

Results From The Auto Laundry News **2016** Full/Flex Survey

The 2016 Auto Laundry News Full/Flex Survey was conducted through a mailing of questionnaires to a random selection of our subscribers who own and operate conveyor car wash businesses other than exterior sites. The information presented in this report results from an analysis of data provided by respondents from locations throughout the United States.

Full-Service vs. Flex-Service Sites

For purposes of comparison, survey responses from full-service sites are on occasion tabulated separately from flex-service responses. Full-service participants make up 72 percent of the total, with flex-service sites accounting for 28 percent. This closely tracks the comparable split of 74/26 recorded in both the two previous surveys.

In keeping with its wash format, only 8 percent of flex-service sites do vacuuming before the wash; 69 percent of full-service sites do so. Compared to 21 percent of their full-service counterparts, 73 percent of flex-service respondents operate freestanding after-care centers; flex-service sites are more than three times as likely than full-service locations to house self-service wand bays on site, lending further credence to their "flex" label.

Revenues

Overall, 51 percent of respondents report increased income compared to the previous year. This is a significant step back from the previous survey when 67 percent recorded advances. The graphic on page 48 provides a three-year perspective. Full-service participants outperform flex-service respondents for the second year in a row, but by a much smaller margin: 54 percent (71 percent last year) of the former report greater income; 46 percent (56 percent last year) of the latter do so. With regard to declining revenues, flex-service fare better: 18 percent saw a drop in income, while 25 percent of full-service respondents did so.

Full-service respondents, who made progress, report an average income growth of 14.5 percent over the previous year, while those who saw a drop in revenues report an average decline of 5.7 percent. For flex-service respondents the corresponding figures are 11.3 percent and 10 percent.

COMPETING CONVEYOR WASHES IN AREA

NUMBER OF COMPETITORS	OPERATORS REPORTING
0	21%
1	13%
2	16%
3	34%
4	5%
5	3%
MORE THAN 5	8%



10.1 FULL-TIME 12.2

6.5 PART-TIME 7.1



9.7 FULL-TIME 10.2

8.5 PART-TIME 6.4



6.3 FULL-TIME 6.3

3.3 PART-TIME 3.0

PERCENTAGE OF WASH BUSINESS DONE BY DAY OF WEEK BY REGION

	MON	TUES	WED	THURS	FRI	SAT	SUN
Pacific Alaska-California-Hawaii-Oregon-Washington	9	10	10	10	16	26	19
Mountain Arizona-Colorado-Idaho-Montana-Nevada-New Mexico-Utah-Wyoming	*	*	*	*	*	*	*
Midwest Iowa-Kansas-Minnesota-Missouri-Nebraska-North Dakota-South Dakota	15	5	10	20	25	20	5
Central Illinois-Indiana-Michigan-Ohio-Wisconsin	5	5	25	20	25	20	0
South Central Alabama-Arkansas-Kentucky-Louisiana-Mississippi-Oklahoma-Tennessee-Texas	14	13	13	14	19	20	7
Southeast Delaware-Florida-Georgia-Maryland-Carolinas-Virginia-West Virginia	10	10	11	14	21	23	11
Mid-Atlantic New Jersey-New York-Pennsylvania	13	10	10	15	20	20	12
New England Connecticut-Maine-Massachusetts-New Hampshire-Rhode Island-Vermont	15	5	5	10	20	30	15

* Too Few Responses

PERCENTAGE OF WASH BUSINESS DONE BY SEASON BY REGION

	WINTER	SPRING	SUMMER	FALL
Pacific	18	32	32	18
Mountain	*	*	*	*
Midwest	35	30	20	15
Central	50	25	13	13
South Central	23	27	25	25
Southeast	37	27	17	20
Mid-Atlantic	30	28	18	25
New England	40	25	15	20

