

# Global Spa Summit

JOINING TOGETHER. SHAPING THE FUTURE.

## Concurrent Breakout Session: Panel and Discussion

Monday, May 19th, 2008

3:45pm – 5:00pm

Session 2

Herbert Hoover Suite, 4th Floor

## Designing, Creating and Maintaining a “Soulful” Spa

### Panel Leader:

*Robert Henry, Principal, Robert D. Henry Architects, New York*

### Panelists:

*Roberto Arjona, General Manager, Rancho La Puerta, Mexico*

*Kirk Pederson, VP of Hospitality Asset Management, Morgan Stanley, California*

*Ellen Sackoff, Principal, Cornelia, New York*

*Judith Wendell, Founder, Sacred Currents, New York*

### Contributors:

*Clodagh, Founder, Clodagh Design, New York*

*Tanya Wheway, Co-Chairman, Wheway Lifestyle International, UK*

### Scribes:

*Alexis Palmer-Strong (Cornell) and Kristen Rainey (Cornell)*

### Robert Henry (Panel Leader):

There are many spas in various contexts, and all have tried to balance growth parameters such as the bottom line, staff, global growth, etc. Has the industry lost some of its soul in the process? How should we look at the mind-body-spirit and soul?



### Roberto Arjona:

Rancho La Puerta is a 68 year old spa, founded by Deborah Szekely, with:

- 7000 guests per year
- 120 different buildings
- 11 gyms
- Individual casitas (accommodations)
- 4 pools
- 440 employees

How do we make this work and keep the soul after 68 years of growth?

Deborah's husband used to preach "always better" or "siempre mejor." Today we believe we know who we are. People expect from us the real thing and we do not want to disappoint them. We have respect for people, delivery of services, philosophy, and physical soul.

There is a seven-day program at Rancho la Puerta and it's always been seven days. It takes that long to be able to make a change in your life. You connect with the other guests. Work out, hike, and eat together. It's the perfect formula. It's the people, grounds, etc, it's everything together that gives our spa soul.

Rancho la Puerta just opened a cooking school at the 6 acre organic garden. It is a slow food concept and family style. There is no reserving of tables. Everyone eats together and meals are prepared by all using ingredients from organic gardens.

At Rancho La Puerta the people: "the people are the main ingredient", both guests and employees. Employee tenure is 15 years on average. Turnover is 2%. **"The people give it the soul."**

### Clodagh:

"It is only with the heart that one can see rightly, what is essential is invisible to the eye." - The Little Prince

Start by considering the experience people will have, not with a drawing. How will they be transformed and leave the outside world behind? How can we create that community, an exchange of energy and spirit? The community experience is facilitated by Rancho la Puerta. Transformational "lying on of hands" is a form of that spiritual/energy exchange. The body is a computer. It either shuts down from the input or it soars. Make it soar.

### Tanya Wheway:

In 1972 we created a new concept for Champneys, which included the previously missing component of "the mind". We went to Europe and to the United States and created a new model. This concept used behavioral psychologists as "lifestyle consultants."

We then realized the old model was also missing “the spirit”, and incorporated spiritual components. I prefer the term spirit to the term soul; it’s about energy, colors, textures, and styles. Use the outdoors as much as possible, such as flowers for the fragrances of nature and time and space for reflection. Give people time to tap into the spirit or energy within. For instance, the idea of a labyrinth (at the Golden Door) used as a walking meditation method is good. There are so many ways to bring soul or spirit into the spa.

You can have the most beautiful spa in the world; but, if you don’t have the right people then how can you really have a spa with a soul? [You must] see each person that comes through the door as an individual.



**Kirk Pederson:**

Have had 15 years in the hospitality industry working with Morgan Stanley, and the goal is to produce returns for investors. We want to know, how much will it cost to build a soulful spa? Financially, it’s a challenge. Those hotel spas that are most successful are those that draw in guests from outside the hotel.

**Robert Henry (Panel Leader):**

A bankrupt soul is not good for the industry. Is there conflict between profit and maintaining this sense of soulfulness?

