



BOOST YOUR REVENUE TODAY

*The Essential Guide to Making More
Money at Your Wash*

ZepVehicleCare



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1. INTRODUCTION

It is what every car wash owner wants - more revenue! These proven menu design, packaging, pricing, and signage strategies will help you boost your revenue today.

THREE WAYS TO INCREASE REVENUE AT YOUR WASH:

1

Increase the **AVERAGE AMOUNT** a customer spends per visit.

Typically, the easiest way to impact revenue quickly is by using pricing, menu and package management, and buy up opportunities. This tactic requires minimal implementation expenses and can be easily measured.

2

Increase the **FREQUENCY OF VISITS** your current customers make.

Keep current customers returning through loyalty programs and promotions. Success can be measured by identifying a loyal customer's visits and overall spend of your customer annually.

3

Gain **NEW** customers.

While important to continued growth, gaining new customers is typically an expensive tactic. The old adage, 'it costs 20 times more to gain a customer than it does to keep a current customer' is true! Consistent outbound communications such as newspaper or radio are used to make an impact, and they can be tough to accurately measure. Alternatively, loyal and satisfied current customers can help you gain new customers organically.

2. MENU DESIGN AND MANAGEMENT

President of the marketing firm Yanklelovich, Jay Walker-Smith, said we've gone from being exposed to about 500 ads a day back in the 1970's to as many as 5,000 a day today.

That is nearly a 700% increase over the past 40 years!

Grabbing the attention of your customer is becoming more difficult, and business owners are challenged with finding new ways to stand out of the clutter. Nowhere is this more important than on your car wash menu.

Your car wash menu is a critical tool for increasing your average ticket per wash.

Effective menus that are designed to increase revenue have colors and images that attract, are easy to read, and are organized to guide consumers to a specific selection. Common problem areas in developing a car wash menu are package order, number of offerings, lack of color, incorrect pricing, unclear package names, design, and confusing or difficult to read.

Remember, increasing the average amount a customer spends is one of the easiest ways to impact your revenue quickly.

COMMON MENU PROBLEM AREAS

- Package order
- Package quantity
- Color
- Size
- Pricing
- Naming
- Design
- Readability

EXPERT TIPS: BUILDING YOUR MENU

Keep these things in mind when designing your car wash menu:

1. PUT YOUR BEST PACKAGE FIRST

If you want a package to have the highest sales, always place it where it will be seen first. For most washes, this is highest value wash. People read from either left to right or top to bottom – place your best wash at the top or lefthand corner of your menu to drive a better take rate for that wash. For example: in a horizontal menu, your best package will be on the left with your basic package of the right. In a vertical menu, your best package will be at the top with your basic package at the bottom.

2. MAKE YOUR BEST PACKAGE STAND OUT

Your best package should also be the most visible. Make it bigger and brighter than the rest of your washes so that it stands out – a good rule of thumb is to make the package size bigger than the take rate. If you want your top package to be 50%, it should take up at least 50% of your menu. Indicating that it is your best value will help guide customers to this package. Conversely, your lowest priced package should be your basic wash with no frills. Do not give more than a basic clean message in this package so you can clearly differentiate higher packages.

3. CAREFULLY CHOOSE YOUR PACKAGE NAMES

Clearly distinguish your wash package names to emphasize the value of that wash. This will resonate better with consumers and guide them to the best selection. Try descriptive package names that indicate the benefit of each offering instead of ambiguous terms like “premium” or “deluxe”. Also avoid non-consumer industry terms like “presoak” and “rocker blast”.

4. DON'T GIVE TOO MANY OPTIONS

To boost your revenue results, stick to four or fewer offerings on your menu. More than four packages can become confusing and cause anxiety with customers. Generally, the average ticket for three packages will net better results than four – typically by 5% or more.

Turn the page for a deeper look at menu pricing!

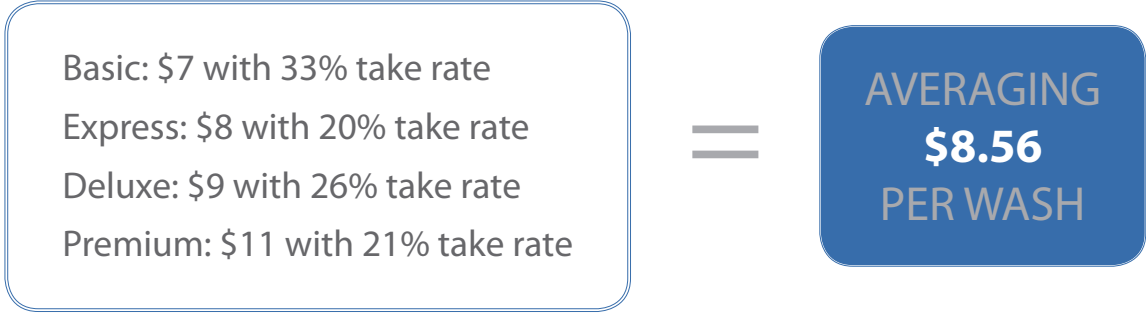
EVALUATING YOUR PRICING

Let’s take a deeper look at pricing, using Bob’s Car Wash as our example.

