SOME DEMAND CHARACTERISTICS OF A DRYCLEANING RENTAL GARMENT SERVICE IN THE SACRAMENTO AREA

A STUDY
Presented to
Dr. H. Nicholas Windeshausen
Sacramento State College

In Partial Fulfillment of the Requirements for the Degree Master of Business Administration

by
Roger S. Swanson
November 1967
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>PREFACE</td>
<td>vi</td>
</tr>
<tr>
<td>I. THE STATEMENT AND DESCRIPTION OF THE PROBLEM</td>
<td>1</td>
</tr>
<tr>
<td>Statement of the Problem</td>
<td>1</td>
</tr>
<tr>
<td>Definition of Terms</td>
<td>1</td>
</tr>
<tr>
<td>Scope and Limitations of the Study</td>
<td>2</td>
</tr>
<tr>
<td>Importance of the Study</td>
<td>2</td>
</tr>
<tr>
<td>II. METHODOLOGY OF THE STUDY</td>
<td>4</td>
</tr>
<tr>
<td>Sources of Data</td>
<td>4</td>
</tr>
<tr>
<td>The Questionnaire</td>
<td>4</td>
</tr>
<tr>
<td>Techniques for Analyzing Data</td>
<td>5</td>
</tr>
<tr>
<td>III. RESULTS OF THE STUDY</td>
<td>6</td>
</tr>
<tr>
<td>The Sample and the Returns</td>
<td>6</td>
</tr>
<tr>
<td>Firms' Awareness of the Service</td>
<td>8</td>
</tr>
<tr>
<td>Number and Types of Firms in Favor of or Opposed to the Service</td>
<td>10</td>
</tr>
<tr>
<td>Why Firms Are in Favor of or Opposed to the Service</td>
<td>15</td>
</tr>
<tr>
<td>Types of Garments Firms Would Wish to Lease</td>
<td>17</td>
</tr>
<tr>
<td>IV. SUMMARY AND CONCLUSIONS</td>
<td>19</td>
</tr>
<tr>
<td>Summary</td>
<td>19</td>
</tr>
<tr>
<td>Conclusions and Recommendations</td>
<td>20</td>
</tr>
<tr>
<td>BIBLIOGRAPHY</td>
<td>22</td>
</tr>
<tr>
<td>APPENDIX A. The Questionnaire</td>
<td>23</td>
</tr>
<tr>
<td>APPENDIX B. Selected Comments</td>
<td>26</td>
</tr>
</tbody>
</table>
## LIST OF TABLES

<table>
<thead>
<tr>
<th>TABLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. The Questionnaire Sample Size and Returns by Category</td>
<td>7</td>
</tr>
<tr>
<td>II. Distribution of Responses to Question 5 of the Questionnaire</td>
<td>16</td>
</tr>
<tr>
<td>III. Employee Distribution and Garment Preference within Each Category</td>
<td>18</td>
</tr>
<tr>
<td>FIGURE</td>
<td>PAGE</td>
</tr>
<tr>
<td>--------</td>
<td>------</td>
</tr>
<tr>
<td>1. A Comparison of Firms' Awareness of a Drycleaning Renual Garment Service</td>
<td>9</td>
</tr>
<tr>
<td>2. Responses to Question 6 and Question 7 with Respect to the Firms' Awareness of the Service</td>
<td>11</td>
</tr>
<tr>
<td>3. Distribution of Responses to Question 6 and Question 7 of the Questionnaire</td>
<td>14</td>
</tr>
</tbody>
</table>
PREFACE

In 1959, total rental and lease volume (not including automobiles) was $392 million. By 1965, this figure reportedly reached $1.35 billion.¹ Today, virtually any non-perishable product that can be sold can also be leased or rented. Everything from live shrubs to trained geese, to mink coats, to Boeing 707's are currently being leased or rented.² Why?

The following are primary factors which serve as the impetus to leasing or renting:

1) a need for something for an occasional or one-shot project;

2) a demand for a product which is affordable but no storage space is available;

3) a demand for that which one cannot afford to purchase;

4) a demand for that which can, financially, be more attractively acquired through a lease or rental agreement; and more recently,

5) the wish to avoid the hardships and risks associated with ownership, or the wish to receive special services that may be offered by the lessor.

