



Target Audiences and Group Packages November 2012

Monthly Snapshot Surveys provide ISPA members with a valuable look into the state of the spa industry, spa industry trends and also help to identify the needs of spa professionals. Snapshot Surveys are conducted on the third Friday of each month, with full results provided only to respondents two weeks from the release date of the survey. Knowledge is a valuable tool and these quick surveys provide a wealth of information shared by ISPA's members. The November 2012 Snapshot Survey requested information on target audiences and group packages.

More than half of spa respondents are targeting couples (78 percent), men (66 percent) and wedding parties (65 percent) with special treatments/packages. Ninety percent of resort/hotel spas are targeting couples with treatments/packages compared to only 47 percent of day spas. There is also a large difference between day spas and resort/hotel spas in the number offering packages/treatments for men (49 percent and 73 percent respectively). In regards to the audiences spas are targeting with marketing promotions, 48 percent of all spas said they are targeting couples followed by wedding parties at 43 percent. Only 35 percent of day spas are targeting couples with marketing promotions versus 53 percent of resort/hotel spas. In addition, a smaller group of day spas (28 percent) are targeting wedding parties compared to resort/hotel spas (51 percent).

Seventy-nine percent of spa respondents offer special group rates and/or packages. When asked who is responsible for managing group sales, the largest group of spas (32 percent) said a spa group sales employee. Fifty-five percent of ISPA spa members said they do not have a designated area for group experiences. In terms of year-to-date gross revenue, 41 percent of spa respondents said group sales account for 6 - 15 percent followed closely by those who said group sales account for 1 - 5 percent of year-to-date gross revenue (37 percent of respondents). More than half (53 percent) of day spas said their gross revenue fell in the 1 - 5 percent range compared to only 30 percent of resort/hotel spas. Compared to the same time in 2011, overall year-to-date group sales revenue increased for 49 percent of spas. When asked what marketing tools they use to promote group sales, 67 percent of spa respondents use email, followed by 60 percent who use information on the spa's website and 55 percent who use social media.

ISPA resource partner members also offered insight into their targeted audiences and how they work with spa clients to increase their group sales. When asked to identify the audiences their company targets with a product specially developed for that audience, the results were fairly evenly spread. Thirty-three percent of resource partners have a product specially developed for athletes while 27 percent offer a product developed for children (under 13 years of age). Fifty-four percent of resource partners said they do partner with spa clients to create special offerings or packages for group sales within their spas.

The results analysis includes answers from all respondents who took the Snapshot Survey in an 11-day period from Friday, November 16, 2012 to Monday, November 26, 2012. During this time, 318 ISPA members responded to the survey. The categories "all spas" and "ISPA Spa Members" referred to within this report include data from all spa respondents (day, resort/hotel, medical and destination spas). Only one set of the various financial performance question responses per company are included in the results. If more than one individual per company submitted information, the primary member's data was used. The data gathered from previous quarterly ISPA Snapshot Surveys is also included within the following charts to allow for easy comparison.

