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**BUSINESS PRACTICES OF LAUNDRY SHOPS  
IN SELECTED AREAS OF CAVITE**

**THESIS**

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*April 2007*

**BUSINESS PRACTICES OF LAUNDRY SHOPS  
IN SELECTED AREAS OF CAVITE**

Undergraduate Thesis  
Submitted to the Faculty of the  
Cavite State University

In partial fulfillment  
of the requirements for the degree of  
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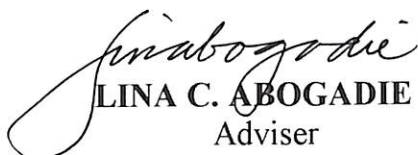


Republic of the Philippines  
**CAVITE STATE UNIVERSITY**  
Indang, Cavite

**COLLEGE OF ECONOMICS, MANAGEMENT AND  
DEVELOPMENT STUDIES**

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Title : **BUSINESS PRACTICES OF LAUNDRY SHOPS  
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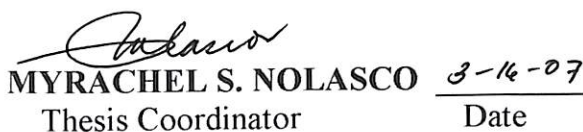
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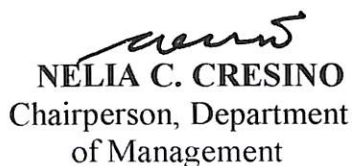
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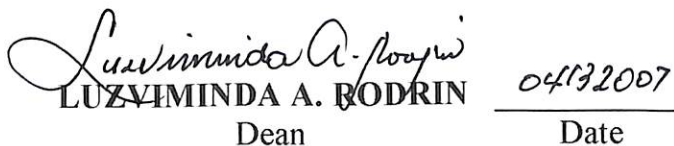
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## ABSTRACT

**DELA CRUZ, SHERYL ROSE V. Business Practices of Laundry Shops in Selected Areas of Cavite.** Undergraduate Thesis. Bachelor of Science in Business Management, major in Marketing. Cavite State University, Indang, Cavite April 2007. Adviser : Miss Lina C. Abogadie.

The study was conducted to determine the socio-economic characteristics of laundry shop owners in selected areas of Cavite, describe the business characteristics of the laundry shop, identify the different services offered by laundry shops, determine the profit of laundry shops and identify the problems encountered by laundry shop owners in their operation.

Data were collected through personal interviews with the laundry shop owners. Thirty-eight laundry shops from the selected areas of Cavite were used in the study.

Frequency count, range and percentage were used to describe the socio-economic characteristics of the respondents, characteristics of the laundry shop, and services offered by the laundry shop. Financial tools were used to determine the profit of laundry shops in selected areas of Cavite. Ranking was used to present the problems encountered by the respondents in handling the business.

The ages of the respondents ranged from 25 to 54 years with an average of 39 years. Majority of the respondents were female, married, college graduates and with an average of four respondents. The monthly income of the owners ranged from PhP10,001 to PhP45,000 with an average of PhP22,829.45. Majority of the respondents considered laundry shop business as their additional source of income. Ninety two percent of the laundry shops were managed as sole proprietorship type and eight percent were in the form of partnership. The number of years in operation ranged from 1 to 6 with an average

of two years. The average initial capital of the respondents was PhP82,895.24 which were sourced from the owner's personal savings. Majority of the respondents had 1 to 3 employees whose monthly salary ranged from PhP2,001 to PhP5,000.

The most common services offered by the laundry shops were laundry/ wash-dry-fold, pressing and dry cleaning with a customer charge of PhP27 per kilo. Ninety five percent of these businesses received cash payments from customers. Thirty nine percent of laundry shops served 1,826 to 3,650 customers annually. Majority of the owners purchased their laundry supplies directly from manufacturers monthly. Leaflets and billboard were the promotional tools used to attract more customers with an average of PhP13,289.97 budget a year. More than half (63%) of the respondents reported that the basis of giving discounts to customers were the volume of laundry and loyalty of customers. Discounts given to customers ranged from 1 to 15 percent with an average of 5.03 percent. Seventy-six percent of the respondents reported that they are renting the business place with an average of PhP6,103.95 monthly.

An annual average sales amounting to PhP395,428 were generated from the services rendered. The average net profit amounted to PhP80,283.

The most common problems encountered by the respondents in operating the business were increasing number of competitors, high cost of light and water, high cost of laundry supplies, high taxes and high cost of machines or equipment.

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# **BUSINESS PRACTICES OF LAUNDRY SHOPS IN SELECTED AREAS OF CAVITE<sup>1/</sup>**

**Sheryl Rose V. dela Cruz**

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## **INTRODUCTION**

Selecting the right business to launch a new career does not have to be a difficult task. Although there are many factors to take into account, the most important is finding a business that offers exceptional growth potential and good financial stability and is not greatly affected by fluctuations in the economy.

Laundry business is a profitable venture. Clothing always needs to be cleaned and pressed. Furthermore, dry cleaning is cash and carry business, which does not require investing funds in extensive inventory. Dry cleaning industry provides an essential service whose need does not disappear in economic downturns.

There are two general categories of wet cleaning: the multi purpose wet techniques which include hand washing, steaming and application of soap and water; and machine wet laundry that occurs in computer controlled washing and drying machine. Most delegated garments which are leveled “dry cleaning” can be cleaned in this manner.