These five factors whether acting separately or in conjunction with one another, apply both to the individual consumer

¹"Unscrambling the Claims About Leasing," Administrative Management 27: p 28 May 1966
and to the business firm.

With respect to the individual consumer, leasing or renting is primarily encouraged by the first three factors above. The following are some obvious and familiar examples: a man needs a chainsaw once a year for the accumulation of firewood; the father of the bride needs a champagne fountain for his daughter's wedding; an outdoorsman loves to ride horses but has no place to keep one; a family that takes trips in a trailer may have no place to store it while at home; a young couple cannot afford a new house but wish to live in one anyway.

The business firm, while occasionally influenced by the first three factors, has for the most part been attracted to the leasing or rental market through the fourth motivating factor. With interest rates currently at the highest level in many decades, large capital expenditures are costly to finance. Through leasing, firms are able to immediately acquire large capital equipment with no down payment (deposits are sometimes required) and no unsightly debt obligations on the corporate balance sheet. Moreover, lease and rental expenditures are direct expenses and result in more rapid write-offs against taxable income than does even accelerated depreciation.

The fifth influential factor in stimulating leasing or renting is a more recent one than those already discussed. Furthermore, to the extent that it has been important in the past, it has been so predominately within the business
world. What are the hardships and risks associated with ownership? Depending upon the type of product under examination, hardships ascribed to ownership may include obsolescence, maintenance, risk of destruction or damage, and need for eventual replacement. Through leasing, many or all of these risks or hardships can be assigned to the lessor.

Hand in hand with the concept of assigning risks is the notion of special services offered by the lessor. In business this is especially conspicuous within the computer and data processing market. Special services also are found in such areas as truck fleet leasing—where often all maintenance service is performed by the lessor, while it is apparent that the offering of special services or the acceptance of risks by the lessor has stimulated leasing and renting within the business community, little effort and little response has been generated within the consumer market. Why is this so?

One of the reasons is clear. The consumer rental market, though large in aggregate, is small with respect to the single consumer. Few individual consumers lease or rent many goods and few lease or rent big ticket items. This, no doubt, has presented a difficult marketing problem for the leasing industry.

However, what has probably been the greatest single underlying obstruction to the "special services" approach to leasing or renting to the consumer has been the presumption
that the consumer (as well as the business firm) would intrinsically rather own than lease. As a result of this assumption, the consumer has been catered to almost entirely on the basis of the first three motivational factors referred to earlier. Is such an assumption valid? Perhaps not.

Recently, the strength of the fourth and especially the fifth element as motivators to leasing or renting has been fortified by an increasing inclination of consumers (and business firms) to spend income for use-value rather than asset ownership. 3

Assuming, without deciding, that this inclination is indeed increasing, what are the implications of such a trend? What, on these grounds, shall be leased or rented to the consumer or business firm in the future that presently is not being leased or rented?

The following study is an inquiry into this new area of leasing. More specifically, it is an examination of the reaction given by business firms to the notion of leasing or renting garments from a drycleaning establishment for the use of the firm's employees.

---

CHAPTER I

THE STATEMENT AND DESCRIPTION
OF THE PROBLEM

Within ten years, one-third of the United States' population will be wearing rental clothes on the job.4 Today, uniforms and other cotton work-wear supplied by the employer have become something of the usual--no longer merely a hallmark of a progressive or benevolent management. In the future, slacks, blazers, skirts, and suits may become commonplace among rental clothes on the job.

Statement of the problem. It was the purpose of this study to examine some of the demand characteristics of a drycleaning rental garment service. More specifically, the aim was to determine: (1) to what extent business firms were aware of a drycleaning rental garment service; (2) how many firms and what types of firms were in favor of or opposed to such a service; (3) why they were in favor of or opposed to the service; and (4) what types of garments firms would wish to lease.

Definition of terms. "Drycleaning rental garment service" is defined as a service whereby a drycleaning firm leases, cleans, and distributes clothes, uniforms, or the like to business firms. The garments are worn by the firms' employees.

employees as a fringe benefit of employment and as an incen-
tive or control for good grooming on the job. A lease would
normally be exercised over a one year period with options to
renew. Terms involving the quality of the clothes, replace-
ment criteria, and other special considerations are set
forth in the agreement. The clothing involved includes such
items as slacks, blazers, men's and ladies' suits, skirts,
and uniforms.