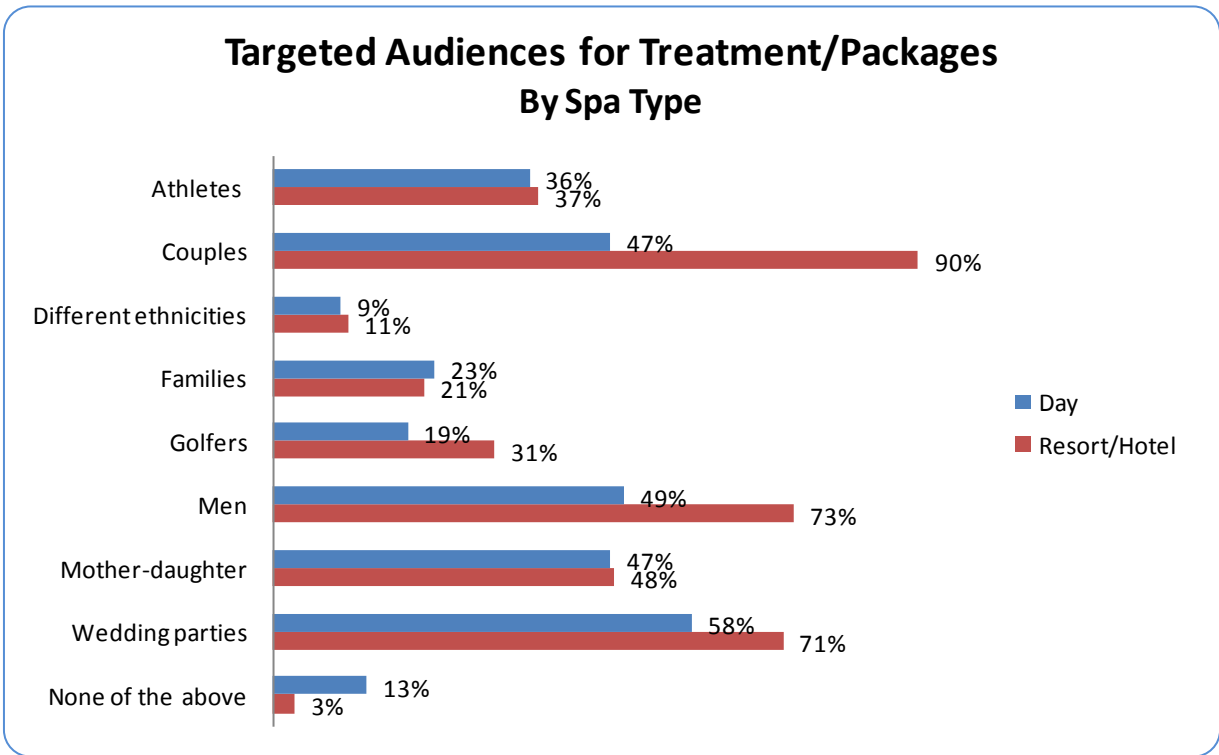
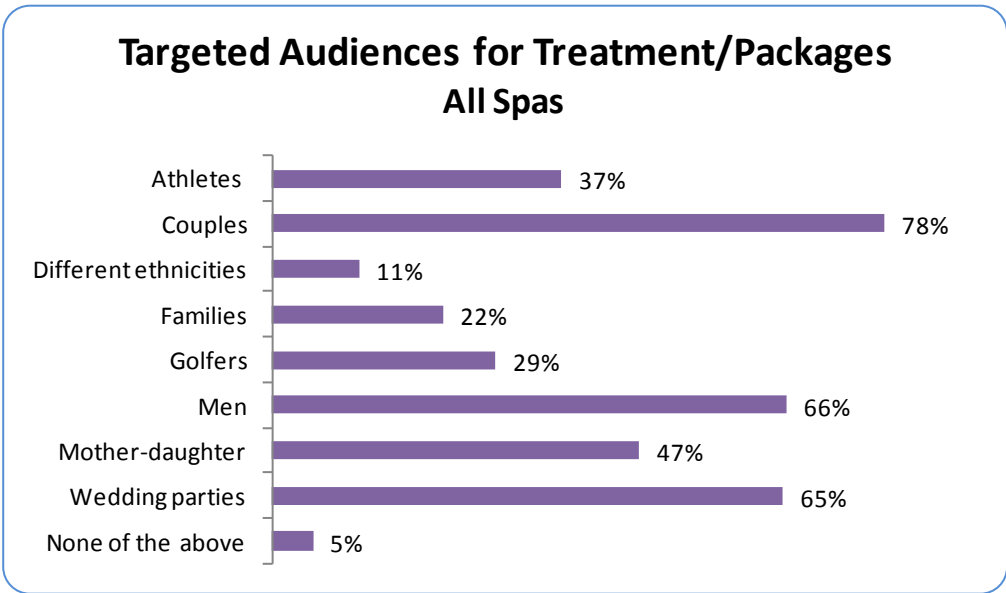
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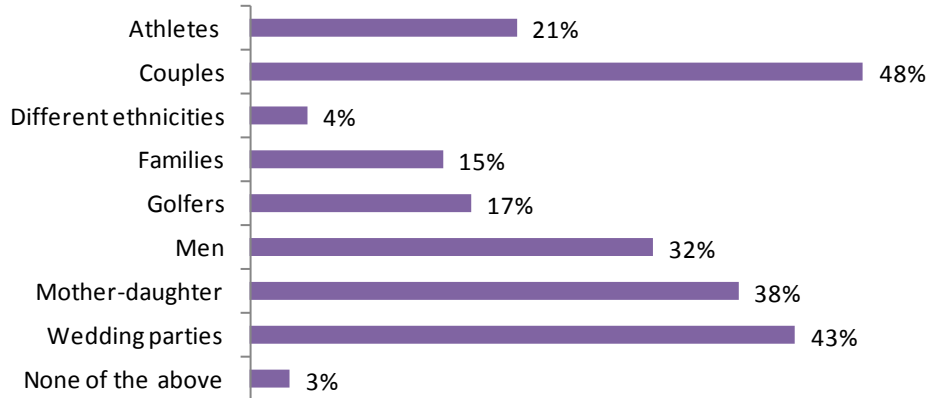
ISPA Spa Members

