

Global spa trends: Are you on course?

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Story Highlights

Staffing remains a spa's greatest asset and expense. Many spas are merging the lines between spa, fitness, recreation and wellness.

As traditional healthcare undergoes restructuring, exciting innovation is coming from the spa, hospitality, medical, wellness and travel industries.

In this ever-competitive spa industry, it is more critical now than ever to differentiate your spa from that of your competitors.

You need to be a pioneer, leader and trend-setter. You need to know what is important to your current and target guests, and you must provide the facilities, programs, products and services to meet their current and future needs.

If you do not plan for the future, you will become stagnant and irrelevant. With a spa in every 4- and 5-star resort, plus a saturation of day spas in every urban and suburban area, you cannot afford to be another "me too" or "copy cat" spa.

I asked three prominent international spa consultants to share with us one trend that spa owners, operators, investors and developers should focus on as they think about where they've been, where they are and where they are going. Their insight could help your business survive and thrive.



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Sylvia Sepielli, ISHC SPAd

Past: Find, train and retain staff

With the rapid global expansion of spas, the goal was to find and train qualified staff. The concern was how would staff-intensive spas compete for new people? Wages sky-rocketed in this competitive environment.

Present: Down-sizing and reorganizing

All issues regarding staff are being examined, including job categories; number of staff needed; hiring status of staff; and salaries/wages. The number of management positions is being reduced. Some positions are being eliminated altogether. Some cuts occur with natural attrition, and those positions are not replaced. The org chart is being flattened, and line staff, leads and supervisors are assuming more responsibilities. Salaries/wages have stagnated, and, in some cases, slightly decreased. The biggest shift has been in new competition for the Spa Director position, resulting in a slowdown to their high salaries. Owners and operators who previously considered only having employees are examining creative ways of staffing, such as hiring contractors and outsourcing. With decreased business, service providers must often juggle more than one job. Management is showing flexibility, which previously was not as common.

Future: Outsourcing

The staff—the single biggest asset and greatest expense of a spa—will continue to be the most prevalent topic of attention. Use of outside spa operators will grow in an effort to drive business, manage expenses and generate profits. There will be increased demand for qualified spa personnel at all levels as guests demand quality and value.



Peter Anderson, ISHC Anderson & Associates

Past: Separate silos for spa, fitness and recreation

Historically spa, fitness and recreation have been separate operational silos in resort environments and isolated businesses outside of the



lodging/hospitality arena. Synergies among these areas, although obvious today, were limited and random.

Present: Integrating spa, fitness, recreation and wellness

Many resorts are recalibrating their value proposition by programmatically integrating fitness, spas, recreation and selling these services in pre-packaged modules. Wellness packaging can often be dissected to reveal spa rituals artificially enhanced with efficacy-lacking protocols. The take-home value, often illusive to the "core" spa-goer, results in limited market reach.

Future: Lifestyle centers

The recent economic downturn has refocused spending patterns on the value proposition. Coupled with the aging population wanting to invest in their longevity, this has created a perfect environment for comprehensive lifestyle spas with efficacy-based protocols integrating one's wellness and social needs. These lifestyle centers may have a fixed unique selling point (USP), catering to specific demographics or mutable programming allowing the USP of each facility to address specific market needs as they evolve. "Edutainment," the nexus of education and entertainment, will be a strong driver in this area and will include traditional spa protocols for aesthetics and relaxation, but will extend far into integrative and comprehensive medical areas of health and wellness including: preventive treatments, age-management, endocrinology (hormones), sleep medicine, dermatology, cardiology, metabolism, fitness, nutrition/diet, psychology, mental health, sociology and societal influences, spirituality, entertainment, and cultural and performing arts.



**Janice Gronvold, ISHC
Spectrec**

Past: Challenges of integrating spa, medicine and hospitality

The last decade presented many new business models integrating spa, medicine and hospitality. Some projects succeeded, and others encountered diverse challenges in concept, service delivery, organizational design and fee/compensation structure. The decade proved fruitful as an incubator, weeding out weak business concepts and stimulating a new cycle of innovation.

Present: Next generation of spa, wellness, medical and hospitality integration

As traditional healthcare undergoes a long overdue restructuring, some of the most exciting innovation is coming from the spa, hospitality, medical, wellness and travel industries. The growing convergence of industries brings together the best of diagnostic technologies, complementary and integrative medicine, alternative medicine, spa and traditional healing arts therapies, with service and programming concepts from the hospitality industry emerging in diverse locations such as boutique hospitals, wellness centers, hospital spas, destination health resorts, hotels with wellness programs, medical spas and spa lifestyle residential communities.

Future: Wellness tourism, longevity and optimum health centers

The convergence and integration of the hospitality, spa, wellness, medical and tourism industries is creating new business models and alliance partnerships, particularly in the prevention and healthy lifestyle arenas with specific categories, such as age management and medical and wellness tourism. Lifestyle management, nutrition, early diagnostics, genetic assessments and effective interventions will be growing specialties for a large segment of the aging populace with new approaches to "age management" services and longevity medicine.

Conclusion

The future is tomorrow. Plan where you are going and how you will get there. Listen to your staff, guests and financials that tell you when you get off course. You need to know your future and plan how to get there. If you get lost, you need to get back on track so your spa business will be the place where guests want to come, staff wants to work and owners want to invest. Remember, stay on-trend rather than be trendy and plan now for tomorrow while serving today's market.



Judith L. Singer, Ed.D., ISHC, President & Co-Owner, Health Fitness Dynamics, Inc. (HFD Spa): HFD Spa (www.hfdspa.com) is an internationally recognized and respected spa consulting company that specializes in turn-key and operational advisory services for spas within fine hotels, resorts, day spas and mixed-use developments. HFD is dedicated to helping spas be marketable and profitable business ventures. Since its inception in 1983, HFD has been the consulting firm to over \$750 million of completed spa projects. Dr. Singer may be contacted at 954-942-0049 or judy.singer@hfdspa.com.

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