Scope and limitations of the study. It was not the
purpose of this study to explore the economic profitability
of establishing a drycleaning rental garment service, but
merely to gain an insight into management's attitudes toward
employing such a service. The study was confined to firms
within a radius of twenty miles of the City of Sacramento.

Data was gathered, exclusively, through the use of a
mailed questionnaire. As a result, findings are constrained
by the particular structure and content of the question-
aire. Furthermore, the reliability and validity of the
data obtained is dependent upon the degree to which the
respondents understood the questionnaire and the measure of
thoughtful consideration given to each question.

Importance of the study. Linen rental and uniform
rental services are well established. However, drycleaning
rental garment service is a new concept. Little or no
research has been done in this area, yet, if widely
accepted, a service of this nature could influence many of
our customs, habits, and attitudes toward our dress. It
would also have a powerful effect on clothing retailers,
manufacturers, and their marketing channels.
CHAPTER II

METHODOLOGY OF THE STUDY

Sources of data. It was intended that the firms under investigation be only: (1) those which could actually utilize the service; and (2) those large enough to benefit the rental service. Unfortunately, this required rather arbitrary criteria for sample selection. As a result, judgment sampling was employed. A sample of 403 firms (four of the questionnaires failed to reach their destination and were deleted from the sample) were selected from the Special Report of Selective Manufacturers Directory of Metropolitan Sacramento and the Sacramento Telephone Directory.

The Questionnaire. The questionnaire employed (see Appendix A, page 23) was structured so as to gain information essential to answering the initial questions raised in the beginning of Chapter I. A cover letter was included with the questionnaire. Its purpose was: (1) to serve as an introduction to the questionnaire; (2) to solicit the response of the reader; and (3) to inform the respondent, who was unaware of the service, that he may more intelligently answer the questions.

The questionnaire was structured with choice-type questions and short fill-ins. This was done in an attempt to facilitate tallying, and, in the case of Question 5, to
help bring the pertinent issues into focus for the respondent. As an added incentive to respond, a self-addressed, stamped envelope was provided.

Techniques for analyzing data. All the firms in the sample were coded with a number in the upper right hand corner of the questionnaire. As the returns came in, the questionnaires were divided into their respective categories: (1) Automobile Dealers, (2) Retailers, (3) Financial Institutions, (4) Manufacturers, (5) Services, (6) Wholesalealers, and (7) Miscellaneous.

Tally sheets were used to record the raw data. Tables and figures, depicting relevant relationships, were then constructed from the tally sheets. The tables and figures, in turn, were used as a means of analysis and interpretation in terms of the questions posed at the outset of the study.
CHAPTER III

RESULTS OF THE STUDY

The study and its results were divided into five sections: (1) the sample and returns; (2) the firms' awareness of the service; (3) the number and types of firms in favor of or opposed to the service; (4) why firms are in favor of or opposed to such a service; and (5) types of garments firms would wish to lease. The first section outlines the physical properties of the sample and its returns. The remaining sections deal with the questions posed in the Statement of the problem.

The sample and the returns. The sample was divided into seven categories with the hope of acquiring some degree of homogeneity within each group. Table I shows the seven categories, the sample size of each category, and the return from each group. The total sample was comprised of 399 firms. Services, Retailers, and Manufacturers accounted for the larger part of the sample, followed by Wholesalers, Automobile Dealers, and Financial Institutions. It would have been desirable to have chosen the same number of firms in each category, however, the categories of Financial Institutions and Automobile Dealers were limited by the total number of these firms in the Sacramento Area.

Useable returns of the questionnaire amounted to 122,
<table>
<thead>
<tr>
<th>Category</th>
<th>No. in sample</th>
<th>Return</th>
<th>Per cent return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile Dealers</td>
<td>44</td>
<td>12</td>
<td>27*</td>
</tr>
<tr>
<td>Retailers</td>
<td>74</td>
<td>17</td>
<td>23</td>
</tr>
<tr>
<td>Financial Institutions</td>
<td>31</td>
<td>15</td>
<td>48</td>
</tr>
<tr>
<td>Manufacturers</td>
<td>71</td>
<td>30</td>
<td>42</td>
</tr>
<tr>
<td>Services</td>
<td>76</td>
<td>20</td>
<td>26</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>66</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>37</td>
<td>8</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>399</strong></td>
<td><strong>122</strong></td>
<td><strong>31</strong></td>
</tr>
</tbody>
</table>

*All figures are rounded to nearest whole percentage.*
or 30.6 per cent of the sample. The return in each category varied from a high of 48 per cent from Financial Institutions, to a low of 23 per cent from Retailers. Undoubtedly, the low return from Retailers was, to some extent, due to the fact that the questionnaire was mailed shortly before the holiday season.