Respondents were asked to identify which of the following audiences, if any, their spa offers special treatments/packages on its menu (i.e. couples massages, teen acne facial, etc.) and/or special targeted marketing promotions (i.e. Father’s Day email promotion, ad in local golf tournament program, etc.).

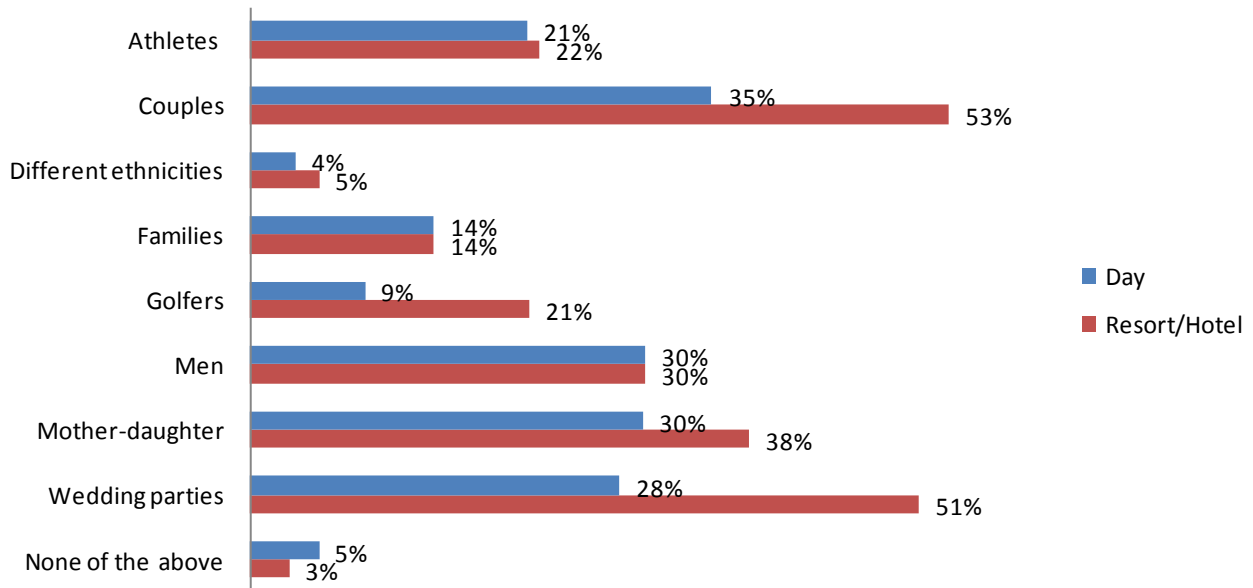




Targeted Audiences for Marketing Promotions All Spas



Targeted Audiences for Marketing Promotions By Spa Type





Respondents identified NEW audience(s) that their spa targeted through marketing in 2012. Below is a sample of the responses.

