

# **Earning Money from Laundry: Examining the Competitive Strategy of Contemporary Laundry Businesses in Increasing Revenue in Yogyakarta City**

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## **ABSTRACT**

The laundry business is very much found in every corner of Yogyakarta City. The number of these businesses encourages a variety of services offered to consumers. This study aims to explore and analyze the development strategy of the laundry service business in an effort to increase income. The main focus of this study is to identify the factors that drive business development, analyze the strategies implemented, and evaluate the effects of these strategies. In this qualitative study, the researcher interviewed eight laundry business owners in Yogyakarta City. This research shows that each business actor has different strategies in developing a business. The goals achieved by laundry business actors are service speed, service quality, and customer satisfaction. Laundry business actors diversify their businesses to increase customer satisfaction. This study concludes that the laundry business is a mainstream or ordinary business so the way to develop a business is with an optimal strategy. The more services offered, the more customers will come. The services offered by this business are of course by competing through price and quality. The profits obtained from this business are also quite promising with a large turnover every month.

**Keywords : laundry business, competitive strategy, business development, revenue increase, service quality, customer satisfaction**

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## **INTRODUCTION**

People's lives are currently being given options to make daily activities easier. Various services and goods that appear as business products emerge and compete to satisfy customers. Even activities or work that are usually carried out daily can become a field of profit for people who do not have enough free time. One example is the proliferation of the laundry business or commonly called laundry. This business apparently exists in almost every place, both big and small, even rural. The emergence of this business is driven by the busyness of the community so that they do not have time to wash their clothes and iron. This condition is what drives the massive emergence of laundry businesses, both managed on a small scale and even large-scale businesses.

The presence of laundry services in a busy community environment is a distinct advantage for industry players and consumers. The city of Yogyakarta where it is a student city and has a dense population makes this business can be found everywhere. Students, students, workers, and even housewives who don't have much time are greatly helped by the existence of laundry services in every corner of the city. Especially in certain seasons such as the rainy season and Eid, laundry services are definitely needed by many people.

We can find every corner of Yogyakarta City the proliferation of laundry services

that offer affordable prices. In addition, the types of services provided are also diverse, ranging from washing clothes, dolls, blankets, shoes, and helmets. Laundry services also provide complete packages such as dry cleaning and ironing, or dry cleaning only, even just serving ironing. This business often receives a lot of orders with the type of services provided. In addition, the turnover offered by this business is quite large, especially on certain days.

Consumers of laundry services in Yogyakarta City are very diverse. Starting from students, workers, and even the elite class. This can be found in some laundry outlets that offer premium services. If small-scale laundry can be found with a simple small kiosk, it is different with premium services that offer interesting options. This laundry outlet seems more modern, aesthetic, clean, uses air conditioning, has many washing machines, dryers, or provides coin laundry and self service services. This concept certainly targets certain groups, especially the middle and upper middle class people. Some laundry outlets are also equipped with shuttle services that make it easier for consumers.

The existence of laundry services today is a convenience for the community. At certain moments such as the rainy season and the Eid holiday season, it is certain that this business will reap more profits than usual. The existence of a dryer owned by a laundry service is very possible to serve consumers quickly. This is certainly different from the small-scale laundry business, where dryers only rely on washing machines. In addition, the important thing offered is ironing services. Many households today have their own washing machines, but not all societies have the time to iron their clothes. This can be a profit field from the laundry business. In the Eid holiday season, for example, for the middle and upper middle class who have household assistants, the laundry business is very much needed because the Eid homecoming season makes household assistants choose to take Eid leave. Of course, this condition causes an increase in orders for laundry services.

The density of the city of Yogyakarta with its population also contributes to the existence of this laundry business. Some laundry outlets that can be found ranging from medium to large scale have several workforces. This indicates that the presence of laundry services is able to absorb labor in Yogyakarta City. One outlet can employ four to five workers with a shift system.

Although the laundry business is seen as an easy business to run, the mushrooming of this business certainly brings in new competitors for business people one another. The proliferation of laundry services in every corner of the city requires business owners to be able to compete for profits and customer loyalty. Various services are offered from washing savings packages per kilogram to offering speed and quality of service. There are many express laundry that offer a day service. Normally, laundry services usually take two to three days, but laundry with complete equipment is able to do its services in less than 24 hours. This strategy is also intended to get customer satisfaction. Maximum service is expected to be able to attract customer loyalty and get new customers.