**Firms' awareness of the service.** Distribution of responses to Question 4 of the questionnaire are illustrated in Figure 1. Services, Retailers, and Financial Institutions revealed the greatest awareness of the service. This would seem reasonable, as firms in these categories employ more people who wear clothes requiring drycleaning.

Manufacturers appeared to have the least awareness of the service. This may be attributed to the fact that most of the clothing worn in manufacturing firms is comprised of smocks, coveralls, and various uniforms which have traditionally been laundered instead of drycleaned.

It was suspected that a lower awareness of the service actually existed than was shown by the study. Bias may well have been incorporated into the findings. Firms not wishing to expose their ignorance of the service were tempted to answer "yes" to Question 4. Furthermore, respondents may have felt they would be unable to complete the questionnaire had they revealed their unawareness of the service. A source of error, also, might have resulted had respondents
FIGURE 1

A COMPARISON OF FIRMS AWARENESS OF A DRYCLEANING RENTAL GARMENT SERVICE

- Aware of Such a Service
- Unaware of Such a Service
failed to regard the word "drycleaning" in Question 4, or its implications from the cover letter.

Before examining the next question, it is interesting to note that there appeared to be no relationship between the rate of return for each category and the rate of awareness of the service by each category. Of the three firms most aware of the service, one (Financial Institutions) accounted for the highest percentage return of the questionnaire, while the other two (Services and Retailers) were the two least responsive groups.

**Number and types of firms in favor of or opposed to the service.** In order to evaluate the number of firms in favor of or opposed to the service, responses to Questions 6 and 7 of the questionnaire were examined. The upper pair of diagrams in Figure 2 illustrates the responses of the total firms responding to Questions 6 and 7. These two charts show that 19 per cent, or about one-fifth, of the respondents felt the service would be a benefit to their firm. Almost one-fourth felt that the service would be easy to instigate at their company. Sixty per cent of the firms felt that such a service would have no benefit for their company, while a slightly higher percentage disagreed that it would be easy to instigate the service at their firm. The remaining respondents to Questions 6 and 7 were undecided. Responses of "strongly agree" were merged with those of
QUESTION 6

TOTAL

60% Disagree

21% Don't Know

19% Agree

THOSE WHO HAVE HEARD OF THE SERVICE

57% Disagree

24% Agree

12% Don't Know

THOSE WHO HAVE NOT HEARD OF THE SERVICE

66% Disagree

75% Agree

25% Don't Know

77% Disagree

13% Agree

10% Don't Know

FIGURE 2
RESPONSES TO QUESTION 6 AND QUESTION 7 WITH RESPECT TO THE FIRMS' AWARENESS OF THE SERVICE
Refer to Appendix for questions from questionnaire. Strongly agree and strongly disagree were merged with agree and disagree.
"agree" in order to simplify the illustration. Similarly, "strongly disagree" responses were incorporated with the choice of "disagree".

Figure 2 also differentiates responses to Questions 6 and 7 with respect to the firms' awareness of the service. The second pair of diagrams indicates the distribution of answers for only those respondents who had heard of the service. The third set of diagrams depicts the responses of those who had not heard of the service.

Of those aware of the service, about one-fourth felt it would be a benefit to their company. Conversely, of the firms unaware of the service, less than one-tenth felt that it would be a beneficial service. The much lower agreement with Question 6 by those unaware than by those aware of the service is indicative of the controversy such a subject can provoke. Often something new and unusual will prompt a dissenting or noncommittal position. Also, with respect to Question 6, less doubt was expressed by firms which were aware of the service than by those firms which were unaware of the service. This may merely indicate the respondent's inability to weigh the advantages and disadvantages of the service under the limited knowledge supplied by the cover letter and the questionnaire.

