

CHAPTER I

BACKGROUND

Most of the students who live in boarding houses have a problem with their dirty clothes. As we know that Maranatha Christian University students do not wear uniform, so they usually have to wear a different outfit almost everyday when they go to campus. Unfortunately, most of them cannot wash their clothes everyday because of the study load. The problem shows up when they need clean clothes, but they are running out of them. Then, they realize that they need help. Therefore, based on that need, I am interested in running a service business which is a laundry service that can help the students around Maranatha Christian University to fulfill their need.

After doing some field observations, I find out that there are a lot of laundry services around Maranatha Christian University. However, I also find that in Cibogo area, there are only few laundry services. Then, it is a chance for me to help Maranatha Christian University students who live in Cibogo area. I also see it as a business opportunity because besides helping Maranatha Christian University students, I can also help the housewives, workers, and also lecturers who live in Cibogo area.

The name of the laundry service is “WAW” laundry. The reason of choosing this name is because it is simple and easy to remember. “WAW” also stands for washed away. Besides, the name is also an expression of satisfaction. I hope that after getting the service from WAW laundry, the customers will feel satisfied and say “waw it is so clean”.

The unique selling proposition (USP) of this business is that WAW laundry uses delivery service, so it will help the customers to save their time. Moreover, after doing some interview with some students who live in boarding houses, I find that until now there are only a few laundry services in Cibogo area which provide delivery service. Therefore, the delivery service can be the strength of WAW laundry later. WAW laundry will also give coupons to the customers whenever they wash 10 kgs of clothes. And if they have got 10 coupons, they will get one free service for washing 5 kgs of clothes.

The other USP of this business is that the customers can make a request of how they want their clothes to be washed. It means that, if the customers prefer the clothes to be washed by using washing machine or by hand, they could make a request. Moreover, the price of the service that I provide is affordable. The customers can also choose the price which is based on the length of the time they want their clothes ready.

To realize this business I need the initial investment and the cost of the first month. This can be seen in the following table:

Initial Investment	Rp36.490.000
Cost / expense (per month)	Rp8.223.333
	Rp44.713.333

The cash inflow and outflow below will tell about the profit that can be gained from WAW laundry

Cash inflow (first year)	Rp93.600.000
Cash outflow (first year)	Rp86.680.000
	Rp6.920.000

For the first year, we can gain profit for about Rp6.920.000 and we can achieve the payback period in about 3 years 10 month and 20 days.

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