Customer satisfaction is currently an important point for the growth and development of a business. The products and services provided by business owners may be the same, but customer satisfaction with each product or service can vary. This is what makes many business actors strive to increase consumer satisfaction. The laundry business is also increasingly aggressively offering convenience to consumers, especially its premium service and shuttle services.

Peeking from these various opportunities, laundromat business owners must be observant in seizing opportunities and making challenges a field of profit. The large and

complete laundry industry is also inseparable from sufficient capital. Sufficient capital has a great influence on increasing business capacity. With the capital, laundry services can operate several washing machines, dryers, provide convenient kiosks for customers, and employ human resources. This challenge has been captured by various banks that offer capital loans to enlarge businesses. In addition, marketing is also the most important thing. This mushrooming laundry business needs to think about how service products are offered. Starting from leaflets to digital advertisements, we can find them on various social media.

Studies on the laundry business have been extensively studied. However, there have not been many studies on laundry that discuss marginal benefits with their socioeconomic drivers. This study discusses how laundry services in Yogyakarta City can become a profit field with effective and contemporary marketing strategies.

This study aims to analyze the development strategy of the laundry service business in an effort to increase income. The main focus of this study is to identify the factors that drive business development, analyze the strategies implemented, and evaluate the effects of these strategies.

The rapid proliferation of laundry businesses in Yogyakarta City underscores the pressing need for competitive strategies to sustain profitability amidst growing market saturation. As a densely populated urban area and a prominent student and tourist hub, Yogyakarta offers significant opportunities for the laundry business. However, the high density of similar businesses intensifies competition, compelling owners to adopt innovative approaches to attract and retain customers. The urgency lies in identifying effective strategies that not only address customer demands for speed and quality but also ensure business sustainability in the face of changing consumer behavior and market dynamics.

One relevant study by Khair, Tirtayasa, & Yusron (2023) examined the relationship between service quality, price, and customer satisfaction in laundry businesses in Medan. The findings indicated that service quality and competitive pricing significantly influence customer loyalty, highlighting the importance of delivering consistent, high-quality services at affordable rates. This study emphasized that businesses must align their offerings with customer expectations to maintain loyalty and sustain profitability. While it provided valuable insights into customer satisfaction, it did not explore innovative strategies such as service diversification, digital marketing, or premium service offerings, which are critical for businesses in highly competitive urban markets like Yogyakarta. The current research addresses this gap by analyzing a broader range of strategic approaches employed by laundry businesses to increase revenue and customer satisfaction.

Despite the prominence of the laundry industry as a growing sector in urban areas, limited studies have analyzed the specific strategies employed by business owners to navigate competition, diversify services, and enhance customer satisfaction. Existing research often focuses on operational aspects or general business strategies without delving into the nuances of service innovation and competitive differentiation in densely populated regions. This study bridges the gap by investigating the strategic approaches of laundry businesses in Yogyakarta, emphasizing their role in sustaining revenue growth and customer loyalty.

The novelty of this research lies in its comprehensive analysis of the competitive strategies adopted by laundry businesses in Yogyakarta City, a unique market influenced by student populations, tourism, and urban lifestyles. By exploring innovative service

diversification, partnerships, and digital marketing strategies, this study provides fresh insights into how laundry businesses adapt to evolving market demands. It also highlights the role of premium services and technological advancements, such as digital payment systems, in enhancing customer experiences and business efficiency.

This research aims to analyze the development strategies employed by laundry businesses in Yogyakarta City to increase revenue and customer satisfaction. Specifically, it seeks to identify the key factors driving business development, evaluate the effectiveness of implemented strategies, and provide actionable recommendations for sustaining competitiveness in a crowded market.

The study offers practical benefits to laundry business owners by presenting proven strategies for attracting and retaining customers, optimizing operations, and leveraging digital tools for marketing. The findings also contribute to the broader field of business management by providing a detailed case study on competitive strategies in urban service industries. Policymakers and stakeholders can use these insights to support small and medium enterprises (SMEs) in enhancing their resilience and adaptability.