Respondents reacted to Question 7 in much the same way, with one exception. Of those who were unaware of the service, only about one-half as high a percentage reported
indifferently to Question 7 as that portion reporting indifferently to Question 6. This would indicate that those firms unaware of the service had stronger and more negative feeling toward Question 7 than toward Question 6.

The types of firms in favor of or opposed to Questions 6 and 7 are shown in Figure 3. Those percentages in red indicate responses to Question 7, while those in black are replies to Question 6.

Among Automobile Dealers, though none "strongly agreed" with Questions 6 and 7, a higher percentage reacted favorably than in any of the other categories. Retailers and Wholesalers were the only firms to "strongly agree" with Questions 6 and 7. Yet, Retailers were the least responsive of all the groups (see Table I). Manufacturers and Financial Institutions responded less favorably to Questions 6 and 7 than any of the other categories, while, at the same time they accounted for the most responsive categories of the survey. This would indicate that the bias of "nonresponse" may be toward those objecting to the service.

Within each category, responses to Questions 6 and 7 were fairly paralleled. The only two exceptions are "strongly disagree" and "don't know" responses for Wholesalers and Manufacturers. For both of these groups, Question 7 exhibited a more predominate "strongly disagree" response and a smaller "don't know" response. The basis for difference may lie in the rigidity of many union contracts
### FIGURE 3

**DISTRIBUTION OF RESPONSES TO QUESTION 6 AND QUESTION 7 OF THE QUESTIONNAIRE**

- **Strongly Agree**
- **Agree**
- **Don't Know**
- **Disagree**
- **Strongly Disagree**

"Figures in black are the responses to Question 6—"I believe such a service would be a benefit to our company." Figures in red are the responses to Question 7—"Such a service would be easy to instigate at our company." All figures are rounded to the nearest whole percentage.

<table>
<thead>
<tr>
<th>Category</th>
<th>0</th>
<th>10</th>
<th>20</th>
<th>30</th>
<th>40</th>
<th>50</th>
<th>60</th>
<th>70</th>
<th>80</th>
<th>90</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile Dealers</td>
<td></td>
<td>45%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>27%*</td>
<td>16%</td>
<td>9%</td>
</tr>
<tr>
<td>Retailers</td>
<td>16%</td>
<td>12%</td>
<td>29%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Institutions</td>
<td>15%</td>
<td></td>
<td>30%</td>
<td></td>
<td></td>
<td>46%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturers</td>
<td>15%</td>
<td>59%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>22%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>31%</td>
<td>13%</td>
<td>50%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesalers</td>
<td>64%</td>
<td>20%</td>
<td>11%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Figures in black are the responses to Question 6—"I believe such a service would be a benefit to our company." Figures in red are the responses to Question 7—"Such a service would be easy to instigate at our company." All figures are rounded to the nearest whole percentage.*
to be found in manufacturing and wholesaling firms, where major changes of any kind are often strongly resisted.

Why firms are in favor of or opposed to the service. Question 5 of the questionnaire was primarily the evidence used for evaluating the reasons firms were in favor of or opposed to the service. Table II indicates the distribution of replies to Question 5. Those figures in black represent choices of respondents who reacted favorably to Question 6. Those figures in red are choices of those respondents who reacted unfavorably to Question 6.

Responses (1), (4), (6), (8), and (10) are various positive responses, while the remaining five are of a negative nature. As might be expected, Response (8) was seen to be an important benefit for Automobile Dealers, Retailers, and Services. Two of probably the strongest negative responses— Responses (2) and (7)—were not selected by any of the firms which reacted favorably to Question 6. Conversely, of the two categories reacting least favorably to Question 6 (Financial Institutions and Manufacturers), Responses (2) and (7) were cited frequently. Response (3) proved to be the most prevalent response among those firms in disagreement with Question 6. This strong skepticism of high cost was also suggested from the absence of Response (10). Accompanying the trends in Response (3) was Response (5). Firms in all categories seemed to feel that
<table>
<thead>
<tr>
<th>Category</th>
<th>Response</th>
<th></th>
<th></th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
<th>(7)</th>
<th>(8)</th>
<th>(9)</th>
<th>(10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile Dealers</td>
<td></td>
<td>5</td>
<td>0</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>4</td>
<td>0</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retailers</td>
<td></td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Institutions</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>3</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturers</td>
<td></td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>15</td>
<td>6</td>
<td>1</td>
<td></td>
<td>6</td>
<td>1</td>
<td>7</td>
<td>5</td>
<td>3</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td></td>
<td>5</td>
<td>0</td>
<td>2</td>
<td>5</td>
<td>0</td>
<td>4</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>0</td>
<td>1</td>
<td>10</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesalers</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td>2</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*The ten responses can be referred to in the questionnaire found in the Appendix.