- Third party channels (travel agencies, etc.)
- A more clinical based audience (clients with injuries and medical conditions)
- Administrative professionals
- Athletes
- Babymoon packages
- Casino customers
- Children
- Chinese visitors
- Construction workers
- Corporate accounts
- Embassy members
- Couples
- Families age 6+
- Focused on healthy lifestyle conscious markets
- Girlfriends
- Golfers
- Groups
- Guests of our partner hair salon
- Guests interested in holistic and wellness
- Gym users
- Japanese visitors
- Korean visitors
- Little girls spa parties
- Local businesses and markets
- Massage students and yoga teachers
- Men
- Military
- Music industry
- Nail trends
- Non-profit charities
- Pregnant women
- Pre-teens
- Runners and marathon participants
- Students
- Teens
- Timeshare owners
- Township/zip code promotions
- Wine clubs and professional associations
- Weddings
- Women

Respondents were asked to describe the promotion geared toward a specific audience that was the most effective for their spa in 2012. Below is a sample of the responses.

- A promotion for locals to book a treatment and gain free access to our private beach.
- Anti-aging treatments for ladies.
- Athletes: we promoted an arnica treatment that has become very popular. We did not discount it - just talked about it!
- Bloomspot to announce our Satori and Sushi package.
- Book a 90-minute massage during certain hours (downtime) and we'll include a complimentary natural body scrub.
- Book appointments at both the spa and salon - receive 20 percent off total price.
- Check Stuffer offering a complimentary appetizer in our restaurant with the purchase of a \$100 or more spa gift card.
- Collateral in Mandarin and Korean.
- Couples - Coconut exfoliation, wrap, bath and massage. Offer includes coconut water to drink and coconut treats to eat.
- Couples experience - Hot tub with apple & cinnamon salts, body exfoliation (apple & cinnamon scrub) and couples relaxing massage (apple & cinnamon oil) for \$250.

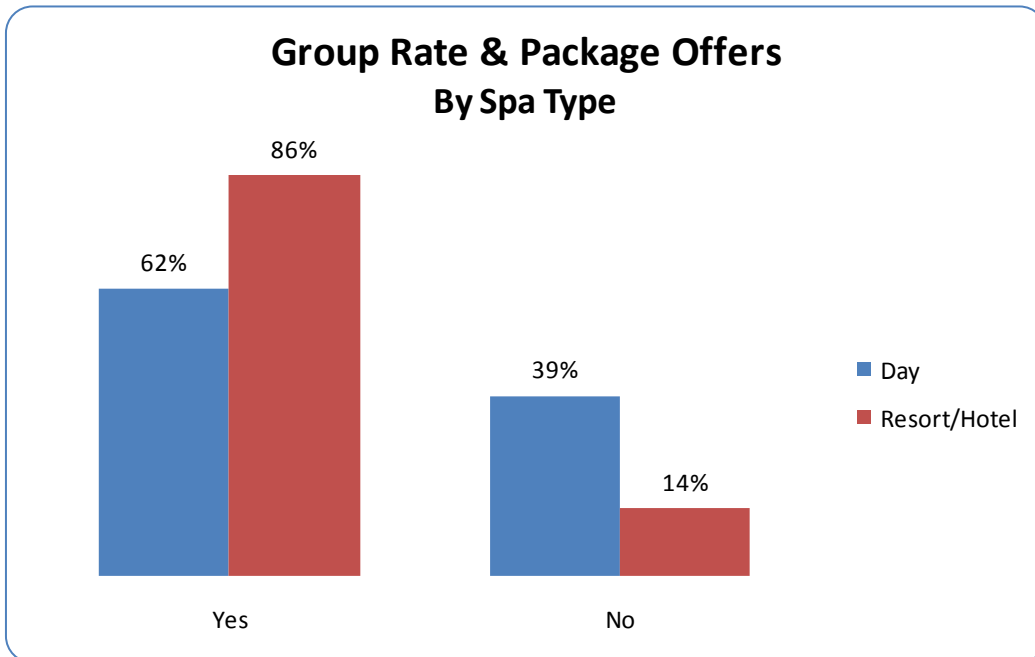
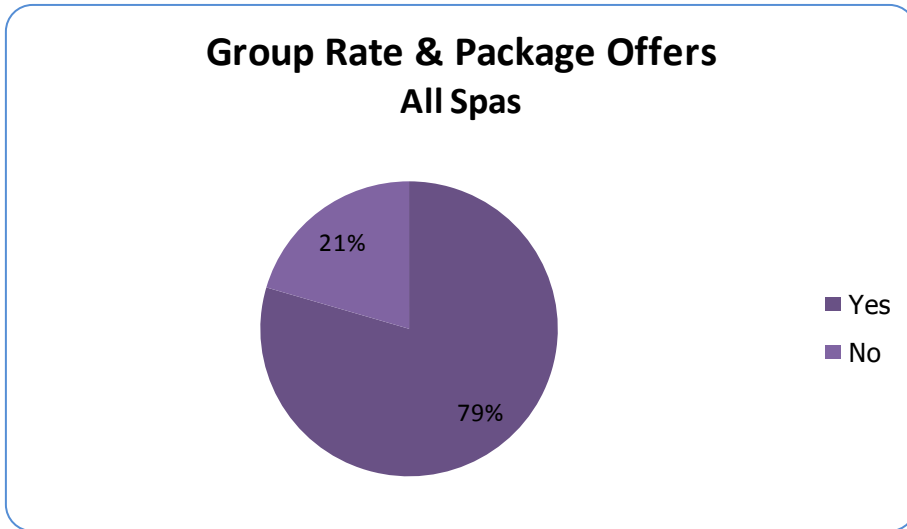


