clothes." Consider adding ozone to all, several or just a few washers.

Automatic Chemical Injection

Another way to stand apart is by adding automatic chemical injection, especially to large-capacity washers. Some washer models offer automatic chemical injection as a feature. If you've selected equipment that has it, use it to attract and appeal to customers. The new Continental Express Clean™ dispensing system was just launched for this purpose. It works seamlessly with a machine's automatic chemical injection system to dispense the perfect blend of detergents, brighteners and softeners into the washer. The Express Clean system is contained in a transparent cabinet so customers can watch while it's in action. It makes using equipment simple — without the hassle of lugging detergents and softeners.

Programmable Controls

Equipment controls can also help top the competition. Some controls allow owners to program every cycle option with total control over vend price, water temperature, extract speed, number of baths, mechanical action and fill levels. Moreover, there are controls on the

market that offer extra options, such as an extra wash, rinse and/or spin. Each time a customer selects an "extra," they pay more for that amenity. Customers enjoy having more control over how their laundry is washed, while owners enjoy the added revenue it generates.

Alternative Payment Systems

With customer convenience in mind, allow customers multiple ways to pay — coins, credit/debit cards, loyalty cards and in-app Apple pay — for example. There are many alternative payment systems on the market that make the laundry transaction super convenient. And, from the laundry owner's perspective, alternative payment systems also deliver full store management and tracking.

Read Play Learn Center

Support childhood literacy and stand apart from the competition in the process. Consider outfitting your store with a LaundryCares™ Read Play Learn (RPL) center consisting of books and interactive learning materials. Working in tandem with Too Small to Fail, Libraries Without Borders and other literacy-focused organizations, LaundryCares has developed RPL "kits" and made them available for purchase at laundrycares.org.

Services

Lastly, review your demographic study to determine if it makes sense to add more services and revenue streams. Has your neighborhood evolved to include up-scale areas, professionals and homeowners? If it has, consider adopting services including drop-off wash/dry/fold, dry cleaning, commercial laundry services, and pickup and delivery, among others. By offering additional services, a vended laundry better penetrates its demographic to serve a wider variety of customers, generate bolstered revenue and better utilize employees. Moreover, added services can help your business better utilize the unused capacity of your laundry, which makes you less reliant on only the walk-in customer.

Our cities are full of urban laundries in need of updating and renewal. The good news is that the process of laundry revitalization can deliver a quick return on investment and create a highly profitable business venture for years to come. Simply do your homework and harness improvements that complement the demographics of your service area.

Please contact Tod with any questions at tsorensen@cgilaudry.com.