NOTE: Rows in black represent those of respondents who reacted favorably to Question 6 of the questionnaire. Rows in red represent those of respondents who reacted unfavorably to Question 6. Those who responded indifferently to Question 6, or failed to respond, are not shown in the table.
the high cost and trouble were not worth the advantages the service might have to offer.

Types of garments firms would wish to lease. In order to determine what garments firms would wish to lease, a choice type question was included in the questionnaire. It was hoped that the existence of a specific list would not bias the respondents' selections. The results of Question (8) are tabulated in Table III. Among the three categories showing the highest percentage of employees dealing with the public (Financial Institutions, Retailers, and Automobile Dealers), more sophisticated clothes were chosen. It is interesting to note that Financial Institutions, the group that chose the most formal types of garments, also responded most unfavorably to the service. It would appear that the leasing of men's and ladies' suits is just too bizarre to be considered. Note that men's or ladies' suits were not among the first three garments preferred by that group.

It was surprising to note that Manufacturers chose men's suits as their second preference, while only 8 percent of their employees dealt with the public. Perhaps, some of the respondents felt, through the use of Question (3) on the questionnaire, that choices should be restricted to garments worn by employees meeting the public.
### TABLE III

EMPLOYEE DISTRIBUTION AND GARMENT PREFERENCE WITHIN EACH CATEGORY

<table>
<thead>
<tr>
<th></th>
<th>Total no. of employees</th>
<th>Employees dealing with the public</th>
<th>Per cent dealing with the public</th>
<th>Garment preference*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Automobile Dealers</strong></td>
<td>437</td>
<td>180</td>
<td>41</td>
<td>Blazers, Slacks, Uniforms</td>
</tr>
<tr>
<td><strong>Retailers</strong></td>
<td>908</td>
<td>642</td>
<td>71</td>
<td>Slacks, Uniforms, Blazers</td>
</tr>
<tr>
<td><strong>Financial Institutions</strong></td>
<td>299</td>
<td>236</td>
<td>79</td>
<td>Ladies' Suits, Men's Suits, Blazers</td>
</tr>
<tr>
<td><strong>Manufacturers</strong></td>
<td>10,382</td>
<td>810</td>
<td>8</td>
<td>Uniforms, Men's Suits, Slacks</td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td>2,196</td>
<td>673</td>
<td>40</td>
<td>Uniforms, Blazers, Sport Coats</td>
</tr>
<tr>
<td><strong>Wholesalers</strong></td>
<td>1,148</td>
<td>336</td>
<td>29</td>
<td>Uniforms, Men's Suits, Blazers</td>
</tr>
<tr>
<td><strong>Miscellaneous</strong></td>
<td>419</td>
<td>223</td>
<td>53</td>
<td>Uniforms, Blazers, Slacks</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,789</td>
<td>3,330</td>
<td>21</td>
<td>Uniforms, Blazers, Slacks</td>
</tr>
</tbody>
</table>

*Preference was measured as the frequency of choices, not as the total number chosen.*
CHAPTER IV

SUMMARY AND CONCLUSIONS

Summary. This study dealt with four questions concerning the demand for drycleaning rental garment service: (1) firms' awareness of the service; (2) number and types of firms in favor of or opposed to the service; (3) why firms are in favor of or opposed to such a service; and (4) types of garments firms would wish to lease.

Well over half the firms reporting indicated they were aware of the service. Firms most aware (Services, Retailers, and Financial Institutions) tended to be those which already utilized clothes requiring drycleaning.

In total, about one-fifth of the respondents felt the service would be a benefit, while 60 per cent felt it would not be beneficial. A higher percentage of the Automobile Dealers responded favorably than did any of the other categories, though Retailers and Wholesalers were the only firms to "strongly agree" that the service would be beneficial. Manufacturers and Financial Institutions felt such a service would benefit them least.