- Couples treatments such as massage and facials. Also offered: two to five hour day packages, Couples can stay overnight in a suite and romance packages are offered as well.
- Couples – Valentine’s Day packages.
- Created new wedding package in 2012 (pre-wedding and wedding packages increase bookings).
- Ayurveda therapies: schedule 90 minutes of relaxation (€100 - includes free 20-minute back massage plus a customized facial).
- Discounted deep tissue massages and sports pedicures.
- Discounts during slow season to local clientele.
- Families with special prices for children.
- Family massage experience.
- Full promotions on body treatments, massages and facials.
- Gift certificates for resort guests.
- Girls get-a-way.
- Groupon for hair salon.
- Groups of five or more - spa days and team building days.
- Massage and chiropractic care packages for golfers. Massage at 50 percent off when paired with chiropractic adjustment.
- Men's sport massage, facials and nail grooming.
- Menu engineering with day packages that included not only services but healthy lunch and fitness classes.
- Moroccan Indulgence promotion.
- Mother-daughter discount.
- Mothers day package offer a spa to your mother or wife. Spa voucher.
- NM Resident Appreciation - \$99 plus room rate and 15 percent off spa.
- Offering Loyalty Points through our software.
- Our promotions were based on loyalty cards for existing guest and discounts on services for the new audience.
- Partnering with a large Asia Pacific travel agency - hotel package that included a spa discount.
- Primarily awareness with a 10 percent coupon.
- Public Relations.
- Putting couples' services on the menu as a la carte, rather than package only.
- Romantic get-a-way packages.
- September was advertised as "Couples Month" with specials all over the resort - spa discount, scuba discounts, food and beverage discounts, as well as special room rates.
- Side by side package (for couples) - two and a half hour package includes: full body scrub, bath therapy, 60 minute massage and 30 minute facial. The package includes fresh juices or champagne with amenities.
- Social media promotions.
- Spa Diva parties - flyers made especially for these events.
- Spa finders - bachelorette and girls get-a-ways.
- Spa Package Wellness Experience - customer can choose three spa treatments from a menu showcasing seven services: massage, facial, body scrub, scalp treatment, manicure, pedicure and reflexology with a 30 percent discount.
- Spa packages combined with gym memberships.
- Spa Time Promotion - book five treatments and receive 25 percent off or book 10 treatments and receive 35 percent off.



