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ENTREPRENEURSHIP ASSIGNMENT

How to Open a Laundry & Dry Cleaning Business The great thing about planning to open a laundry and dry cleaning business is that you never can run out of customers. Everybody needs clean clothes; a lot of apparel requires special care that cannot be done at home. As long as you are a person with an entrepreneurial spirit – and you open your business in the right spot – it can be very profitable. Here are some tips to help you do exactly that. Create a Business Plan

A written plan for the type of laundry business you want to create, and how you plan on bringing it into being, is an important place to start. For one thing, the plan will help you think through all the details of your new enterprise: who will participate in its formation; how will you finance your business; what will your pricing mechanisms look like; what sort of cash flow do you anticipate.

Secondly, a well-crafted business plan is an important document for convincing others of the merits of your new laundry business. If you want to get a small business loan, for instance, or approach potential investors, they will want to see your business plan first. Tip

Your local government may well have a small business assistance office that can help your with your start-up efforts. In addition, the U.S Small Business Administration offers an excellent set of tools to help your craft a top-quality business plan and deal with other aspects of starting your new business.

Pick Your Location Wisely

People usually want to drop off laundry and dry cleaning somewhere convenient. "Somewhere convenient" means somewhere close to their home or work. Depending on the geographic location, it could be wise for you invest in a business property that has a drive-thru. People can drop off and pick up their dry-cleaning from the convenience of their vehicle.

You can add a surcharge if someone wants to pay for same-day service. Research the market to make sure the storefront is placed competitively as well as conveniently.

Buy or Lease Equipment

Laundry and dry cleaning businesses are relatively inexpensive to open because the equipment can be bought or leased. Price the cost of renting versus buying for your area. The good thing is that if you lease the equipment, then the leasing company services it for you. However, you do need to weigh the benefit of owning it outright, which might be cheaper in the long run.

Supplies, such as plastic bags, hangers, as well as cleaning supplies, run about $2,000 per month. Advertisements like flyers, businesses cards, and a sign for your storefront are all necessary, too.

Know What and How to Charge

Laundry is priced by the pound, whereas clothing and other items to be dry cleaned are charged by the individual item. The charge per dry cleaning item generally depends upon the size of the item itself. For example, a tie would cost less to clean than a winter coat.

Price the average in the neighborhood that you want to have your laundry and dry cleaning business, so that you get an idea what to charge. If you offer specialty services, such as mending clothing, or replacing buttons or zippers, those services are charged individually.

Make It Legal

Be aware of state and local licensing requirements, and of labor safety laws to ensure that your business adheres to all rules and regulations. Your building will also need to be certified with a certificate of occupancy, which your local government can help you obtain.

People tend to be loyal to their laundry and dry cleaners. Treating people’s personal belongings with the same standard of care that you treat your own is something people notice, and is a standard that repeat customers have come to rely upon. One of the most important aspects of how to open a laundry and dry cleaning business is to be someone your customers trust and wish to to see again, which fosters trust, and becomes the foundation of a steady clientele.

Warnings

• Learn environmental laws for your municipality for chemical disposal.

• Purchase liability insurance that addresses dry cleaning concerns such as lost or damaged items as well as property insurance to protect your building and equipment.

Tips

• Focus on customer service. This industry is driven by word-of-mouth advertisement. If you offer excellent service, you have a better chance to succeed.

• Consider adding a uniform franchise to your business line as a new profit center. These services deliver new uniforms and launder soiled ones on a regular basis. Pick a Prime Venue

If you’ve got laundry facilities at home such as in your garage and you live in a place that’s accessible for customers to drop off and pick up their laundry, you may want to operate your laundry business from home.

Failing that, look for a prime venue for your start-up that’s in a great location, such as on a busy street, to help get the business up and running. Naturally, the price of renting the venue will need to be factored into the business expenses and taken out of potential profits.

Space that has off street parking is attractive as this makes the dropping off and picking up process more convenient for customers.

Distinguish Your Laundry Business from Competitors

• Besides making sure you have a good location, think about ways you will distinguish yourself from competitors. You may want to offer specialized services, such as ironing and dry-cleaning items or offer lower prices than competitors.

When you open the business, encourage customers to come to you by offering ‘first week deals’ such as two loads of washing for the price of one.

Start to Market Your Business

Once you have everything in place to open your laundry business, start marketing your venture aggressively. From posting fliers to sending direct mail, and even getting your own website launched, there are endless ways to market your laundry business to different target markets.

Think About Becoming a Laundry Franchisee

Business franchises come with a number of benefits, including the providing of everything you will need to get your business up and running. Systems like Laundry Care partner with entrepreneurs seeking to provide laundry services to local residents and commercial customers and help them build a business.