Most prevalent among reasons some firms (Automobile Dealers, Retailers, and Services) favored the service was that it would better identify employees to customers and the public. Responses of "loss of individuality" and "resentment because employees would not own their own clothes" was
cited frequently by Financial Institutions which were opposed to the service. Most firms, whether in favor of or opposed to the service, felt that the cost of the service would be very high or prohibitive.

Those firms dealing the most with the public (Financial Institutions, Retailers, and Automobile Dealers) preferred more sophisticated clothing such as men's and ladies' suits and blazers, while the remaining firms chose uniforms as their first preference.

Conclusions and recommendations. While it would appear the majority of firms are aware of drycleaning rental garment service, no true measurement of their knowledge of the subject has been made. It is, on the other hand, fairly obvious that management reacted unfavorably to the service. With the exception of Financial Institutions and, to some extent, Manufacturers, the source of strongest resistance to the service is from an economic standpoint. Therefore, were firms to find the service economically feasible, the demand for the service could increase appreciably.

The results of this study could be enhanced greatly with a follow-up interview study of nonresponse—possibly more probing into the reasons behind the attitudes management exhibited toward the service. The use of the interview technique would lend itself well to this study, as all the firms in the sample are located within close
proximity of Sacramento.

Finally, it would be interesting to make a similar study of the attitudes of employees toward such a service. For, after all, in order to work effectively, it would be imperative that the service be accepted by the employees as well as by management.
BIBLIOGRAPHY


Wall Street Journal, Sept. 12, 1966

Sacramento Telephone Directory, Pacific Telephone and Telegraph Company, Jan. 1966

Special Report of Selective Manufacturers Directory of Metropolitan Sacramento, A report prepared by the Sacramento City-County Chamber of Commerce, April, 1966
APPENDIX
APPENDIX A

THE QUESTIONNAIRE

Dear Sir,

At the present time I am engaged in a research project in partial fulfillment of a masters degree in business administration at Sacramento State College.

The enclosed questionnaire is part of a study to examine some of the demand characteristics of a drycleaning rental garment service in the greater Sacramento area. "Drycleaning rental garment service" is a service whereby a drycleaning firm leases and drycleans clothes, uniforms, or the like to business firms. The garments, in turn, are distributed to the firm's employees as a fringe benefit of employment and as an incentive or control for on-the-job good grooming. The average man buys clothes to wear at work with "after tax" dollars. However, his employer can rent garments in quantity and charge it off as a business expense.

Many firms such as gas stations and automobile dealers are currently utilizing a laundry service of this nature. At this time, however, the leasing of clothes such as sport coats, blazers, men's and women's suits, uniforms, slacks, dress shirts, etc. is a very new and unexplored area. Such a service has far reaching implications both within and outside the firm. Its acceptance or rejection will certainly be determined by the attitudes of management and personnel.

As an employer who is concerned with his employees' appearance and dress, particularly his sales personnel, your feelings and impressions of such a service are strongly needed.

I would appreciate your giving the questionnaire your considered judgment and returning it in the envelope provided.

Sincerely,

Roger S. Swanson
Graduate Student of
Business Administration
DRYCLEANING RENTAL GARMENT SERVICE
ATTITUDE SURVEY

1. What type of business is your firm engaged in? __________________________

2. Total number of employees ________

3. Number of employees dealing with the public
   (Sales men and women, receptionists, etc.) ________

4. Have you ever heard of drycleaning rental garment service? YES ___ NO ___

5. Please check 5 out of the 10 statements below which you agree with most.

   A drycleaning rental garment service in our company would...
   1. act as a fringe benefit to our employees. ______
   2. cause employee resentment through loss of "individuality." ______
   3. prove to be too expensive to the company. ______
   4. insure uniformity and high standards of dress. ______
   5. force unwanted responsibility and trouble onto management. ______
   6. promote a feeling of belonging and pride in the employees. ______
   7. cause resentment because employees would not own their clothes. ______
   8. better identify employees to customers and the public. ______
   9. not be feasible due to high rate of employee turnover. ______
   10. would be a net savings to the company and its employees. ______

6. I believe such a service would ______ STRONGLY
   be a benefit to our company AGREE AGREE ? DISAGREE STRONGLY
   ______ ______ ______ ______

   Explain;

7. I believe such a service would be ______ STRONGLY
   easy to instigate at our company AGREE AGREE ? DISAGREE STRONGLY
   ______ ______ ______ ______

   Explain;
8. Check which of the following garments your firm would wish to lease if your company were to use such a service.

