

General Session: The Integrity of "Spa" Globally

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9:45AM – 10:15AM

Empire Room

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It is very important to define spa and what a spa is; we have massive numbers of consumers misunderstanding this term. We must put parameters in, so that consumers know. Consumer expectations are rather global now, and treatments, programs, and products are becoming more similar but each culture has a different understanding of what spa is i.e. Is it a real spa, or just a nail spa? Hair spa? Day spa with a few treatment rooms? A medi-spa which should be called a clinic? None of the above should really be called spa.

One other thing is that hoteliers don't understand the profitability of spas, and how spas make money. And this also varies globally. Who is doing the teaching for the industry? Are there any mentors? The teaching of therapies is there at a basic level, but who is responsible for quantifying the standards and requirements? Different countries treat these therapists' qualifications in a very different way, if qualification standards even exist. China, Hong Kong, Bangkok, and Japan use very different training modules, and many times the work/study load is hard and many therapists struggle with the meaning of treatments. In countries where there is no basic education, they struggle with language and science. The US also has huge variants in qualifications, half of the States having none.

As an example, many Thai therapists have no education, and things you think they know or can communicate about physiology are missing. In India, there are enormous pools of therapists with high education, good command of English, and a strong appreciation of culture of Ayurveda. Russian therapists have differences in culture, they have very good anatomy and physiology but they don't smile easily, and customer service training becomes very important.

On a higher level, there is nobody training Managers and they are being thrown in the deep end with high expectations from bosses. Because there is no benchmarking there are few people teaching financial management and again hotel financial controllers rarely understand the financial modeling for spas, so they cannot teach. General Managers are often frightened of spas and avoid them.

One other point is that we need to define these different types of spas:

Medi-spas are different in the US for example, where it encompasses more clinical procedures, but why is it a spa? In Europe there are thermal spas, and cultures see these in a different way than in US.

We know we have a market out there but delivering experiences is going to be the challenge going forward. In the US marketing is often good in terms of wording, but the words and the treatment menus often do not deliver what is written causing discontent and confusion with consumers. The US is actually behind in spa – both in sophistication of the market and also in therapist qualification, as I said before at least 50% of states have no licensing requirement.

Owners are different now and there are many mixed-used developments for example, where they are not looking at the long-term financial equation. Owners expect Spas to make money immediately, without necessarily looking at the overall financial gain it brings to the hotel and real estate sales, and therefore value engineering starts and the quality of the build and design gets compromised for short term gain and the spa revenues never achieve what they should.

Day spa is the fastest growing market in the US. Or is that perhaps a misunderstanding of what spas are? Now we have nail spas, sushi spas, and many others, and there is a lot of confusion with the real term spa.

There is a need to teach financial controllers at hotels how to make a P&L for the spa. Who teaches Spa Directors? If they come from an MBA background, they often understand the financial and business side, but not the operational side. It is important that all Managers have operational experience and, if possible at minimum have had a massage course, so that they can relate to the problems their teams are facing. Equally if you have a therapy side and no business skills these must be taught in a formal way and often because of lack of understanding by senior Management there is nobody to teach these skills.

As an industry, we need to solve the spa director problem and teach hoteliers that the industry is growing and that there are no signs of slowing down.

Currently the emerging markets for spas are: Russia, China, but South America is also becoming very interested. More and more, consumers are looking for new spa concepts.

Benchmarking transparency is essential. We have to have data to argue with very successful owners. At the end of the day, we have an enormous responsibility to find a way to bring it into the equation. We need to separate people with integrity from the more superficial individuals who are coming into the industry for a quick buck, the spa industry is about people and if it loses its soul it will not succeed.

There need to be also integrity in spa design; it is incredible how many multi-million dollar projects still make so many mistakes. This integrity has to be more global as well. Patterns will come, but what other industries are doing is many times more efficient. For this, we need to ask the right people and the right questions. Everybody is a spa designer now, and more detail is needed so people have to know their stuff. You must make sure these consultants have credibility because we are doing damage to the industry by doing it wrong. There should be some qualifying/recognizing body for spa consultants.

You need to assess what is adding to profitability, and what is not from a design perspective, and also separating out the different consumers so that they do not clash.

Finally, we should define what true spas are because we have this massive consumer sector, which is at the top-end of the market; and is ahead of the industry and has very high expectations and we need to make sure we meet these expectations or in the longer term we will lose them as customers. Over deliver on expectations, keep it simple and retain integrity.

QUESTIONS

What is your knowledge of South American spas?

South American spas have been quite in the media, Mexico being one of the biggest growing markets. Brazil, Panama, Galapagos are also growing markets that are developing interesting products. Five star hotels are also growing in these locations, and many times spas are part of it.

Can you specify your opinion on subsets of spas, and what these should be?

Where does the word spa come from? Some people say it is Sanus per Aquum and others that it came from the town of spa in Belgium. My view is that we no longer need water as there are many fantastic holistic spas, but where we do have water, whether, thermal, or marine it should be used properly. You cannot have Thalassotherapy in the desert! It's more than just that issue: do you want a nail salon to be called a spa? Should a medi-spa be called a clinic? Limiting to ten categories, for example, might make it clearer.

Can you give us examples of mistakes in spa design?

The top three are:

1. Acoustics - where many times you can hear what people are talking about in the next room, and separating active and passive, paying and non-paying and keeping the spa treatment areas separate and silent.
2. Mechanical and electrical - that is often forty percent of the budget and you should get it right, you don't want it to be too hot or too cold and client comfort is paramount.
3. Air changes - are also important since the quality of the air is so important to therapists health and wellbeing.