The implications of this research extend to both academia and the business community. Academically, it enriches the understanding of competitive strategy in service industries, particularly in urban contexts. For practitioners, it highlights the importance of strategic innovation in maintaining market relevance and achieving sustainable growth. By implementing the strategies discussed, laundry businesses in Yogyakarta can not only survive but thrive in a highly competitive environment, ultimately contributing to the region's economic vitality and employment opportunities.

## **RESEARCH METHOD**

This study uses a qualitative method and is carried out in the city of Yogyakarta from January to July in 2024. The informants from this study were eight laundry business owners ranging from small (home) to industrial scale. The location of laundry businesses also varies, ranging from city centers to suburban areas. Informants are obtained by determining the scale of the business. The in-depth interview method was chosen to collect as much information as possible. Interviews were conducted with the consent of the informants at home and at their respective places of business. The data obtained from the informants are categorized and presented in narrative form. In the results and discussion section, the data obtained from the informants were classified and categorized based on the focus of the research. The data was analyzed by comparing findings and previous research that were relevant to the research topic.

## **RESULT AND DISCUSSION**

The mushrooming of the laundry business in Yogyakarta City is very interesting to study, especially how to get profits in the midst of strong business competition. Laundry services are very easy to find in every corner of Yogyakarta City ranging from home businesses to outlets that provide complete services. In front of the laundry outlet there are transport vehicles such as motorcycles and four-wheelers that are used to pick up and drop off laundry from and to customers.

There are many ways that this laundry business actor does as we can meet starting from live Tiktok, spreading *Flyer*, to provide satisfactory service to customers in terms of speed and quality. Fast processing times, clean laundry results, and the use of detergents that are safe for clothes are the keys to successfully maintaining trust in

customers. Business actors must also ensure the cleanliness and neatness of their business premises, as well as provide comfortable facilities for customers.

***Factors Driving the Development of Laundry Services Business in Yogyakarta City***

The recognition of Yogyakarta City as a student city has caused a large number of residents in this city. The city of Yogyakarta is not only inhabited by local residents, but also immigrants who are not a small number. The existence of schools and colleges in Yogyakarta City also contributes to the large population. In addition, the city of Yogyakarta is also a popular tourist destination so the existence of a laundry business is needed.

The rapid population growth and the increasing number of tourist destinations in the Special Region of Yogyakarta were also justified by one of the laundry business owners. The daily busyness of community members is an opportunity for laundry businesses in big cities. The students in Yogyakarta City, which are very numerous, are a profit field for this business.

"Here many students live in rented or boarding houses, there must be many who need laundry services. His lifestyle is also not to do laundry, because he is busy. Using laundry services is much simpler, especially young people looking for something practical than washing it themselves, which is dry for a long time".  
[HAS, owner of the laundry]

The dense city of Yogyakarta seems to be a paradise for laundry business owners who benefit from the large number of customer orders. They even compete to provide offers to customers. (Diega, 2021) found that population density in urban areas triggers business competition that demands that these businesses can produce satisfactory services at low prices. This is also found in laundry business owners in Yogyakarta City that one way to get customers is to provide low prices. This method is quite effective for targeting customers from students.

Supported as a densely populated big city, laundry business actors find a great opportunity that students often recommend laundry services to their friends. Even in one outlet, most of the customers are students. Previous studies have stated that the characteristics or attitudes of loyal customers are making regular purchases between product lines and services, recommending to others, and showing immunity to the pull of competitors (Haris, Rahman, Yusriadi, & Farida, 2021; Khair, Tirtayasa, & Yusron, 2023).

"Most students do laundry here. They are busy, there are many activities on campus. That's why we offer services that are fast, efficient, and affordable. Our laundry is close to campus, that's why my target is students. This is also a great opportunity for me, my place of business is also good because it is located close to the campus" [RAH, laundry owner]

Laundry service customers in Yogyakarta City, most of whom are students, have also created market segmentation that makes it easier for business owners to run their businesses. In today's all-digital era and the existence of Gen Z as customers is a factor in the rapid development of the laundry business. The factor of social media also affects the sustainability of this business. Therefore, to reach customers, it is currently quite easy through content on social media. The study of (Mahesa, Taufik, & Pratama, 2024) found

that the role of online media digitalization in running a business in the service sector is the most in demand, this is because in this era we as individuals compete with each other to accelerate both in terms of work and in terms of other aspects. This study is directly proportional to the findings in this paper that digitalization has helped encourage the development of laundry businesses in Yogyakarta City.

