



**Arrow**  
COUNTY SUPPLIES



**“Cost in use”  
– the key to  
saving your  
cleaning  
operations  
money**

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The measure of success of your cleaning operations is typically based on two things: the tangible results of your cleaning efforts and the costs involved. Like any business, there are constant and increasing pressures to deliver more for less, reducing costs wherever possible. However, it is important to understand the concept of “cost in use” also known as the “real cost” behind opting for what initially may appear the cost effective option but in fact over time results in costing a business significantly more in both time and money.

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### About the author

Bruce Blackledge – Managing Director

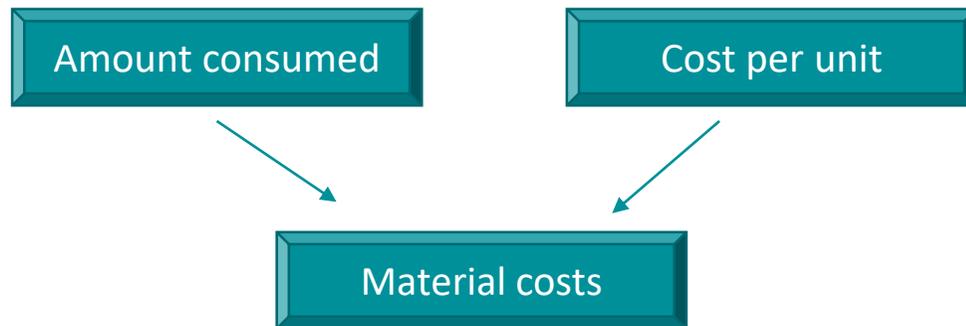
Bruce oversees Arrow's strategy, provides direction and coordination to the teams within the business and drive the company's growth plans.

Over the years he has built up a wide-ranging knowledge of the business, Arrow's customers and suppliers which helps him to ensure that Arrow continue to improve their performance and put the customer at the centre of everything they do.

## Part I of cost in use: material costs

To understand the concept of “cost in use” is to first understand material costs. This is made up of two parts, amount consumed and cost per unit. That is, how much of a product is being consumed and the cost to purchase the product. Often when we are presented with two options, we will generally opt for the more affordable solution as this appears to immediately save us money. However, it serves only as a short-term solution as the efficacy of cut-rate products may be compromised resulting in an increase in consumption and therefore an increase in repurchasing rates.

Take this simple example: the cost of your chosen floor cleaning solution, which although affordable to purchase, is proving to be ineffective at achieving the desired results so you find you are using three times more than the recommended dosage. This results in a higher amount consumed and a higher cost in replenishing. Put simply, this is not a cost effective approach to your cleaning operations.

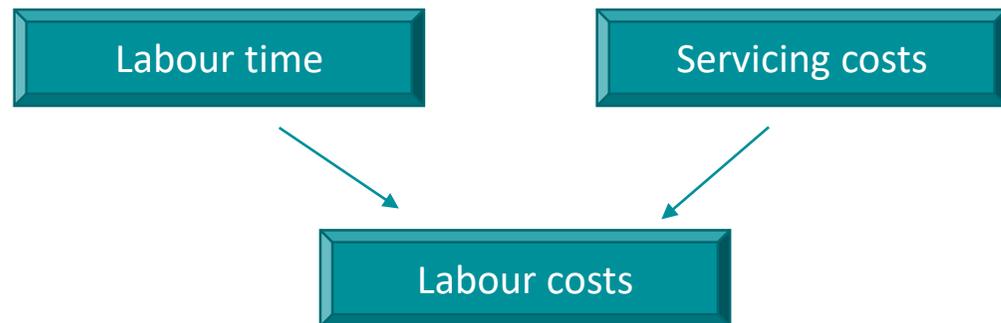




## Part II of cost in use: labour costs

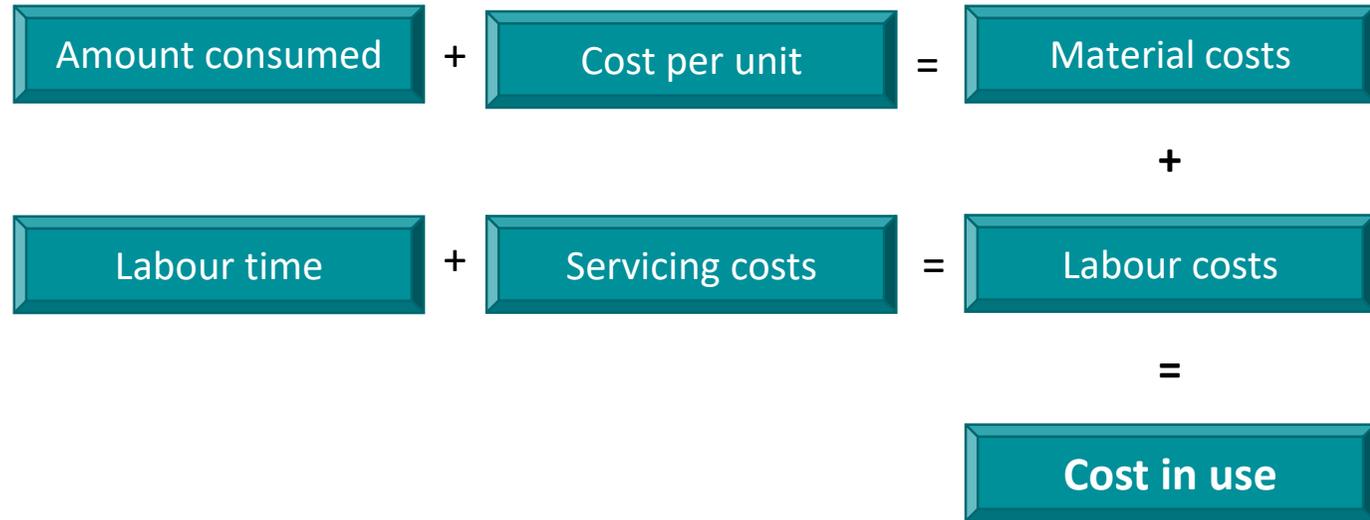
Labour costs, like material costs, is made up of two components: the time taken to complete a cleaning task and the time taken to service. A product that is performing well will mean that the task will be achieved in less time therefore reducing labour costs.

Drawing upon our previous example of floor cleaning, due to your product's average performance, staff are also spending more labour time to complete the task. This isn't an efficient way to maximise your staff's time and the cost required to employ them. Improving labour efficiency is one of the most effective methods of saving your facility money, as is choosing high-quality products that will achieve results. In addition, if we consider products such as toilet paper and paper hand towels in public bathrooms, higher quality options with effective dispensing units will not only mean less wastage but less labour costs involved in staff reservicing these units. Labour efficiency is an integral part to reducing costs and saving you money.



## Conclusion

Material and labour costs combined make up your “cost in use”. This is a more realistic reflection of what your cleaning operations are costing you in the long run. You should consider this model when analysing the cost of your current operations and implementing strategies to reduce spend. Remember, solutions that are seemingly cost effective in the first instance may not always serve you well over a long period of time.





Learn how to get the best value from your cleaning operations

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