



SPA 2020

A Special Report from The Hotel Yearbook for Spa and Hospitality Professionals Worldwide

Susie Ellis visualizes how today's trends might shape the spa business a decade from now

Andrew Gibson on the evolving nexus of hotels and spas

Alison Howland predicts the needs and expectations of four generations of spa consumer in the year 2020

Ingo Schweder on the Asianization of spas

Ralph Newman on challenges in the US market

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An increasingly integral part of hotel development

As in the rest of the world, the spa industry will face some interesting challenges in the next decade in North America. How will the industry cope? How could it evolve? RALPH NEWMAN is the Chief Operating Officer of Rockville, Maryland-based WTS, a spa consultancy, and here he shares his insights with us on the outlook for the ten years to come.

Resort and hotel spas in North America have had their ups and downs over the past ten years, with 2006 and 2007 being the “high-water” mark. It is not any revelation that the financial turmoil that had so greatly impacted the hospitality industry over the past five years has also had a negative impact on spas. That said, spas are a mainstay of hotel and resort development and remain an important factor in influencing guest satisfaction. What will spas in the North American hospitality space look like and what can our industry expect over the next ten years?

HOW WELLNESS IS HAVING AN IMPACT

Leisure and business travelers alike have become accustomed to having the option to enjoy a relaxing spa experience. As has been the trend in the past several years, the pampering and luxury images of spas have been replaced – intentionally – by

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more of a “wellness or lifestyle” approach that stresses the benefits and outcome of a spa treatment.

Below are a few thoughts regarding what areas of focus will be required for spas to succeed in the coming years:

- Overall wellness approach.** Combining spa with healthy lifestyle components that were once only the domain for destination spas will become increasingly more prevalent. This does not refer only to spa cuisine, but a “wellness approach” which combines and incorporates activities such as yoga, Pilates and meditation into the actual spa service, as well as offering fitness and nutritional consults. Though many spas are already heading in this direction, we will begin to see a seamless approach incorporating both fitness and nutrition. To continue down this wellness-focused spa path, we will need to find new and creative ways to bring nutrition and fitness into our pre- and post-spa experience by enhancing traditional relaxation areas with these components. This will occur in our evolving spas in the future.
- Therapeutic spa treatments.** These are also changing the face of how and why we “spa.” Not only are guests seeing the health and lifestyle benefits of these services, but the medical industry is beginning to incorporate these services into their prevention and treatment plans.
- Gender-focused spa options.** The fact is, men and women “spa” differently, and as we recognize spa-goers’ needs, we will begin to see facilities mold themselves to those needs. For example, nail areas that were once solely the domain for women will now have a more gender-focused approach with amenities including TVs and services such as grooming ateliers.
- Integration instead of “outlier.”** Though hotel guests have come to view spas as a mainstay in their travels, the hospitality industry is still not entirely comfortable with the concept that spas are a critical element to a hotel or resort; nothing like they are with service areas such as food & beverage or valet parking. Spas are still the outliers, not quite yet considered by many sites as an integral part of the hotel.

- Becoming an essential.** Basic spa services will become more of a “must-have” than a “nice-to-have.” Massage will continue to grow as the dominating service with options such as deep tissue, hot stones, and reflexology as a focus as guests more than ever will begin to understand the true benefits and value of massage, much as they have grasped the importance of a healthy/fit lifestyle.

An increasingly integral part of hotel development *cont.*

Exposing the spa to leisure groups, business groups or to “special occasions” such as weddings can be a struggle for certain hotels and resorts. While we are seeing a slow but steady improvement in this area, hotels should make the spa a part of what the hotel is “selling” to guests and to local traffic. It is critical for the spa industry to understand and assist in making it easy for hotels and resorts to incorporate spa services as a part of their overall packages, or the spa will

always remain an outlier and will not maximize opportunities for revenue and net operating income.

- **Storefront presence.** This will be important whenever viable. Spas need to have a more desirable location within each property, not only for easy access by the hotel guest, but also for the local, non-hotel guest. Exposing the spa locally and developing a day spa clientele often is critical for a spa to



An increasingly integral part of hotel development *cont.*

survive financially today, particularly in an urban environment. For this to be successful, exposure and easy access must be a priority. There must also be separate and distinct marketing and promotion plans for internal (within the hotel) and external populations.

