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Research Series

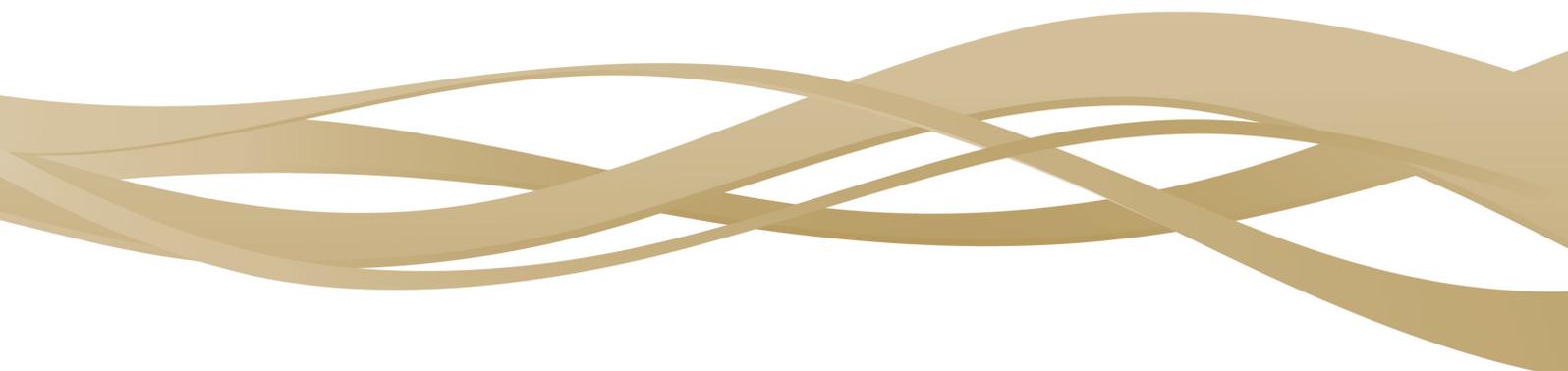
Your Guide to Laundry Excellence

The 18th annual comprehensive industry survey. Prepared by the Coin Laundry Association

www.coinlaundry.org

2014

Coin Laundry Industry Survey



Introduction

The Coin Laundry Association (CLA) is proud to share the results of the 18th annual comprehensive industry survey. The purpose of the survey is to provide an updated profile of laundry stores in the United States.

Questions regarding this survey and the results may be directed to CLA at (800) 570-5629.

Method

The survey sample of 850 was selected in a systematic, stratified fashion by the CLA and Readex Research from domestic recipients of *PlanetLaundry's* circulation with job functions classified as store owner/partner and firm's primary business classified as store operation.

Only one recipient of *PlanetLaundry* per store location was included in the list prior to the sample selection to help ensure representation of stores (rather than individuals).

Data was collected via mail survey with an option to complete it online from March 17 to May 1, 2014. The survey was closed for tabulation with 343, including 46 obtained online—an overall response rate of 40%.

The findings highlighted in this report are based on the 318 respondents who indicated their organization currently owns at least one self-service laundry store, reducing the number of stores represented to about 10,980. The margin of error for percentages based on 318 responses is ± 5.4 percentage points at the 95% confidence level. The margin of error for percentages based on smaller sample sizes will be larger.

Data Interpretation

In addition to percentages, three summary statistics may be presented in this report for numeric variables.

A mean is the arithmetic average of a distribution (i.e., a set of values). Because it is arithmetically calculated, it can be multiplied by the population represented to present a total volume estimate. For example, if 100 survey respondents (representing 10,000 people in the population) reported mean expenditures of \$100 each, total expenditures for that population are estimated as $10,000 \times \$100 = \$1,000,000$. Means are very much influenced by extremely large or extremely small values in the distribution (e.g., one millionaire can substantially raise an estimate of average income).

Means for grouped data are calculated using the midpoint of each range. The lowest-valued group is represented by its largest value; the highest-valued group by its lowest.

The standard error measures the variability associated with the survey's estimate of a population mean. The standard error is similar to the margin of error associated with percentages: that is, 95% of the time we expect the true (unknown) population mean to be within plus-or-minus two standard errors of the mean calculated from the sample. A standard error that is large in proportion to the mean indicates a high level of statistical instability; trending and projections against such estimates should be undertaken cautiously.

A median is the value that lies at the middle of a distribution: that is, 50% of the values are above it and 50% are below. It represents the "typical" response, and is not influenced by extreme values. For most distributions, the median will be either roughly equal to or significantly smaller than the mean.

Medians for grouped data are calculated by locating the group which contains the 50th percentile, then interpolating between the lower and upper bounds to estimate the precise value.

Only the values listed above the statistics on a data table are used in the calculations.