- Spa with a cause utilizes our facility for fundraising efforts.
- Special prescription card and discount on therapeutic based massage.
- Taste of spa – Offers two or three treatments for \$100 or \$150 respectively.
- The promotion is a package for men that includes: deep tissue, heat pack and a micro-beer selection from our food and beverage department.
- Using certified reflexology to balance the endocrine system and restore health.
- Value pricing spa packages - six services for \$300.
- We created a concierge program that targeted hotels that did not have spas and created a program in which they received points for services when they sent us guests.
- We did a promotion targeting women to bring men into our spa.
- We did a Spa Soiree which (parties of 6 or more) - this was popular with wedding parties or birthdays. We offered complimentary champagne and the package price included a monogrammed robe for the guest of honor.
- We have successfully offered monthly specials that typically have an added value component to it (i.e. purchase a 50 minute massage and receive a complimentary protein treatment). This has allowed us to save by offering a straight discount and has been successful in that it helps keep other departments in the spa busy.
- We offer free wellness workshops with a different focus each month. Massage for athletics seem to be very effective. Clients can ask questions and meet therapists before committing to a session with them.
- We offered a golfer's massage plus a sleeve of golf balls at a reduced price for Father's Day.
- We offered an extra \$20 at no charge added on to any gift card of \$60 or more purchased for Mother's Day.
- We offered Hotel Packages that included spa & fitness services through Groupon and Living Social packages. We also targeted the music industry.
- We offered a complimentary side-by-side massage to engaged couples who toured the facility and booked our venue. The offer has led to additional bookings for massages and facials for the rest of the bridal party on the day prior to the wedding, as well as hair and nail services the day of.
- We partnered with Belly Friendly in November 2012 to further train our staff on pregnancy services. We are heavily promoting Babymoos for 2013.
- Wedding parties – based on volume, the wedding party receives a complimentary champagne toast, complimentary treatment for the bride and free gift for the bridal party.

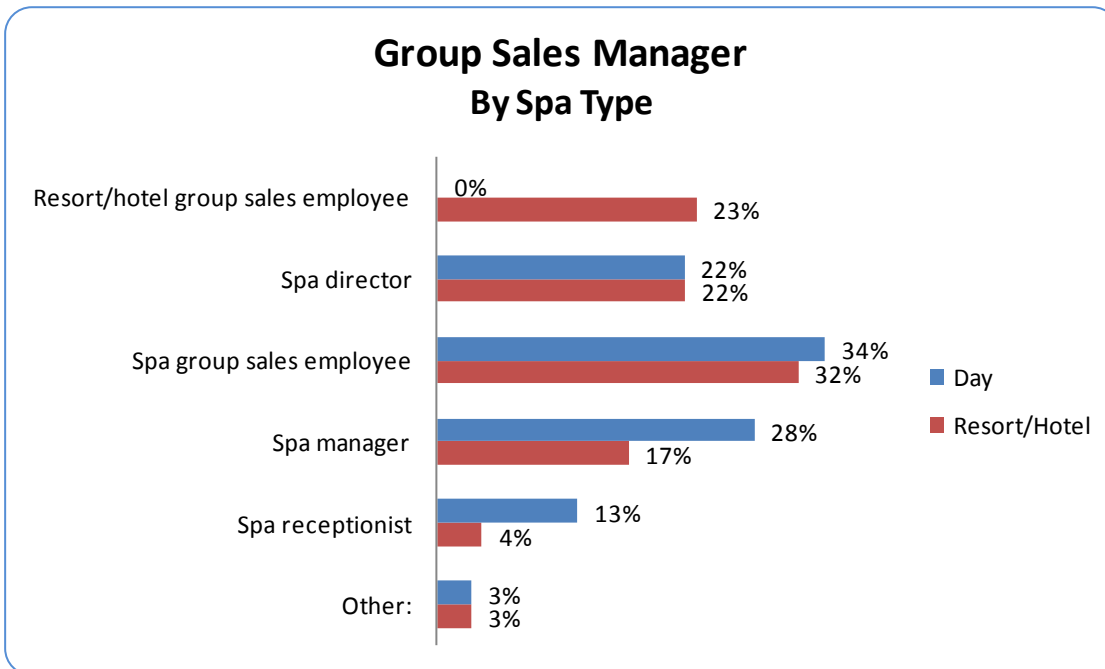
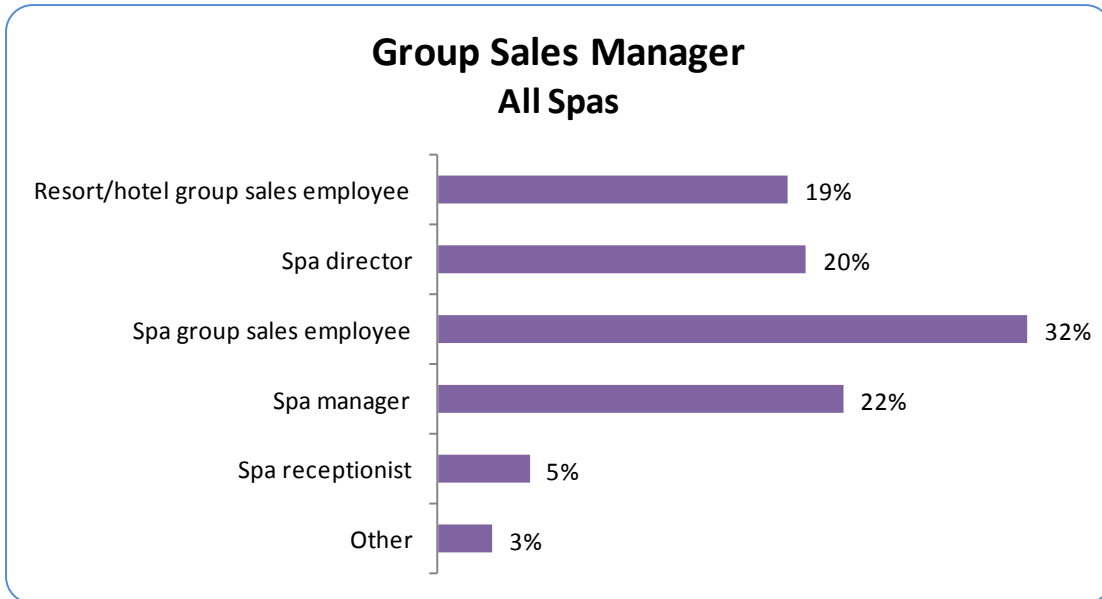
Does your spa offer special group rates and/or packages?