Bob’s Car Wash currently has 4 packages. The menu places the basic wash at the top of the menu, and the packages are all the same size and color.



Bob’s current prices and take rates are as follows:



Now, let’s eliminate a package, update the look of the menu, and optimize pricing to increase average revenue per car.

When eliminating a package from a current menu, consider take rates of each package. Most often, the lowest take rate will be in the “middle washes” where value can be confusing. When eliminating a middle wash package, most customers will take the “new middle” package, and very few will choose lower.

PRO TIP

When eliminating a package from a current menu, choose the middle package with the lowest take rate.

Based on the 20% take rate in the Express Wash package, we will eliminate the \$8 package. We also know that customers prefer even-priced washes – so, unless there is a business reason, move odd price points up to an even price point.

In this case, we will move prices on the remaining wash packages by \$1 to reach an even price point.

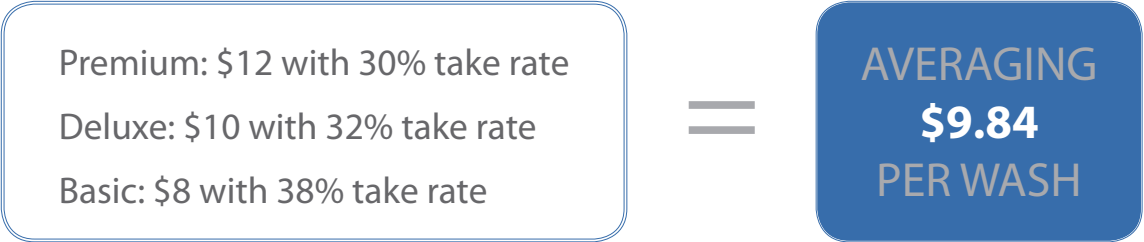


We have also changed the order of the packages to read from best to basic, and made the best package size more visible through bigger package sizing and brighter colors that attract.

SPOTLIGHT :
EFFECTIVE PRICING AND BENCHMARK PRICE POINTS

Effective menu pricing is key. Today, \$15 and \$20 are “benchmark” price points –meaning, when breached for the first time, the package take rate can suffer due to the “rounding up” mentality. For example, \$15 will net a higher take rate than \$16 because people think of \$16 as closer to \$20 than \$15. In this instance, an odd numbered package may be preferred. It is best to avoid pricing any package at \$13. Just like most hotels do not contain a 13th floor, people will steer clear from a \$13 wash.

Based on these changes, Bob’s Car Wash’s new prices and package take rates are:



Together, these steps raised our average revenue per car to \$9.84.

That’s a \$1.28 increase per wash!

If Bob’s Car Wash washes 70,000 cars a year, that means that Bob’s Car Wash will gain **\$89,600** more in revenue every year.

KEY TAKEAWAYS

- Increasing the average amount a customer spends is one of the easiest ways to impact your revenue quickly.
- Your car wash menu is a critical tool for increasing your average ticket per wash.
- Put your best package at the top of your menu.
- Make your best package bigger and brighter than the rest.
- Choose package names that communicate value.
- Provide four or fewer package options.
- When eliminating a package from a current menu, choose the middle package with the lowest take rate to increase overall ticket average.
- Customers prefer even-priced washes, so round your package prices up to the nearest even number.

Now, let’s learn how to add a new offering to our menu.

3. NEW MENU OFFERINGS

Once you have your menu value and prices designed, it is easy to introduce a new option at any time.

Testing a new solution does not have to be difficult or expensive.

You can start simply by introducing this new offering a la cart or as a Manager's special with a cost-effective windscreen.

A 3-8% take rate can be expected just by adding it as an off-menu package!

Once you have found the offering is performing well and driving new revenue, then add the offering as a new top package. Creating an additional package on your menu means your customers can still get the packages they are accustomed to, but now they have another option.

In six months to a year, revisit your take rates and determine if you should eliminate a package once again.

Let's try adding a new offering to Bob's Car Wash.

In Bob's case, he added the Shine and Protect package featuring Rain-X® and Armor All Professional® Extreme Shine Wax™, and he priced it at \$15. We have communicated the value to consumers by adding onsite marketing signage, effective dispensing and bright LED lighting inside the wash.