About Readex Research

This survey was conducted and this report was prepared by Readex Research in accordance with accepted research standards and practices. A complete report containing all survey results was provided to CLA.

Readex Research is a nationally recognized independent research company located in Stillwater, Minnesota. Its roots are in survey research for the magazine publishing industry, but specialization in conducting high-quality survey research has brought clients from many other markets, including associations, corporate marketers and communicators, and government agencies.

Since its founding in 1947, Readex Research has completed thousands of surveys for a lengthy and diverse list of clients.

Survey of PlanetLaundry Recipients 2014

1. How many of each of these types of self-service laundry stores are currently owned by your organization? (please fill in a number for each; 0 if none)
 - # ___ self-service laundry only
 - # ___ combination self-service laundry/DROP-OFF and/or ON-PREMISE drycleaner
 - # ___ combination self-service laundry/DROP-OFF drycleaner
 - # ___ combination self-service laundry/ON-PREMISE drycleaner
 - NO SELF-SERVICE LAUNDRY STORES OWNED → *If your organization owns no stores with self-service laundry, please ☉ and return your survey in the envelope provided to avoid reminder mailings. Thank you!*

2. Do you consider yourself to be in the laundry business full time or part time?
 - full time part time
 - other: _____
(please specify)

3. Which of the following does your organization plan to do in the next 12 months? (please ☉ all that apply)
 - sell any of its self-service laundries
 - purchase any existing self-service laundries
 - build any new self-service laundries
 - none of these

4. What do you feel are the biggest problems you face in the laundry business? (please ☉ all that apply)
 - high cost—utilities
 - high cost—equipment
 - high cost—machine maintenance
 - high cost—rent
 - abuse of equipment/vandalism
 - finding reliable employees
 - too much competition
 - unpredictable customer levels
 - high cost—labor
 - high cost—other expenses
 - negative industry image
 - other: _____
(please specify)
 - HAVE NO PROBLEMS

5. What ancillary services are offered in your organization's self-service laundry store (or "typical" store if more than one is owned)? (please ☉ all that apply)

<input type="radio"/> alterations	<input type="radio"/> soap— over-the-counter sales
<input type="radio"/> ATM	<input type="radio"/> soap— vending
<input type="radio"/> car wash	<input type="radio"/> soda and/or snack vending
<input type="radio"/> children's play area	<input type="radio"/> tanning bed(s)
<input type="radio"/> hot food and/or drink	<input type="radio"/> video game(s)
<input type="radio"/> Wi-Fi access	<input type="radio"/> wash-dry-fold—drop-off
<input type="radio"/> ironing/pressing	<input type="radio"/> wash-dry-fold—pick-up/delivery
<input type="radio"/> laundry bag sales	<input type="radio"/> other: _____ (please specify)
<input type="radio"/> lottery ticket sales	
<input type="radio"/> phone cards	<input type="radio"/> NONE

- 6a. If wash-dry-fold services are offered, how did customer levels change for wash-dry-fold services, overall, from 2012 to 2013?
 - increased significantly decreased somewhat
 - increased somewhat decreased significantly
 - remained about the same
 - cannot compare because store did not offer wash-dry-fold both years

- 6b. If wash-dry-fold services are offered, what is the base charge per pound for each type? (please fill in the charge for each type offered)
 - \$ _____ per pound for drop-off
 - \$ _____ per pound for pickup/delivery
(plus service charge of \$ _____)

7. Does this store provide laundering services to any commercial accounts? (This is a business-to-business laundry service with pickup and delivery, such as for hair salons, chiropractic offices, etc.)
 - yes no

8. Approximately what is the total size (in square feet) of this store, including any space devoted to drycleaning or other ancillary services? (if unsure, please indicate your best guess)

<input type="radio"/> less than 1,000 sq. ft.	<input type="radio"/> 2,500 - 2,999 sq. ft.
<input type="radio"/> 1,000 - 1,499 sq. ft.	<input type="radio"/> 3,000 - 3,999 sq. ft.
<input type="radio"/> 1,500 - 1,999 sq. ft.	<input type="radio"/> 4,000 - 4,999 sq. ft.
<input type="radio"/> 2,000 - 2,499 sq. ft.	<input type="radio"/> 5,000 sq. ft. or more

9. Is this store's space owned or rented?
 - owned rented
 - a. If rented, approximately what is the total rent per month for this store, including triple net charges (i.e., maintenance, taxes, and insurance), if applicable? (please fill in a dollar figure below)
 - \$ _____ rent per month

To help ensure statistical validity of the results, the remaining questions are to be answered for a single store within your operation. If your organization has more than one self-service laundry store, please answer FOR THE ONE MOST TYPICAL STORE ONLY.

