



Shout Out Panel: Let me tell you what has been bothering me lately...

General Session

Monday, May 18th 2:30pm – 3:30pm

La Salle Cote Jardin, Victoria-Jungfrau Grand Hotel & Spa, Interlaken, Switzerland

Moderator: Pete Ellis, Chairman & CEO, SpaFinder, Inc., United States

Kicking Things Off:

Laurence Boulet, Director of Spa Development, ACCOR, France

Jocelyna Dubuc, General Manager, Spa Eastman, Canada

Susan Harmsworth, Founder & CEO, ESPA International, United Kingdom

Sylvia Sepielli, Founder, Sylvia Planning And Design, United States

Scribe: Michelle Punj (Cornell)

Pete Ellis (Moderator)

In this session we want to give you a chance to bring up things that are bothering you for the purpose of getting things on the table. The idea is that this is a forum which will bring up issues that can then be addressed here at the Summit or beyond. It also gives us good input for future topics and sessions.

So think about some things that have upset you about the industry in the past. For example one thing that has been bothering me lately is an experience I had November when I was in Japan at a Mandara Spa. I signed up for a massage and was given a large size robe that fits a size 4 woman, and I was also given sandals which were way too small. I called Jeff Matthews – and said get me a robe that fits.

We have a a panel of four people who will start our shout out session letting us know what has been bothering them lately and then I welcome any of the rest of you to voice your concerns: Susan Harmsworth, Sylvia Sepielli, Jocelyna Dubuc, Laurence Boulet. . Our first “shout out” is from s Susan Harmsworth.

Susan Harmsworth

What bothers me is that the future of the industry is being compromised by unqualified consultants. We need to have a system where there is a registration for approved status. I am being approached constantly by clients to sort out construction problems, business messes, and 9 times out of 10 consultants were involved. The word consultant is being abused and should not be. Hoteliers have abused the word and now as a result they hate hotel consultants. I want to

avoid this same thing happening in our spa industry. We need to know that we all have responsibility as these are projects worth millions of dollars.

We need responsible P&L's. In this global economic crisis, of the 50 projects I have on construction almost all are affected negatively. The P&L's over the last couple of years have been irresponsible in terms of their appropriateness. We need a register of consultants for the industry and we need a focus group of people to approve consultants globally before we can accept them into the industry. Those who are doing concept, design, briefs, project management, etc. need to be approved.



Sylvia Sepielli

What bothers me is that I am really tired after years of defending our industry. This recession has made it obvious that we are not doing a good enough job presenting our goods and services and representing what we do. If we did, we wouldn't be in so much trouble. I think the biggest problem

is perception. If consumers don't know what we do then all operational issues don't matter because we won't broaden the market. We need to embrace the 2 and 3 star markets, not just reward the cream of the crop. We need to throw the net wider.

Jocelyna Dubuc

I was surprised to see in our earlier audience voting that 28% of us thought the number one problem for our industry was definition and standards. I have been in the industry 32 years. Coming from the Americas (Canada) I have a feeling of rediscovering a way of wellness. To see that America – through Rancho La Puerta - has reinvented spa, as a result we (Spa Eastman) call ourselves a destination spa. What it means for us is a place completely oriented to wellness, serving nutritious food exclusively, offering fitness, and lifestyle. It is a philosophy, a way of life.

Now we see that big hotels are calling themselves a destination spa? For a consumer to experience a real destination spa, and then go to a resort hotel with a spa advertised as a destination spa – there is shock and confusion to the consumer. We need to hear more about modalities. We need to clarify more about ourselves – who are we really? We are confusing the consumer and we are shooting ourselves in the foot.



Laurence Boulet

My first shout out is about the term SPA – definition in French. What bothers me is that we all have our own meaning of spa. Before speaking about the future and amazing opportunities, we need to get back to the basics and define what it means to be a spa.



The 2nd shout out is against the hotel GM. I have been involved with many projects in Accor and Sofitel - working on 50 projects around the world. I think many GM's don't realize that the major investment for the spa doesn't end at opening, rather that is when a great deal of investment is needed especially for human resources. There needs to be more investment and attention on sustaining the loyalty and quality of human resources.