Assuming an initial take rate of 10%, Bob's average ticket is now \$10.24.

That is an increase of \$28,000 from the first menu update and an increase of \$117,000 from our starting menu!

BOB'S CAR WASH	
\$15 SHINE & PROTECT	BEST VALUE!
<ul style="list-style-type: none">• Undercarriage Wash• Presoak Bath• High Pressure Wash• Triple Foam Polish	<ul style="list-style-type: none">• EXTREME SHINE WAX WITH CARNAUX• rain-X Complete Surface Protectant• Spot Free Final Rinse• Power Dry
\$12 Premium Wash	
<ul style="list-style-type: none">• Undercarriage Wash• Presoak Bath• High Pressure Wash• Triple Foam Polish	<ul style="list-style-type: none">• Rain-X® Complete Surface Protectant• Spot Free Final Rinse• Power Dry
\$10 Deluxe Wash	
<ul style="list-style-type: none">• Undercarriage Wash• Presoak Bath• High Pressure Wash	<ul style="list-style-type: none">• Triple Foam Polish• Spot Free Final Rinse
\$8 Basic Wash	
<ul style="list-style-type: none">• Wash & Rinse	

JOIN OUR UNLIMITED WASH CLUB!
starting at **\$20**

NEW OFFERING CHECKLIST

- ☐ Introduce new offering as a promotion or Manager's Special
- ☐ Add the offering as a new top wash package
- ☐ Wait 6 – 12 months
- ☐ Recalculate your take rates and consider eliminating the bottom or lower



Here's an example of marketing signage for the Shine and Protect program!

4. ENHANCING THE CUSTOMER EXPERIENCE

According to the 2016 ICA Consumer Study, consumers are willing to pay extra for wax/paint protectants and sealants.

Offering innovative solutions will provide extra value to your customers.

Use the newest technology, industry trends, and high quality products to enhance the customer experience and create high value for your customers. Along with a willingness to pay extra for protectants and sealants, studies also indicate that consumers prefer to buy brands that they know and trust.

Trusted consumer brands in your menu can create high value to your customers, increase high wash frequency, and support your brand.

A major trend in today's market focuses on the "theater," or show, of your wash. Exciting colors, scents, and lights highlight the value received at your wash. Consider a grand entry arch, new lighting, high impact chemistry or other programs that offer consumers a great show and validate the customer's purchase. Wash packages that promote enhanced protection and shine such as new waxes, protectants, and waxes that can be polished in by friction create high value and satisfaction for your customers - therefore, increasing top package take rates for you.

Trend Alert: The Theater of Car Wash →

INDUSTRY TREND: THE THEATER OF CAR WASH



Commercial car wash has gone Hollywood! From lights and application equipment to fragrance, the sensory experience of your wash has never been more important. Leveraging what's new and cool in your wash will help you stand out among your competition and adds to your wash experience.

LED LIGHTING

According to *Professional Carwashing and Detailing**, car wash owners now "recognize the higher quality light from LEDs, the elimination of annual maintenance and dramatic power savings resulting from LED lighting verses metal halides and fluorescent lighting."

Not only is LED lighting better for your wash, but you can also use it to enhance your customer's experience and to subtly communicate the value of your wash.

You have a few different options – you can mount LED lights on your dryers, on your vacuum bays, and on your black tunnel walls and ceiling, as well as on your arches and the product itself.

*The Real Cost of LED Lighting, Professional Carwashing and Detailing, www.carwash.com/the-real-cost-of-led-lighting

The most innovative way to use LED lighting in your wash is to enhance the application of your chemistry. LED lighting can both make a product color pop and emotionally validate your customer's purchase – in other words, help your customer feel like they are getting what they paid for.

When choosing LED lighting for your wash, ask yourself, "How can I enhance the product and perceived value?" For example, Rain-X® is a yellow product – we recommend highlighting the application with an amber LED light placed on the application arch. Some products allow for more color flexibility – the purple Armor All Professional® Extreme Shine Wax™ looks great with purple, blue, or red lighting!

LED lighting also now comes in different lengths. If you are using tricolor conditioners, you can install three 2-foot long LED lights to make each individual color pop.



This wash is using red LED lighting to enhance the perceived value of the application of the product!

And, you are not limited to product application arches. Use blue lighting on your rinse arch to make your customers feel like their car is really getting a good rinse. Looking to make sure your cars feel really dry? Adding a red light on your blowers communicates that perfect dry finish to your customers!

You can also include LED lighting in more "practical" areas, like your vacuum bays. LEDs provide integrated and long-lasting lighting, and will also make your vacuum bays more inviting to customers because they are well lit.