10. How many individuals other than the owner are employed full time versus part time at this store? (please fill in a number for each—fill in 0 if none)
_____ full time # _____ part time
11. About what percentage of this store's 2013 gross revenue was spent on payroll, not including the owner's compensation? (please fill in a percentage below—fill in 0 if none)
_____ % of revenue for payroll
12. How many hours is this store open on an average business day? (please fill in a number below)
_____ hours per day
13. For how many of its business hours is this store attended on an average day?
 all some none
14. If this store is attended at least some of the time, what is the average hourly wage of its non-management attendant(s)?
 ALL ARE MANAGEMENT
 less than \$7.00 \$9.00 - \$9.49
 \$7.00 - \$7.49 \$9.50 - \$9.99
 \$7.50 - \$7.99 \$10.00 - \$10.49
 \$8.00 - \$8.49 \$10.50 - \$10.99
 \$8.50 - \$8.99 \$11.00 or more
15. How has this store been advertised in the last 12 months? (please all that apply)
- | | |
|-------------------------------------------------------------|--------------------------------------------------------|
| <input type="radio"/> digital ads | <input type="radio"/> signs/banners |
| <input type="radio"/> direct mail | <input type="radio"/> social media |
| <input type="radio"/> email newsletters | <input type="radio"/> television/cable |
| <input type="radio"/> flyers | <input type="radio"/> website for store |
| <input type="radio"/> in-store promotions | <input type="radio"/> yellow pages |
| <input type="radio"/> local coupons/
placemats/bulletins | <input type="radio"/> other: _____
(please specify) |
| <input type="radio"/> newspaper | <input type="radio"/> online directories |
| <input type="radio"/> radio | <input type="radio"/> NOT ADVERTISED |

If you are unsure of the exact answer to any of the following questions, please give your best guess.

16. Approximately what was the total gross revenue (before taxes) of this store in 2013, including any revenue generated from drycleaning or other ancillary services?
 less than \$25,000 \$150,000 - \$199,999
 \$25,000 - \$49,999 \$200,000 - \$299,999
 \$50,000 - \$74,999 \$300,000 - \$399,999
 \$75,000 - \$99,999 \$400,000 - \$499,999
 \$100,000 - \$149,999 \$500,000 or more
17. Compared to 2012, by approximately what percentage did this store's 2013 gross revenue change, including any revenue generated from drycleaning or other ancillary services?
 increased by _____% decreased by _____%
 remained the same
18. About what percentage of this store's 2013 gross revenue was spent on utilities?
 less than 10% 25% - 29%
 10% - 14% 30% - 34%
 15% - 19% 35% - 39%
 20% - 24% 40% or more

19. About what percentage of this store's 2013 gross revenue was considered operating net profit (before taxes, debt service, and owner compensation)?
 net loss...specify _____% 15% - 19%
 none 20% - 24%
 less than 5% 25% - 29%
 5% - 9% 30% - 34%
 10% - 14% 35% or more
20. In what ways does this store accept credit cards? (please all that apply)
 on some washers or dryers
 on all washers and dryers
 at customer service counter (for WDF, etc.)
 at Value Transfer Machine or central pay kiosk
 store does not accept credit cards
21. How are the laundry machines at this store operated? (please all that apply)
 coin operated card operated
 other non-coin payment system

22a. How many of each of the following types of laundry machines are at this store? (please fill in a number for each; if none, fill in "0")

22b. What is the average vend price per turn for each type of machine at this store?

	number of machines	average vend price per turn
TOTAL TOP		
LOAD WASHERS _____		\$ _____
FRONT LOAD		
WASHERS		
18 lb - 24 lb _____		\$ _____
25 lb - 29 lb _____		\$ _____
30 lb - 35 lb _____		\$ _____
40 lb - 49 lb _____		\$ _____
50 lb - 60 lb _____		\$ _____
75 lb - 80 lb _____		\$ _____
90 lb - 100 lb _____		\$ _____
125 lb - 135 lb _____		\$ _____

DRYERS If any dryers are stacked, please count each pocket in the total number of machines.

If any are multi-coin start or card-operated, please convert to minutes for \$0.25 for average vend price.

18 lb _____	\$0.25/ _____ min.	<input type="radio"/> free dry always
30 lb _____	\$0.25/ _____ min.	<input type="radio"/> free dry always
45 lb _____	\$0.25/ _____ min.	<input type="radio"/> free dry always
50 lb _____	\$0.25/ _____ min.	<input type="radio"/> free dry always
75 lb _____	\$0.25/ _____ min.	<input type="radio"/> free dry always

all other sizes _____

23. Does this store offer any full-cycle dryer pricing (i.e., a fixed price to dry one load)?
 yes no

24. For which of these do you expect the vend price to increase in the next 12 months at this store?

(NOTE: for dryers, that could mean a reduction in the number of minutes per \$0.25)

- washers only dryers only
 both neither

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