* Too Few Responses NOTE: Some results total more than 100 due to rounding

OPEN SUNDAY

Full Service	Flex Service
84%	80%

OPEN 24 HOURS

Full Service	Flex Service
0%	9%

Full Service

AVERAGE DAILY TRAFFIC COUNT

45,200

AVERAGE ANNUAL WASH VOLUME

58,400

AVERAGE MONTHLY IMPULSE SALES

\$1,774

Flex Service

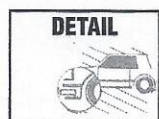
31,200

59,400

\$568

EXTRA SERVICES OFFERED

Average Price % Of Operators Offering Services



FULL	\$159.25	68%
FLEX	\$166.00	64%



FULL	\$52.00	68%
FLEX	\$77.50	45%



FULL	\$33.33	21%
FLEX	\$39.00	36%



FULL	\$49.33	68%
FLEX	\$62.50	45%



FULL	\$14.00	54%
FLEX	\$16.00	36%



FULL	\$19.60	50%
FLEX	\$38.33	45%



FULL	\$64.87	54%
FLEX	\$41.33	55%



FULL	\$78.75	39%
FLEX	\$122.50	27%

EXTRA ON-LINE SERVICES SOLD

10% TO 20% OF CARS WASHED

2012	15%
2013	23%
2014	6%
2015	22%

21% TO 30% OF CARS WASHED

2012	3%
2013	3%
2014	20%
2015	28%

31% TO 40% OF CARS WASHED

2012	9%
2013	19%
2014	20%
2015	16%

41% TO 50% OF CARS WASHED

2012	19%
2013	6%
2014	6%
2015	6%

51% TO 60% OF CARS WASHED

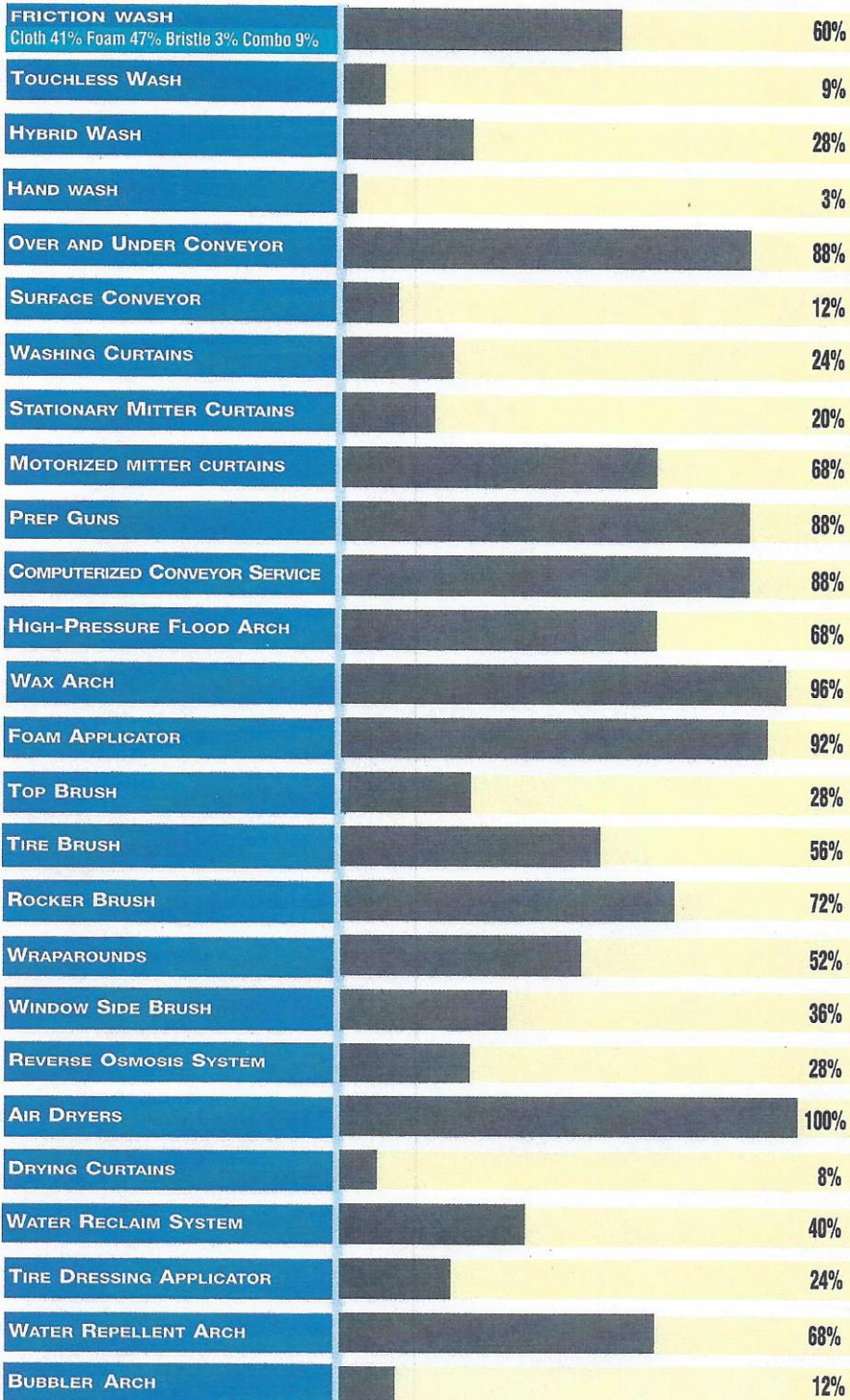
2012	21%
2013	23%
2014	17%
2015	19%

OVER 60% OF CARS WASHED

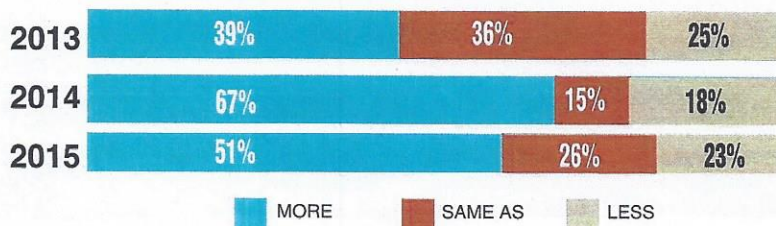
2012	19%
2013	6%
2014	20%
2015	9%

SURVEY

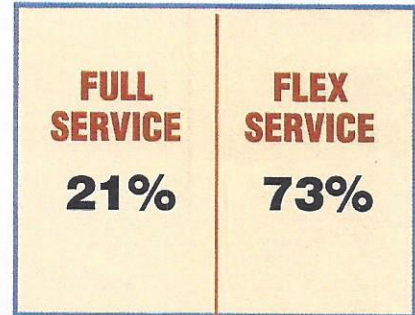