**Kirk Pederson:**

Our highest margin spa lacks soul completely. But its gross revenue is not as high as other properties. “In order to be competitive, you can’t just be treatment rooms.” A spa needs differentiation.

**Robert Henry (Panel Leader):**

Is there market over-saturation?

**Kirk Pederson:**

Perhaps not yet. This business is in its infancy. Yet your competition might add a couple of treatment rooms just to claim they have a spa. This creates problems because it is confusing to the consumer.

**Robert Henry (Panel Leader):**

Are there guidelines in terms of renovation costs? Is there a balance between investment and client expectation?

**Kirk Pederson:**

In new locations, it costs more than \$1000 a foot to develop a spa. Without local community usage to support it, it's impossible. Spas need to integrate fitness rooms, spa clubs, and memberships to make it work. The group market today (and incentive market) assumes you have a comprehensive spa. It must have destination spa standards, not just "spa" standards.

**Tanya Wheway:**

We are never closer to a guest than in a spa, so this is a great brand experience and should be valued as such. Brand loyalty is key. When we value a spa, we can't just look at dollars. It's the employees who bring people back (word of mouth). Many spas bring in a lot of PR and accolades for the property, yet hotels don't usually consider that. If we are going to value the spa though, that has to go on the books somehow.

**Kirk Pederson:**

I have seven large spas in my portfolio. Every day these spas touch over 11,000 people. This is the most penetrating, most effective marketing.

**Robert Henry (Panel Leader):**

Is the guest willing to pay for soulful experiences?

**Clodagh:**

You can transform the experience. God is in the 'wows'.

**Kirk Pederson:**

Yes, they are willing to pay for it. Unique experiences have value.

**Robert Henry:**

It's about balance.



### Ellen Sackoff:

Cornelia has been open 3 years, with two years of development and preparation behind it. Brainstorming sessions are burned in my memory. I've considered the "brand as a living organism," but not "soul" per se. I tend to think about it like raising a child: Develop it with tender loving care.

We took the day spa concept and elevated the paradigm. Treatments are the best part about a day spa, so we raised the results of treatments. In doing so, Cornelia became a "day resort." It feels like a place where urban dwellers could get away from the city completely.

"God is in the details." For great results: Details are critical. Authenticity. Consistency. Invest in staff. Keep them. Appreciate them. Train them. Warmth, family and nurturance are core values. With globalization, you lose individuality. As things get more alike, we wanted to offer more of the human element that is often lost.

We combine treatments with luxurious hospitality - professional but warm, intuitive and gracious personalities. We had to hire from the hotel industry for the front of house and housekeeping staff. We couldn't find the skill in the spa industry.

Soul is equal to self-awareness. You don't have to yell it. It's not about overly pampering guests. Subtlety goes a long way. Cornelia will expand; it is a young company.

Finding the right partner is key. Be a visionary. Know who you want to be when you grow up. The challenge is to keep integrity. Move one step at a time and be relentless.

### Robert Henry (Panel Leader):

How do you prove worth in order to grow?

### Kirk Pederson:

The proof is in the profits. If you can show that it's been successful before and has a solid business plan, you are in good shape.

### Ellen Sackoff:

If you really believe in what you are doing, that's where the soul is. The spa industry is a community. If you are well-meaning, you can find better ways to run your business and people will be receptive. Go beyond guest expectations. We found ways to deliver the same experience in ways that were more affordable. I can give my guests an experience they're not expecting.

### Audience Question: Jeff Riach (Oakworks):

The human element is so important and so the people are therefore important. Do employees feel like they are taken care of? Training, compensation, work environment. It's a way to differentiate. How you treat people and what they feel is the soul.

**Ellen Sackoff:**

You have to maintain the integrity of the experience. It can't be scripted. Nurture customers in a meaningful way. We have great staff loyalty.

**Audience Question:**

Can you explain your notion of partnering with other spas?