- **Qualified staff.** Sourcing, training and retention of qualified staff is the foundation of spa's future. As the number of spas grows over the next decade, the pool with regard to staff and human resources has become painfully inadequate – and far more competitive. Try as we have to incorporate new areas such as self-serve scrub bars and series of water plunges, or light and sound therapies, hotel guests have made it clear that the most important attribute contributing to a memorable spa experience is the human element. The single greatest challenge going forward which impacts both customer service standards and financial performance is the ability to source and mentor qualified staff. It is the most limiting factor in maximizing revenue and bottom line success that we see today. As an industry, spas will need to find ways to entice staff and to provide an avenue for them to continue their education and personal/professional growth.

- **Branding.** The spa industry is searching for an “identity” and the surfacing of several recognizable brands would likely have a positive impact on the growth of the industry through consumer recognition and media involvement. Virtually everyone has heard of Starbucks and knows it is synonymous with quality coffee. There are few, if any, “Starbucks” or recognizable brands within the spa industry. There will likely be familiar names associated with spas, and perhaps an eventual approach will be using the name-brand for spa credibility or spa recognition. Spa brand or spa product brand recognition within the industry is limited to the audience it addresses. Will it happen in the next ten years as we have seen with a name such as “Google”? Will some brands become known, albeit on a lesser level than the examples above? It will become important for spas to have some identifiable leaders going forward for the industry to

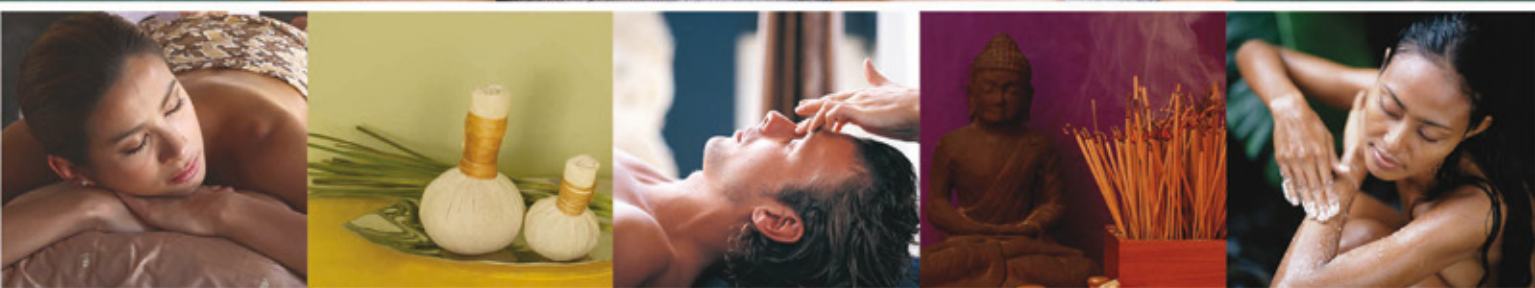
truly flourish and enjoy continued success in moving the spa industry to the next level.

THE NEXT TEN YEARS: GROWTH AND EVOLUTION AHEAD

There is no question that spas are here to stay. However, the face of the spa industry is changing. What was once simply a hotel perk or amenity has evolved into an increasingly viable, revenue generating profit center for hotels and resorts worldwide. As the integration and importance of “wellness” into everyday lifestyle continues for travelers and hotel guests, spas will continue to play an ever more important role in creating a memorable experience for guests and other hospitality and spa patrons. It is up to the hospitality industry to realize and take advantage of the growing revenue and profit potential that spas can offer. Hotels and resorts should give them the support

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they need to make necessary structural design or equipment changes as well as hire well-educated staff that will continue to push the industry forward with their skills. Smart hoteliers understand the need for supporting these industry changes. However, spa owners, designers, consultants and operators should consistently embrace the challenge to educate our hospitality partners as well as our own industry on how to make this transformation and continued growth potential a reality. The next ten years in the spa industry is ready to be a time of growth and evolution. ●



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