The development of social media at this point allows many people to access everything very easily. Laundry business owners are also seizing the same opportunity. Everyone nowadays at least has a social media account, to reach customers can be done by using social media promotion. Social media such as Instagram and Tiktok are effective platforms to reach a wider audience. Through engaging and creative content on social media, businesses can introduce their services. Marketing strategies through Tiktok can be done through the use of hashtags, relying on trending videos, collaborating with influencers, providing clear descriptive materials, and often posting videos that can be interrupted with ads (Dewa & Safitri, 2021).

"Now many people have social media. There is Instagram, there is Tiktok. This will further encourage our business to develop. We create content on TikTok, upload stories on Instagram. Digital as it is now is quite helpful for businesses in today's era" [TIA, laundromat owner]

The existence of social media today helps increase *brand awareness* and attract the interest of potential new customers. Additionally, the utilization of interactive features on social media allows laundry businesses to engage directly with their followers. They can ask for feedback so that this strategy not only expands the reach, but builds a closer relationship with the customer. The role of social media aims to be a factor that can maintain or build a company's brand image in the eyes of the wider community. Brand awareness is now a marketing strategy that is an important factor in creating consumer awareness to buy a product or service (Bintaro, Sokibi, Amsyar, & Sanjaya, 2022).

#### ***Laundry Business Development Strategies in Increasing Revenue***

The demand for laundry services is increasing and creating increasingly fierce business competition, encouraging business actors to present various types of attractive services (Mahesa et al., 2024). The owner of a laundry business in Yogyakarta City found that the market demand was quite crowded. The number of laundry businesses operating in Yogyakarta City requires business actors to have a strategy to keep their business running. Market competition is also inevitable. To increase competitiveness and reach a wider market segment, laundry businesses in Yogyakarta City have begun to implement a service diversification strategy. They no longer only offer laundry services, but also expand their services to other products such as shoes, helmets, carpets, and dolls. In addition, diversifying services can also improve operational efficiency. For example, by integrating the washing process of clothes and shoes in one system, laundry businesses can optimize the use of resources, such as washing machines, labor, and business space.

Previous studies have stated that the existence of the laundry business needs to follow market needs, so as to find new ideas that are in accordance with the conditions of the target market, especially in terms of marketing (Ismail & Suwandi, 2020; Nuringsih & Edalmen, 2021; Wartoyo, Haida, Mujab, & Umam, 2022). This was justified by the informant that if he only received laundry services, it would be difficult to get customers. This is because the needs of the community are increasingly diverse and business owners seize this as an opportunity.

"People don't just wash clothes. Sometimes there are helmets, there are shoes, dolls too. We also serve such a large blanket. We follow the request of the community. Besides clothes, the most crowded are shoes. Washing shoes takes a lot of time, we have a dryer. Washing shoes in the laundry is also cleaner" [RAG, owner of the laundry]

"We are very grateful to have land in a dense village. Even though it is not spacious and the only one who works is me and my husband. But we also try to make sure that customers don't run away. Here it also serves certificates only. You don't have to use a laundry service, just iron, we will serve" [OKT, laundry owner]

Business diversification carried out by laundry business owners is certainly done with a fairly mature business analysis. Without diversifying its business, it is difficult for the laundry business to compete with other competitors. Previous research stated that business actors need to analyze the feasibility of the business so that business people do not experience capital waste or choose the wrong type of business because it is not in accordance with their environmental prospects (Mukhibbin, Astuti, & Poerwanto, 2019; REDI, 2023; Rohman & Fitria, 2024). The selection of services provided to customers is also a consideration made by business owners. This method is done so that the business continues to run and does not get stuck in the middle of the road.