FRAGRANCE

Smell is a unique way to elevate the customer experience. Believe it or not, there is an entire science referred to as "scent marketing"! Smell controls both emotion and memory, two very prominent factors behind why we choose one brand or another.

You can use fragrance to enhance the experience of your car wash. Scent shots attach to the first arch, hitting the driver's side windshield for 3-5 seconds. You can also add scented soaps to your chemistry to create a wash to remember. Fun fragrances like Blue Coral®'s Paradise Foam Soap in Coconut Lime can take your customers on a quick tropical getaway!

Did you know?

Studies show that subtle fragrances that trigger emotion and pleasant memories, and ultimately the overall experience, can leave a lasting impression that customers associate with the location or brand they are buying from.

COLOR

Not only do colors brighten up your car wash, but they are a great way to support your local community. Use colors from red through purple to celebrate events like:

- Memorial Day, Labor Day, and Veteran's Day
- Local high school graduations
- Halloween, Valentine's Day, the Fourth of July, and other holidays
- Professional sports team victories
- Anything else you can think of!

Here is an example of a wash using Armor All® Professional's Extreme Shine Wax™ – see how the vibrant color creates excitement during the wash:



MERCHANDISING

When it comes to the theater of car wash, don't forget about your general signs and merchandising – you can create excitement with things like jackpot product signs, as well as themed arches and other tunnel fixtures.



Jackpot product signs are a great way to let your customers know that they have chosen a great wash package for their vehicle!

Enhancing your customer's car wash experience is an effective way to boost your revenue – it allows you to increase your average ticket per car, as well as helps encourage repeat customers.

6. LOYALTY PROGRAMS

A “clean car guarantee” loyalty program invites the customer to come back 2-5 days later to rewash if their car gets dirty. These programs are perceived as high value by consumers.

And, the average redemption rate is only around 3%!

When done well, a good loyalty program can make you money and can keep customers coming back to only your wash. An unlimited wash program priced from \$20 to \$50 a month can be very effective. One advantage of an unlimited program is that it allows you to garner a monthly income, regardless of weather.

To successfully implement this type of program, you will need to determine what percentage of your business you want to be part of your unlimited program.

Typical redemption rates average from 2.5 - 3.8 times monthly, with 15-30% of overall wash volume coming from a mature loyalty program. Once you determine your target price and mix, you will need to aggressively market your program so customers see the offering and the value.

WASH PROGRAM DOS

- Market your program – as often and as large as your menu
- Be easy in/easy out of the program
- Drive connection – treat wash pass customers special
- Be extra responsive to issues and complaints
- Communicate via email
- Engage in social media

If you are not ready to start a monthly unlimited wash pass, there are other ways to encourage repeat visitors. You can use “time bound bounce back” programs, which include pre-purchase packages, coupon redemption within two weeks, and the clean car or rainy day guarantee. If you would like to implement something less technical, you can always offer “Buy Five Get One Free” packages or frequent washer punch cards.

Finally, giving your sales advisors some flexibility will also encourage customer loyalty. If there is a customer who visits your wash regularly, giving them the occasional free wash or package upgrade can go a long way!

A good thing to keep in mind is that loyal customers often talk about their experiences – both in person and on social media. Keeping them satisfied is a low-cost way to get new customers through word of mouth.

KEY TAKEAWAYS

- A good loyalty program can make you money and can keep customers coming back to only your wash.
- An unlimited wash program allows you to garner a monthly income regardless of weather.
- To start your unlimited wash program, determine what percentage of your business you want to be a part of your unlimited wash program.
- You will need to aggressively market your loyalty program so customers see the offering and the value.
- Clean car guarantees are perceived as high value, but have a low redemption rate.

EXECUTIVE SUMMARY

OVERALL TAKEAWAYS

- You can increase your revenue at your wash by: increasing the average amount a customer spends per visit, increasing the frequency of visits your current customers make, and by gaining new customers.
- Increasing the average amount a customer spends is one of the easiest ways to impact your revenue quickly.
- Your car wash menu is a critical tool for increasing your average ticket per wash.
- Testing a new menu offering doesn't have to be difficult or expensive.
- Offering innovative solutions will provide extra value to your customers.
- Trusted consumer brands in your menu also create high value to your customers.
- Enhancing your customer's car wash experience with fresh graphics, new lighting, and other show elements is an effective way to boost your revenue – it allows you to increase your average ticket per car, as well as helps encourage repeat customers.
- A good loyalty program can make you money and can keep customers coming back to your wash, but you will want to aggressively market your loyalty program so customers see the offering and value.
- Loyal and satisfied customers can be your best tool to bringing new customers in through social media and word of mouth, so find ways to make those customers happy and feeling satisfied.



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