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Press Release

\$8 Billion Residential Maid Services Industry Continues To Grow

Tampa FL, August 1, 2016... Marketdata Enterprises, Inc., a leading independent market research publisher of "off-the-shelf" studies about SERVICE industries since 1979, has released a new 65-page market study entitled: **The U.S. Residential Maid Services Industry**. The study estimates national receipts from 2007-2020 forecasts, covers operating ratios, franchising, major trends, competitor profiles and more.

"This little-researched industry employs 190,000 workers, many of which are legal and illegal immigrants running solo operations off the books. However, there are also a lot of franchises and non-franchise independents that do have employees that are bonded and insured.", according to Research Director, John LaRosa:

Major Findings

- **Revenues...** Marketdata analysts estimate that maid services industry revenues have been growing at a 4.0% clip since 2011, recovering from a 6.5% contraction during the recession of 2008-2009. We think that this industry was worth \$7.93 billion in 2015, and this will reach \$8.25 billion in 2016, and \$8.74 billion by 2020.
- Of the total 926,000 maids and housekeepers employed nationwide, about 190,000 of them work primarily for private households, with the remainder being employed by hotels and motels, healthcare facilities and other commercial and retail establishments.

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- The top 11 maid services franchises have system-wide revenues of just over \$1.1 billion, via 3,320 franchises, representing about 14% of total industry receipts. The average total cost to purchase a maid service franchise ranges from \$60,100 to \$111,800, and royalties on sales usually range from 3-7% of sales, plus an advertising fee.
- An estimated 10-12% of all private U.S. households use a maid service. However, industry receipts do fall during recessions, when disposable income falls and this “luxury” service is cut from the budget. Organized cleaning services and franchises have been around for about 25 to 30 years. Demand comes from an aging population, dual income affluent households, and Millennials (who tend to be time-pressed and live in apartments and cities).
- Some 44% of cleaners in America are Hispanic, and nationwide, 27% of maids are illegal immigrants, estimates the Pew Research Centre. The typical maid earns \$22,500 per year. The average hourly cleaning rate for U.S. maid services is between \$25 and \$45.
- The ARCSI (the industry’s main trade group) estimates that 67% of all maid service companies gross under \$300,000 per year, and that there are 32,270 companies (3,900 of which are solo operators). Average annual sales are \$358,00/year for their members.
- **Competitors...** Marketdata finds that the top 10 franchise systems operate 3,320 units (little changed from five years ago) and had combined system-wide sales of \$1.1 billion. Top franchisors include The Maids, Merry Maids (ServiceMaster), Maid Brigade, Molly Maids, and The Cleaning Authority.
- One of the industry’s biggest problems is finding workers. “Independents” come and go frequently. Most don’t last more than 18 months, and there is a 30% turnover rate.
- One of the major trends in the business is an increase in on-demand bookings, online. There are more booking tools available now, via companies such as Amazon.com’s Home Services, Home Advisor, and Angie’s List.

"This is an industry where good data does not come easily. It's not tracked separately by the Census Bureau and many of its operators are solo, with no trackable payroll for employees, or receipts. Add to that the high turnover and fact that many immigrants from Latin America, Eastern Europe and Brazil chose this as an entry occupation, and you can see how tough it is to accurately estimate industry activity.", according to John LaRosa.

Editor's Note: The U.S. Residential Maid Services Industry, published in July 2016, is an independently researched "off-the-shelf" study. The study is 65 pages in length and contains 34 detailed tables/charts/maps. The study costs \$695. A free table of contents is available by mail, email (marketdataent@yahoo.com). Contact: Marketdata Enterprises, 7210 Wareham Drive, Tampa, FL 33647. Phone: 813-971-8080. Marketdata studies are also available online via commercial databases. John LaRosa is available for interviews.

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