PERCENTAGE OF OPERATORS USING FOLLOWING EQUIPMENT



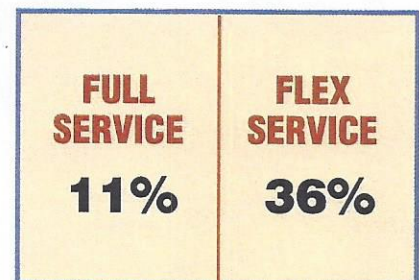
INCOME: CURRENT YEAR VS. PREVIOUS YEAR



OPERATE FREESTANDING AFTER-CARE CENTER



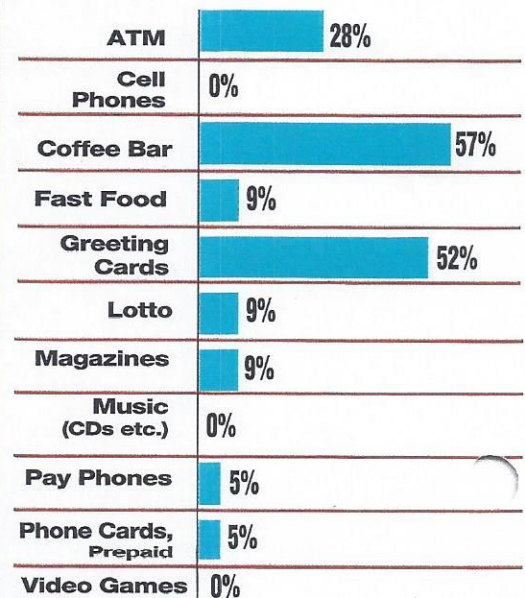
OPERATE COIN-OP BAYS ON SITE



AVERAGE NUMBER OF BAYS



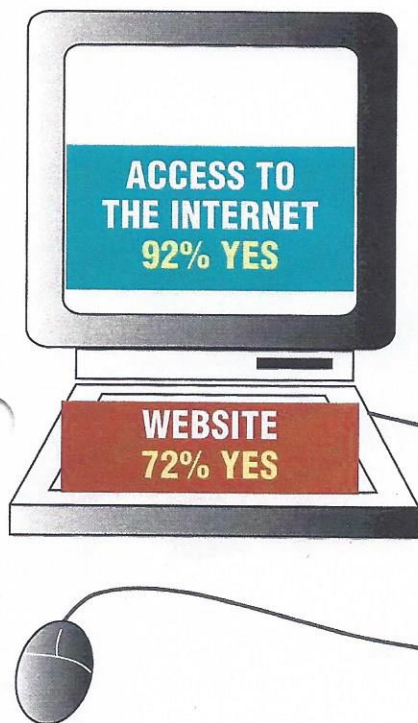
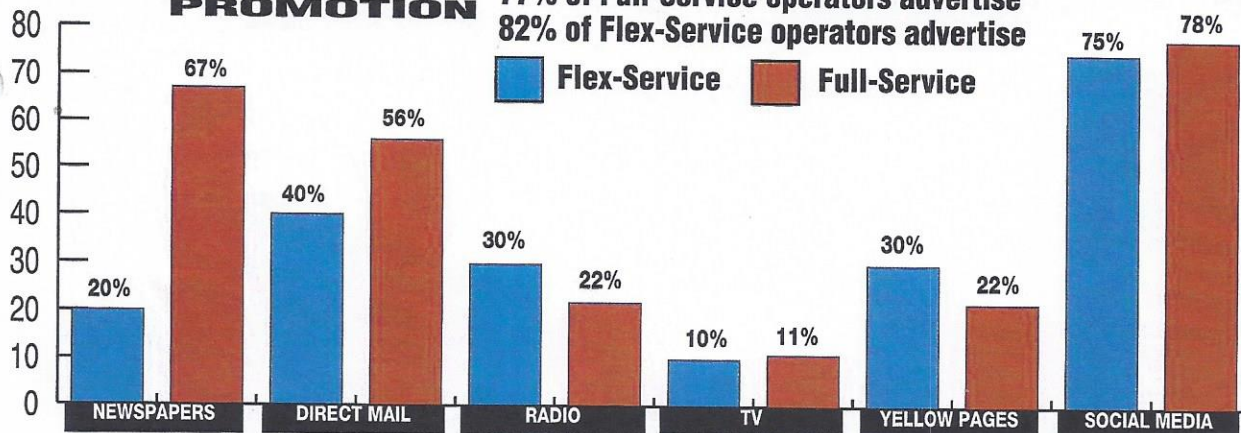
NON-AUTO PROFIT CENTERS ON SITE



ADVERTISING & PROMOTION

77% of Full-Service operators advertise
82% of Flex-Service operators advertise

Flex-Service Full-Service



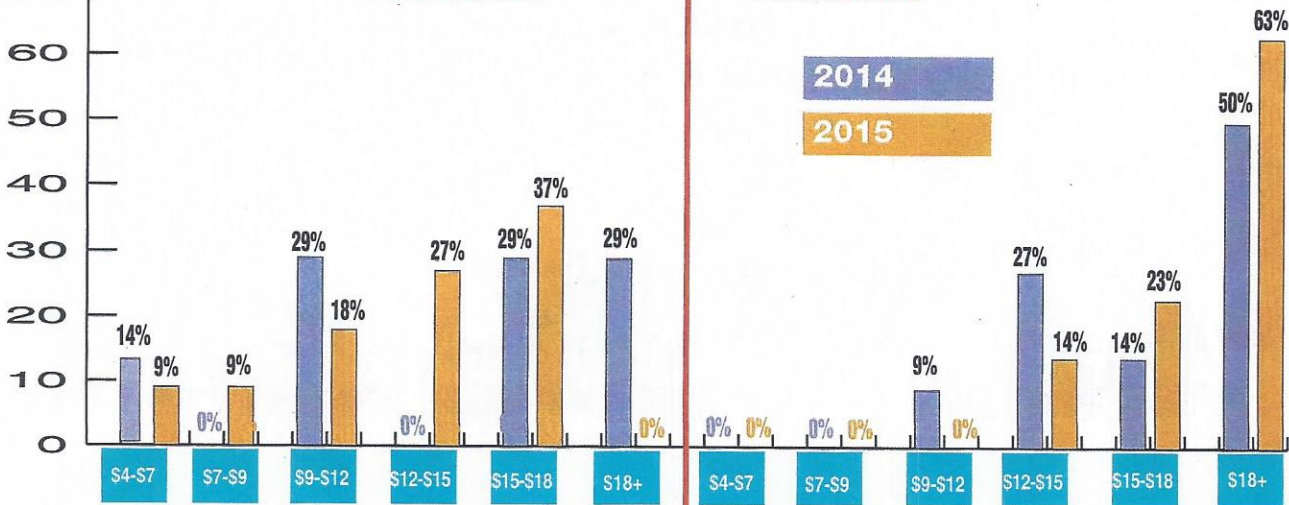
OPERATING COSTS (AS A PERCENTAGE OF TOTAL REVENUES)