<table>
<thead>
<tr>
<th></th>
<th>APPROXIMATE QUANTITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Slacks</td>
<td></td>
</tr>
<tr>
<td>2. Blazers</td>
<td></td>
</tr>
<tr>
<td>3. Sport Coats</td>
<td></td>
</tr>
<tr>
<td>4. Men's Suits</td>
<td></td>
</tr>
<tr>
<td>5. Ladies' Suits</td>
<td></td>
</tr>
<tr>
<td>6. Ladies' Skirts</td>
<td></td>
</tr>
<tr>
<td>7. Dress Shirts</td>
<td></td>
</tr>
<tr>
<td>8. Uniforms</td>
<td></td>
</tr>
</tbody>
</table>

9. Any additional comments you deem of interest.
APPENDIX B

SELECTED COMMENTS

what we may gain in "group identity" we would lose in employee morale. We hire healthy, well groomed people. We don't induct them. We see no need for uniforms. If our people cannot dress neatly on their salaries, they leave.

I have nothing against the idea, except that it is a part of a growing way of life in our USA. We are a number at our post office, bank, store, service station, etc. In a large number of cases, employees go home to their "tract house" which is just like his neighbor's except for his green awning (his sign of individuality). In America today we are losing all too much of our individuality.

It appears that such a service as you mention, would have definite advantages, and a market could be developed for this service. Dependent factors being the quality of the merchandise, which I feel would have to be high enough caliber, that the cost could get out of hand. That is investment, against the rental required to amortize the investment, the many sizes required for stock, and overhead, could very likely price you out of the market.

Difficult to arrive at a standard dress that would adjust to everyone. People who work for a free enterprise system resent any form of regimentation.

We feel our office staff would prefer to wear their own clothes rather than uniforms as a matter of pride, individuality and even an aid to increase their sex appeal—all of which could be lessened by the wearing of uniforms no matter how attractive. Our production people and our driver salesmen wear aprons, smocks, or gowns and due to the hard wear and often due to the heavy soilage it would be impossible to keep these semi-uniforms clean by drycleaning—only a heavy cotton that can be laundered is practical.

Many would view as an invasion of individual rights. Many would suspect that cost would eventually be passed on to employees as a "charge" against his fringe benefits.

Sales personnel would look sharp—cost could be an unfavorable factor however because these clothes would have to be maintained in top condition to realize desired effect.

Regimentation. Sales people are individualists.
Our men are financial counsellors and should look like well dressed businessmen not car rental reps., not appropriate for our business.

We subscribed to a Drycleaning Rental Garment Service approximately 18 months ago. While we have had no serious problems, we nevertheless encountered difficulties such as wrong size garments being delivered, which perhaps may be caused through material shrinkage during cleaning or pure neglect. We also believe that strict observance of the agreement between the garment service, the employee and the employer be mandatory, with all responsibilities shared in proper order. It is our thought that the cost of maintaining this type of service is worth while, since it does tend to insure uniform standard of dress as well as an immediate identification of our employee by our customer. We believe this to be highly important.

I believe most salesmen would resent such a plan. Many pride themselves on their dress.

Uniforms, yes, but in our case we would be paying for clothes that would be worn outside of the office.

Just another headache, not practical.

Already leasing uniforms for route salesmen. White collar workers have a long way to go to catch up with fringe benefits already granted to union personnel.

It would be interesting pending cost.

One thing we do not need in the industry is additional "fringe benefits" Clothing is a personal thing. It is an employee's obligation to be neat and well groomed.

OK for uniformed personnel, but not anyone else.

The idea is sound and would probably work--Without some indication of the cost involved, I cannot justify any comments I might have.

We had rental service from a dry cleaning plant for several years and we were not satisfied with the quality of the uniforms or with the service.

Make for a better appearing staff.

Cost would have to be shared partly by employees.