

Washworld Coin Laundry Omaha Laundry Renovation Results in 38 Percent Jump in Revenue



By Haley Jorgensen

By reinventing the 15-year-old WashWorld coin laundry, in downtown Omaha, Neb., John and Kelly Stuckey successfully bolstered revenue 38 percent, grew the store's customer base 31 percent, and slashed utilities 35 percent—a three-punch combination resulting in soaring profits!

Thanks to new high-speed laundry equipment, tweaked amenities and services, and price-focused marketing, the new, fully remodeled WashWorld is the most profitable of the Stuckeys' three Nebraska-based laundries. It didn't used to be that way ...

The new WashWorld was developed as a solution to combat dwindling profits and skyrocketing utilities, according to John Stuckey. "Our revenue was dropping and utilities were eating us alive, consuming 19-20 percent of the store's gross revenue," he says. "The laundry is in a low-income area with predominately large Hispanic families looking for large-capacity equipment and the ability to get in and out of the laundry quickly. We didn't have what our customers wanted so profits suffered."

Not only were there too few large-capacity, front-load washers to meet the

needs of WashWorld's customers, the laundry's hard-mount and top-load washers demanded too much water, electricity and gas to operate profitably.

Going High-speed

The Stuckeys made a change, and after gutting the laundry, installed freestanding, high-speed Continental E-Series Washers in the place of the old hard-mount and top-load machines. That change enabled the Stuckeys to successfully capture previously unusable, above-basement floor space, and simultaneously, lowered utility costs.

"It's so much easier to install the freestanding machines," says John Stuckey. "Now we have washers above the basement, which improved our overall capacity. We couldn't have done that with hard-mount washers because they have to be secured to a concrete foundation."

As a result, WashWorld now boasts 450 pounds more washer capacity, which includes 20 DoubleLoad, 10 TripleLoad and eight ExtraLoad high-speed

Continental E-Series Washer Extractors; and four 75-pound capacity Continental hard-mount PowerLoads. Additionally, nineteen 30-pound capacity, dual-pocket stack dryers and two 80-pound capacity drying tumblers give customers the ability to wash and dry bulky, heavy loads.

A Change in Atmosphere – Streamlined and Modern

Now the store's stainless steel, high-speed equipment, lofty ceilings, and large, flat-screen televisions combine for an industrial, streamlined look that reinforces WashWorld's express wash offering—"wash and dry in 60-minutes or less!" Other revenue streams, which collectively make up 15 percent of the store's weekly income, are generated from wash-dry-fold, drop-off drycleaning, vending, video games and detergent sales.

"Every other coin laundry near us has a home-style look," attests Kelly Stuckey. "WashWorld is modern, sleek and designed to get customers in and out quickly."



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Slashing Utilities with High-speed Equipment

The Stuckeys' approach to efficiency and productivity is working. Since opening last year, utilities have consumed just 12-13 percent of the new laundry's gross revenue—down significantly from the 19-20 percent of the old laundry. "This is huge," says Kelly, who saves thousands annually as a result. "We couldn't raise the vend price of the machines much because of our location and demographics, so we needed to save on the back side by lowering utilities. The high-speeds cost more initially, but they make the store more profitable by cutting utility costs, and will pay for themselves more quickly."

When compared with traditional hard-mount washers, which generate extract speeds of up to 90 G-force, high-speeds deliver extract speeds of up to 354 G-force. They produce a better wash using less water, are highly programmable, and remove more water from a load during extract, according to John Stuckey. "E-Series high-speed washers can cut dry-time and dryer gas consumption by up to 50 percent—saving utilities," he says.

"They also allow us to serve more customers per day," Kelly Stuckey adds, "by cutting the time it takes customers to complete a wash and dry by at least 20 minutes."

Improving Customer Turnover & Bottlenecks

In 60 minutes or less, WashWorld customers can wash and dry their laundry—maximizing the number of paying customers per week and alleviating congestion during peak laundry hours.

"We needed to get people in and out more quickly because customers were waiting for open machines on weekends," says John Stuckey of the old store. "At the new laundry, drying time has significantly reduced, which allows us to improve our customer volume."

Educating Attendants & Customers

Early on, WashWorld attendants worked hard to educate customers on the benefits of high-speed washers. "Our attendants go through a formal training program, and in turn, explain advantages of the machines to our customers," says Kelly Stuckey. "It's up to them to explain why high-speed washers shorten dry-time—saving customers time and money. They teach them that the front-load, high-speed washers are superior to toploads and hard-mounts in terms of wash quality, dry-time and capacity."

Price-focused Marketing

WashWorld's special promotions, designed to attract and reward customers, work with the store's high-speed equipment, services and amenities to bolster customer turnover and retention.

As part of the laundry's grand opening, the Stuckeys ran a half-price wash promotion, a campaign that successfully drew customers in for a closer look. Once they experienced the express wash difference "customers were hooked," according to the Stuckeys.

"We also initiated low price specials mid-week to alleviate congestion on weekends," says John Stuckey. "We took advantage of the time-of-day programmability on the Continental equipment. This created one more busy day per week," he says.

Other ongoing promotions include WashWorld's Frequent Wash Club, which rewards customers who purchase 12 washes with a 13th for free. "Our Frequent Wash Club tracks wash frequency and contact information," says Stuckey. "With every wash, customers interact on a personal level with

attendants, who input wash frequency into WashWorld's custom database." The result is an effective marketing program that rewards customers, builds customer retention and promotes customer interaction with WashWorld attendants.

"Utilities now consume just 12-13 percent of gross revenue. They used to be 19-20 percent. The mere 7 percent drop in utilities to gross revenue means a 35 percent utility savings to my bottom line," says John Stuckey.



Together, the new high-speed equipment and marketing programs have successfully gleaned a 31 percent bump in WashWorld's client base—contributing to an early return on investment for John and Kelly.

Profitability

Delivering a 38 percent boost in revenue and 35 percent drop in utilities, the new WashWorld is exceeding expectations and proforma projections, according to John and Kelly.

"We had hoped to hit our projected revenue goal six months after opening," says John. "But we hit our mark during the third week."

Drawing from the new laundry's success, the Stuckeys expect to make key changes at their other hard-mount washer stores. Most critical will be a gradual replacement of hard-mount and top-load washers with energy-efficient, "greener" high-speeds.