OPERATING COSTS (AS A PERCENTAGE OF TOTAL REVENUES)	
RENT	10.9%
EQUIPMENT & BLDG. MAINTENANCE	4.3%
CHEMICALS	6.5%
LABOR	39.6%
UTILITIES	8.3%
INSURANCE	4.6%
ADVERTISING & PROMOTION	3.5%
EQUIPMENT ON LEASE	0%
CUSTOMER CLAIMS	0.6%

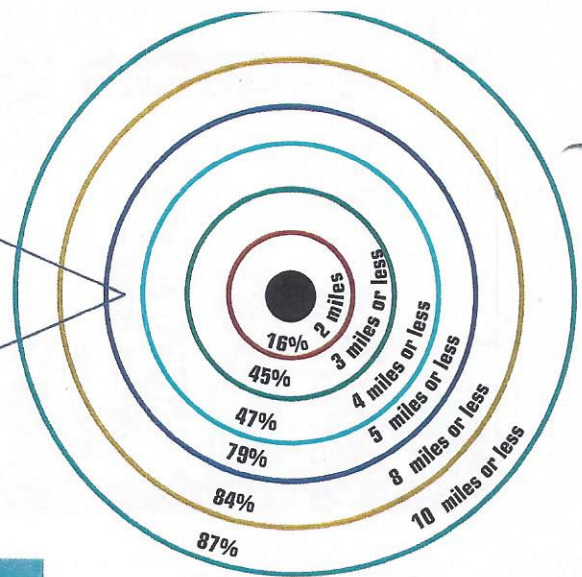
AVERAGE GROSS REVENUE PER CAR

Flex/Service

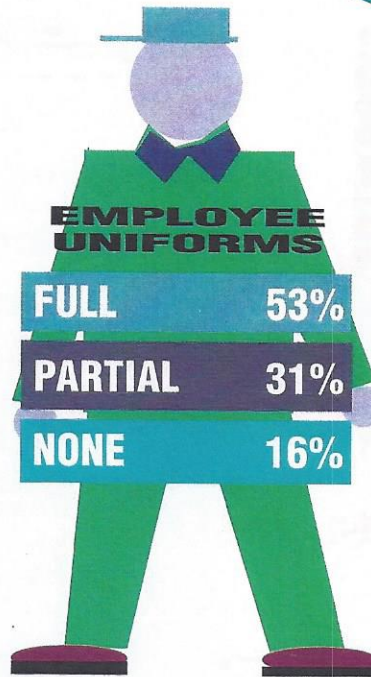
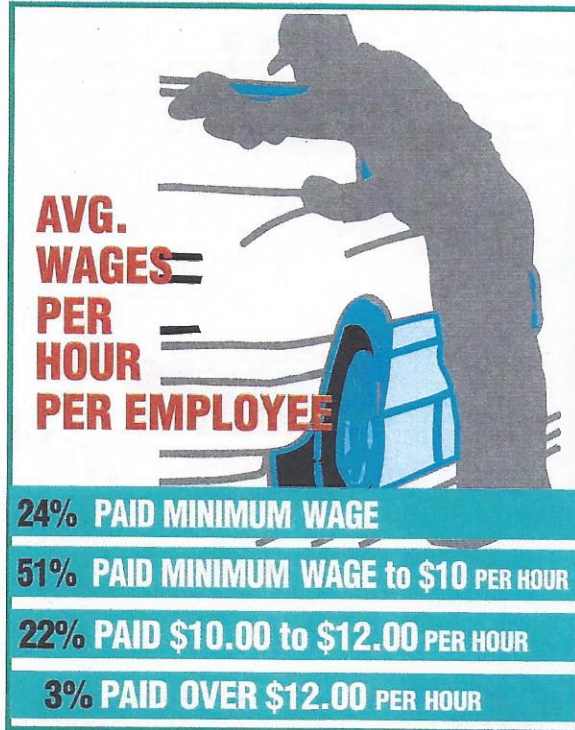
Full/Service