What is the **minimum group size required in order to be eligible for group rates? (Minimum # of people)**

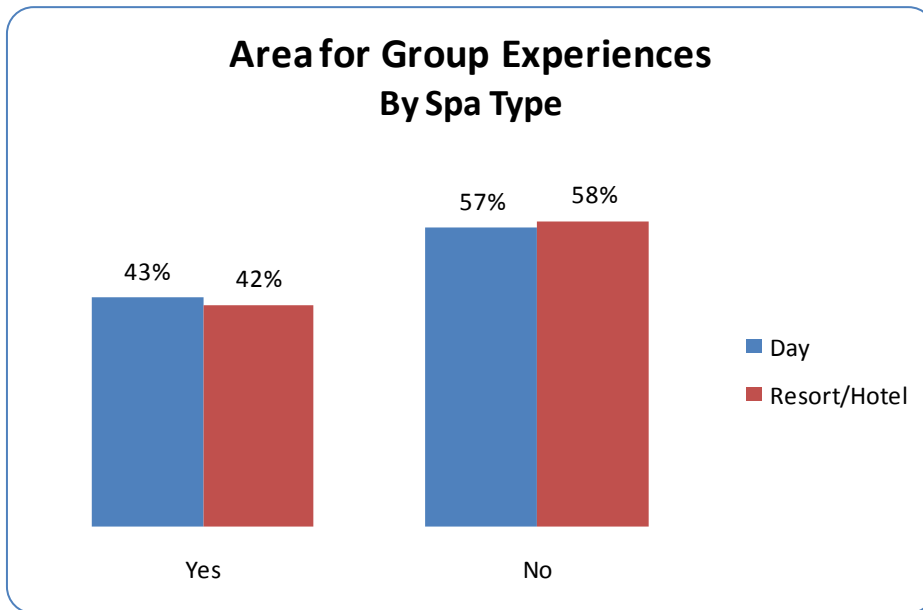
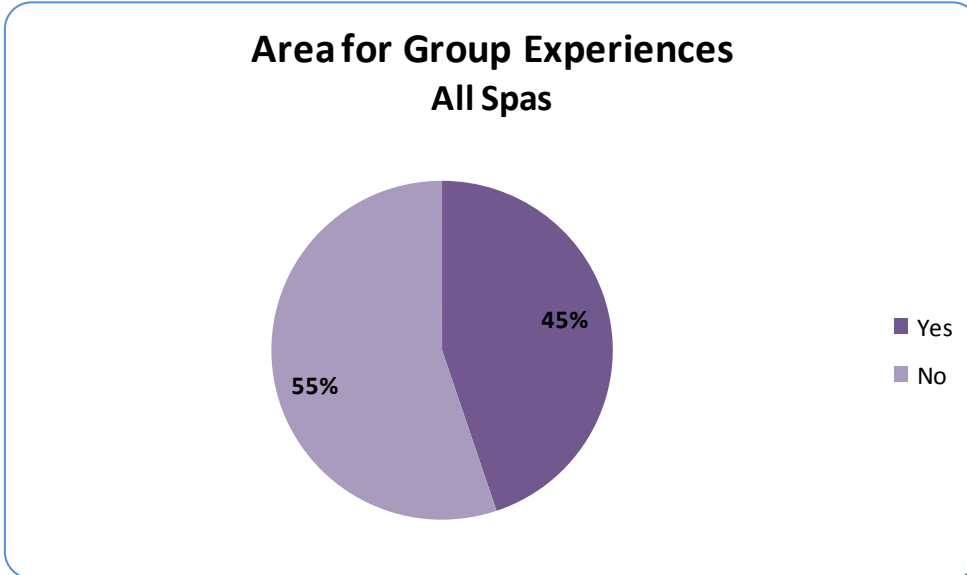
	Avg. Minimum
All Spas	9
Day Spas	6
Resort/Hotel Spas	9