**Ellen Sackoff:**

We are doing a spa-in-residence program with Blue Lagoon spa from Iceland. They're going to live with us for 6 months. We sent our GM and therapists to Blue Lagoon to learn their treatments and we'll be offering these treatments. I'd like to do this every year with various spas and offer the fusion to my clients, like a guest artist in residence. We're also offering a speaker series. The mind/body connection takes more than one visit, but this is a start and it creates community.

**Robert Henry (Panel Leader):**

[on Judith Wendell] "She has gone where no contractor has gone before." – New York Times. Can you explain this?

**Judith Wendell:**

(Trained in Feng Shui) I look for the essence of place, its soul. I honor the spirit/soul that already exists by embracing it or consecrating it to make the space beautiful. In Western culture, we don't have any rituals for this.

**Robert Henry (Panel Leader):**

When you visit a site, there's a sense of energy there. Do you practice any "chi adjustment"?

**Judith Wendell:**

You can douse for energy. Dousing techniques are used for energy identification. Once identified, you can mitigate or enhance. How will you site a building or spa or room? What does the client want to get out of this space? I look for energetic solutions within the client's tastes. What causes employees to feel happy in a space? Soul or essence is equated with the heart, so what about the atmosphere creates that heart?

There are five elements of feng shui and each element has energy, shape, color, movement. How are those elements translated to staff? How can you use them to communicate your business intention? How can we use them to shape our clients?

Remember the quote, "We shape our buildings, after which they shape us." – Winston Churchill

**Audience Question for Judith:**

Feng shui is based in nature's principles, but there are many different schools, correct?

Judith Wendell:

Yes, but if you understand it at its core, all of them have the same principles, just different perspectives.

Audience Question for Roberto:

How do you make a decision about where you want to go? How do you get there? And how do you let go of the things you want to change?

Roberto Arjona:

We like to think of it as an evolution, not a change. "Siempre mejor." Or "Always Better."

We try to stay true to who we are and what we do which is the greatest benefit for all guests. We may let some things rest for a little while and then come back to them.

Audience Question for Ellen:

How do you balance financial sustainability and maintaining soul?

Ellen Sackoff:

We're in the Ferragamo building in New York City. When we started, we had a doorman. We wanted control over how we greeted our guests. This cost \$70k per year because we're open 7 days a week. So we dropped it. It was too expensive.

For the first 3 years, we had an apprenticeship program. We wanted to train estheticians in-house. We became known as the only spa with four hands on your face at all times. It was luxurious, but expensive and some were just not cutting it. We had to promote some and let the others go. We had to let go of this four-handed experience. This hasn't hurt us at all. You have to take risks and be willing to fail.

Audience Question for Clodagh:

What have you always wanted to implement in your designs but been unable to?

Clodagh:

I love scale. How about the longest lap pool in the world? More outdoor treatment rooms, like floating spa rooms on a lake.

Audience Question - Peter Rietveld  
(Managing Director, Barr + Wray)

I come from the engineering part of the spa. How deeply do you get involved so you know if the outcome is what you would expect and how do you control process during the construction phase?

Roberto Arjona:

We were involved from the beginning. We ask the staff what they need and ask the professionals about requirements. Take this information to designers. This is a common

practice. We manage construction and energy is very important. We don't want, for example, an exercise pool in the same space as yoga.

**Clodagh:**

We are also involved all the way through and we want to work with a sustainable soul.

**Judith Wendell:**

I would use natural materials that are best for the body and for the earth, that is essential to being "soulful."

**Ellen Sackoff:**

Understand the culture you're in before picking your treatments.

**Clodagh:**

Spread philanthropy through spas as a way to promote "soul." Like the Westin clean water project.

**Roberto Arjona:**

Get involved in your community. Do what you can, within your power. Rancho la Puerta is involved in Tecate (Mexico).

**Tanya Wheway:**

Idea: Give local hospice workers a day in your spa.

**Ellen Sackoff:**

Give soldiers a day in your spa. Don't break your back, but pick things you can do, that you can afford and that you are passionate about.





The Global Spa Summit is an international organization that brings together leaders and visionaries to positively impact and shape the future of the global spa and wellness industry.