Considering that the city of Yogyakarta is inhabited by a large population, every laundry business owner has a strategy that continues to be developed so that his business runs optimally. Starting from quality to price, it is also an offer given to customers. Fast, quality, and affordable laundry services are the keys to success in the laundry business to maintain customer satisfaction (Dwiyatma & Indrawijaya, 2024; Fatrisia, Anggriani, Ilham, & Febriana, 2023). Many laundry services at this time already offer express packages, which are completed in one day. In addition, there is also a regular package at an affordable price.

"We have more than three washing machines, dryers, and we employ employees. Moreover, ironing now uses a boiler, so it is faster. That's why our services are express, some are regular. If the express one is of course more expensive, there is not one day to take it. Usually the workers are the working women" [BAY, laundry owner]

"Now there are many laundry businesses whose price uses a system per five kilos. We continue to serve per kilo. Yes, what is weighed by six kilos means that the price comes in per 10 kilos. If you want it to be cheap, you can reduce it and take home one kilo. We don't use that system, it's burdensome for customers. Later the customer will run" [IKA, laundry owner]

The laundry service industry has a low entry barrier, resulting in fierce and massive competition in the laundry business. Therefore, to stay in business, companies must provide the best experience for their services through quality service, and customer satisfaction to gain customer loyalty so that they are able to increase and maintain sales and business growth (Dewi, Hajadi, Handranata, & Herlina, 2021). The number of

competitors must also be thought carefully because the main goal is to get as many profits and customers as possible.

The study of (Anindya & Mindhayani, 2021) stated that good service quality shows productivity and the ability to produce customer satisfaction which is the level of feeling for the performance felt compared to the expectations it has. Therefore, laundromat business owners have different strategies in getting consumers. Including one of them not following the mainstream system. Business people need to analyze the profits, including the target market in it.

Laundry business owners in Yogyakarta City do not only rely on customers who come to the outlet. They also try to pick up the ball by working together to establish partnerships with rents, boarding houses, dormitories, and hotels. Cooperation with exclusive lodging allows the laundry business to reach the student and young worker segments who live in dormitories. This is also a strategy that is quite beneficial for many parties, including inn owners. Thus, the laundry business can gain regular customers and increase sales volume significantly. In addition, partnerships with other companies such as hotels, hospitals, and offices can also provide benefits for the laundry business. They can offer laundry services, bed linen, or uniforms to the company's partners. This not only increases sales volume, but also builds the reputation of the laundry business as a reliable service provider for companies.

Laundry business owners in Yogyakarta City are trying to maintain cooperation with various parties. If there is cooperation, then the scope of the customer network will certainly be wider. The quality of the services offered must be improved. This is in accordance with previous studies that found that production quality is the ability of a good and service to meet customer needs. The definition of quality is very broad, at least the quality dimension consists of performance, features, reliability, conformance, durability, aesthetics, safety and perception (Faradannisa & Supriyanto, 2022; Marpaung & Mekaniwati, 2020). If you have collaborated with exclusive lodging, the service products offered must be better. In addition to aiming to get customers, but also building a business image to consumers. Asti and Ayuningtyas (2020) stated that every activity carried out by consumers, including consuming products or services, is an experience, if the experience is impressive, then consumers do not hesitate to consume the goods or services for the umpteenth time. In the end, business partnerships have the advantage of being able to expand business networks (Djodi, Permata, & Manara, 2022; Suryana, 2014).

"If we only rely on customers who come to the place, our income is only that. Therefore, we expand our market. At first, I tried to offer it to school dormitories, to boarding houses, to small hotels. Precisely by expanding the market, this challenge is increasingly an opportunity for us to continue to improve the quality of our services" [BAN, laundrian owner]

"We cooperate with boarding houses. So the owner of the boarding house offered laundry services to the boarding house residents. Later on certain days we will take the laundry. We also provide laundry pick-up, just contact us via WA" [HAS, laundry owner]

Business partners reach a state of trust when a strong bond of relationship between buyer and seller is formed. Therefore, trust is one of the dimensions to measure the quality of partnerships (Zhong, Lai, Guo, & Tang, 2020). Working with partners in the laundry



business can certainly be done by business people with medium to large scales and it is impossible to rely only on two washing machines. This finding is supported by the findings of Marianne et al. (2023) who stated that partnerships can run well with the support of resources and capital owned.