Audience Shout Outs:

Mia Kyricos, Director Global Spa Brands and Programming, Starwood, United States

How many people are here? My shout-out has to do with reminding all of us that we should all be on the same team. When we walk out the door we may be on opposing teams. We should be talking to each other and collaborating. We need to join arms and move the needle for all of us. Collaboration should extend well beyond the Summit.

Andrew Lane, CEO, Spa and Salon International, United Kingdom

What bothers me is overly complicated communication in the industry. Having not been a spa professional in the past, I was initially concerned that I didn't know what a facial was. Even members of my family didn't know what a facial was. People in the room overcomplicate communication to people on the outside. This is reflected in consumer's reactions. Many people are not regular spa-goers and I think it is because of the complication of treatments. We need to simplify the verbiage and communication to 70% of people in the industry.

Neil Orvay, Managing Director, Asia Spa and Wellness Limited, Hong Kong

What bothers me is the attitude of investors in this industry. They look at this as a fluffy industry which they don't take seriously. Everyone has a benefit to reap from standardizing this. It is very fragmented. We need private equity investors into this forum.

Samantha Foster, Chairman, Asia-Pacific Spa and Wellness Coalition, China

What bothers me has to do with spa associations. Everyone wants associations to share best practices and set definitions. However, there are so few that support associations with their time or money. Please support them so they can help solve some of these problems.

Mary Tabacchi, Professor, Cornell School of Hotel Administration, United States

Two issues are bothering me:

1. Reinvention. It seems to me that the spa industry started with wellness. I don't know why we have to reinvent it. We don't, we need to *market* it. I've been in this business since 1980 and it started with wellness so I don't know why we are reinventing it. This whole thing about reinventing spa and water? Europeans and Asians invented it. When you reinvent – start to look back and see what has already been done in the past. Every time we get a new bunch of experts look back and see what's been done.
2. Research methods. Pay attention to details. You need to understand the research methods and make sure you know who was surveyed and how many people were surveyed. We hear about surveys but they don't match because we aren't digging in to see who was surveyed and how many.

Frank Pitsikalis, President, ResortSuite, Canada

What bothers me is the media. How they impact the perception of the industry is important.

On the one hand they have a chance to really educate the consumers that aren't aware of the



industry – and yet in the example of the AIG effect, they have really demeaned that. I applaud those involved with this Summit that we did go forward with it and not cancel because of the negative business environment. There is a lot of business travel that is being canceled because of the media. In some cases meeting planners are telling resorts to take the word spa off their resort so it is less negatively perceived. We need to change the conversation with the media. Lets change the conversation. Lets tell them about wellness.

Sylvia Sepielli

Something else bothering me has to do with benchmarking. Yesterday we talked to Hydrotherapy vendors about collaborating. I wonder if it is possible for software companies (like Spasoft and such) to help collect the data that is needed for benchmarking and then consolidate the information and provide it as a report. Many companies don't want to take the time to do this but software companies could easily add this to their programs.

Frank Pitsikalis

We [ResortSuite] are working to replicate that model for the spa industry. We are trying to build a standard to draw information out of these systems to generate reports across brands and categories. We are looking at key performance metrics we want to pull out.

Davide Bollati, Chairman, Davines [comfort zone], Italy

What is bothering me is that I don't think that this industry has the right attitude toward retail. We have high labor costs and low profit. And there is great opportunity in retail and merchandising. There is a lot more we can do. Product companies should help spas understand how to benefit from retailing beauty products.

Dr. Marc Cohen, Professor, RMIT University, Australia

What bothers me is the inability to get research funding. I've tried to get funds to look at jetlag treatments or detox for example and it is a hurdle to get over. Medical colleges think it is all fuss.

Naim Maadad, Managing Director, MSPA International, Thailand

What bothers me is lack of communication regarding the educational process in our industry: 1) for our own people, therapists, etc. 2) for the end-user to know what we do best, 3) for the media – we need to educate college's PR a on what we do best.



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.