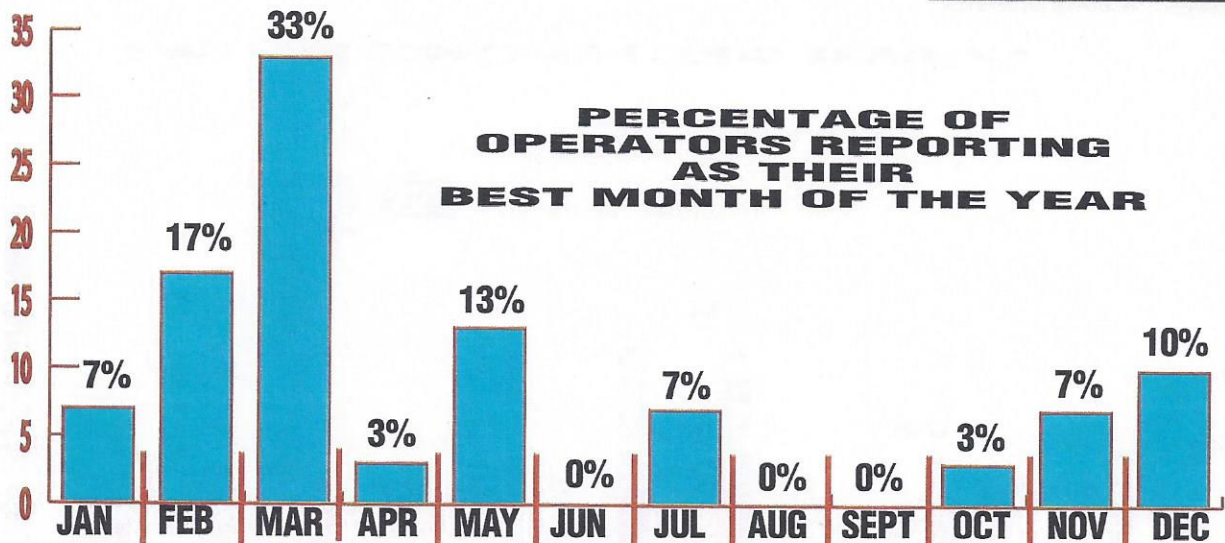
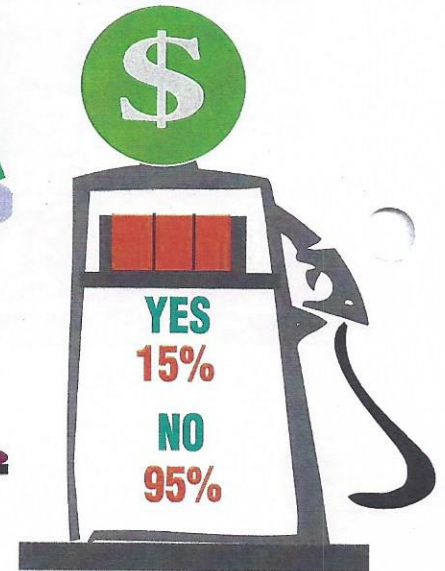
HOW FAR DO CUSTOMERS COME?
(Percent from within 2-mile radius, 3-mile radius, etc.)



LABOR COSTS



OPERATORS SELLING GASOLINE



PERCENTAGE OF OPERATORS REPORTING AS THEIR BEST MONTH OF THE YEAR