Basically, one of the reasons partners need to segment the market is because dynamic or changing market conditions and situations are influenced by changes in human behavior, human needs and desires, social, political, and cultural aspects. So, every business must follow these changes in order to survive and continue to grow (Butar, Sidabutar, & Sauduran, 2022).

The current business climate is changing dynamically which requires companies to more effectively design strategies to respond to the market and deal with changes in customer behavior, patterns, trends, and preferences (Hamzah & Shamsudin, 2020). Every business actor is indeed required to continue to be creative in running their business, especially in the city of Yogyakarta with more and more business competitors. The number of inns in Yogyakarta City is also a field of money for laundry business owners, of course, as long as they have a steady strategy to get customers. Especially at this time there are many laundry outlets that look beautiful and aesthetic so that they become a trend for young customers.

The next strategy carried out by laundromat business owners is the marketing of the products and services offered. Marketing involves various processes such as conducting research, promoting, selling and finally distributing a service or product to customers. Therefore, in organizations, customers play a big role (Ilias & Shamsudin, 2020; Prianggoro & Sitio, 2020). Laundry business owners have various ways to market their products and services, such as spreading leaflets to social media. As the informant did, at the time of the opening of the new branch, they distributed leaflets to the villages in the hope that the service products would be quickly known to the public.

"When we open a branch, we distribute brochures to let customers know if there is a new outlet for us. And it's quite effective. We also give discounts at certain times or how many kilos of laundry, so we give special discounts. It seems simple, yes, by distributing brochures, but many students come to the outlet using our services" [RAH, laundry owner]

"We follow the market. Nowadays, many people use Tiktok, use Intragam. We make content there. The content is simple, like washing tips, ironing tips, we also make Instagram stories. But that way our service products are really effective and people are known" [TIA, laundry owner]

The role of digitalization turns out to contribute profits to the laundry business. Promotion is increasingly widespread thanks to social media. Marketing strategy has an important role in a company to increase sales and earn profits, and can even be widely seen as the authoritative force behind business sales and purchase activities (Affandi & Sukresna, 2022). This online marketing strategy aims to attract new customers and strengthen brand awareness in the market. By leveraging the power of social media, businesses can be more effective in introducing their services and building connections with a wider target audience. Through this strategy, businesses can expand their network and gain new customers that were previously unreachable. Previous studies have also mentioned that companies can use two or more marketing techniques at the same time,

because each type of program such as advertising, sales promotion, personal selling, customer service, or product development has a different influence on demand (Nazaruddin, Hidayat, & Andreas, 2020; RAMADHAN, 2022).

The company's image is considered important for every company because it is an impression formed in the minds of the public about the company. Image can be related to business names, architecture, variations of products, traditions, ideologies and impressions on the quality of communication which is the interaction between consumers and companies (Darna & Muhidin, 2020). Therefore, the business marketing strategy cannot be separated from how to continue to improve the company's image in the eyes of consumers.

Laundry business owners in Yogyakarta City also strive to make it easier for customers by implementing payment types that keep up with the times. Laundry businesses not only accept cash payments, but can use debit cards up to QRIS. Lately, QRIS has become a popular payment tool in various circles.

The number of the same business forms shows that the difference is getting thinner in terms of the quality of the products offered, so that the main key in competing is the quality of service provided to customers (Tiza & Susanti, 2019). The pursuit of profits and the quantity of products and services produced is certainly accompanied by the provision of maximum resources. Recruitment of labor also affects the production process. In order to be able to produce a large number of products and services, business owners recruit workers to be able to do a large amount of work.

"The workforce we have is eight people, some are on duty at outlets, some are on duty as couriers. We used to have only two employees, but over time it increased with the number of orders and the need for shuttle services" [RAG, laundry owner]

"Regarding the workforce, we have now added two people, we have just opened a new outlet. The new one is smaller, but it's close to the inns" [BAY, laundromat owner]

Laundry business owners in Yogyakarta City are currently also trying to focus on improving service quality. They have implemented a stricter quality management system and provide continuous training to employees. It aims to reduce errors in the production process and improve customer satisfaction. One of the informants of the laundry business owner offers premium services with services offered including thorough clothes checking, detailed stain cleaning, special treatment of every material, and neat clothing packaging. This is certainly different from the kilo laundry service that directly processes clothes without being sorted.

The study of (Mäntymäki, Islam, & Benbasat, 2020) stated that premium services have quite significant implications, namely service user loyalty, so the challenge is to upgrade and maintain premium customers and constant user experience optimization. The customers of the average premium service are the middle and upper middle class where product quality is the main point in the services sold. Most service providers find the premium business model attractive because it is able to create high-volume user traffic without requiring large promotional investments (Figueiras Rodríguez, Ochoa Avila, & Medina Labrada, 2019; Kircova, Turkay, & Kose, 2020). Surya's (2019) study found that customers are expensive to buy, hence keeping customers loyal allows companies to eliminate *acquisition costs*. Loyal customers are generally willing to pay a premium price;

recommend the company's products and services to others; make it possible to continue to purchase the company's products and services, at a minimum, at the same level; enable the purchase of other products and services offered by the company; believe the company's products and services are superior to competitors; not actively seeking alternative service providers; as well as giving the company the opportunity to fix the problem and not use it as a basis to compromise the relationship.

"The premium service does not have many users compared to kilo laundry. The treatment is more complicated, everything is checked, even the clothing materials are not processed carelessly. But we try to offer this service because we have regular customers" [IKA, laundry owner]

"The price of premium services is a bit expensive. Yes, according to the quality we offer. The packing is also neat, the finish is clean and fragrant, so the customer rarely complains" [BAN, laundry owner]

Previous studies have stated that the provision of premium services is certainly accompanied by a strategy to attract customers so that it is able to build customer perception, namely being able to make products remain market leaders and increase company profits (Sudiantini, Siantry, & Atmajayanti, 2023; Wicaksono, 2020). The premium service offered by the owner of the laundry business in Yogyakarta City is in one package complete with a shuttle service so that customer satisfaction is a priority. Quality is an important determinant of premium pricing, but the addition of other image dimensions doubles down on predictability and understanding of premium pricing. The strongest determinants are social image, exclusivity, and country of origin (Augusto, Santos, & Santo, 2020).

Customers on premium services have different behavior patterns than kilo laundry services. They tend to be more loyal to one business producer. Previous studies have even found that premium services can be obtained by taking advantage of the resulting network effect. The perceived social value has proven to be an important determinant for users to choose premium services (Hamari, Hanner, & Koivisto, 2020; Zhang, Nan, Li, & Tan, 2016). In addition, the price factor is also an important thing that has an influence on the decision to purchase premium services (Iswara & Fauzi, 2023).

Overall, laundry services in Yogyakarta City are among the easy businesses to run. The profits reaped by laundry business people are also quite promising. On certain days and certain moments, they can generate considerable income. Especially with the support of capital injections from bank loans, a laundry business is able to spread its business wings to become more developed. As stated by the HAS informant, during long holidays, Eid, and the rainy season, turnover can reach 25% with income of up to 15 million rupiah per month. Even other informants also informed about an increase in turnover of up to 50% during the Eid holiday.

Basically, running a laundry business in Yogyakarta City is quite profitable. Apart from the population density factor, the laundry business is also a consistent and stable business. Laundry services must be needed by many customers so that the profits and sustainability of this type of business can be ensured to be consistent at any time.

## **CONCLUSION**

*Earning Money from Laundry: Examining the Competitive Strategy of Contemporary Laundry Businesses in Increasing Revenue in Yogyakarta City*

The laundry business in Yogyakarta City is thriving and mushrooming along with the large number of residents and users of laundry services. This is also influenced by socio-cultural factors that Yogyakarta is a popular tourist destination so that the existence of a laundry business becomes an existing business. This number of businesses encourages competition between the same business actors so that many interesting services are offered. The existence of this business also takes place by following market trends and playing important strategies to get customers.

This study found that running a laundry business in Yogyakarta City needs to require the right strategy. The need for speed, service quality, and customer satisfaction are priorities for business people to be able to compete with other business people. Many strategies are carried out, including opening new outlets, marketing through digital platforms, collaborating with partners, and providing premium services.

The more services offered, the more customers will come. The services offered by this business are of course by competing through price and quality. The profits obtained from this business are also quite promising with a large turnover every month.

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