Who is responsible for managing group sales for your spa?





Does your spa have a designated area for group experiences (i.e. private group suite, cabana, etc.)?





Respondents were asked to describe the designated area their spa has available for group experiences. Below is a sample of some of the responses.

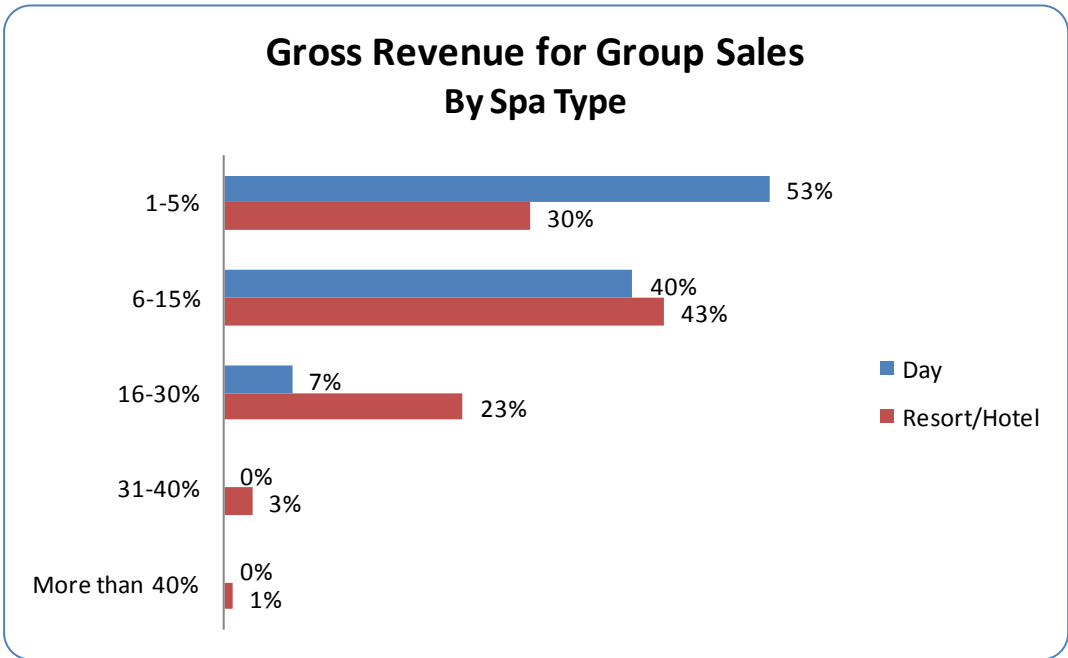
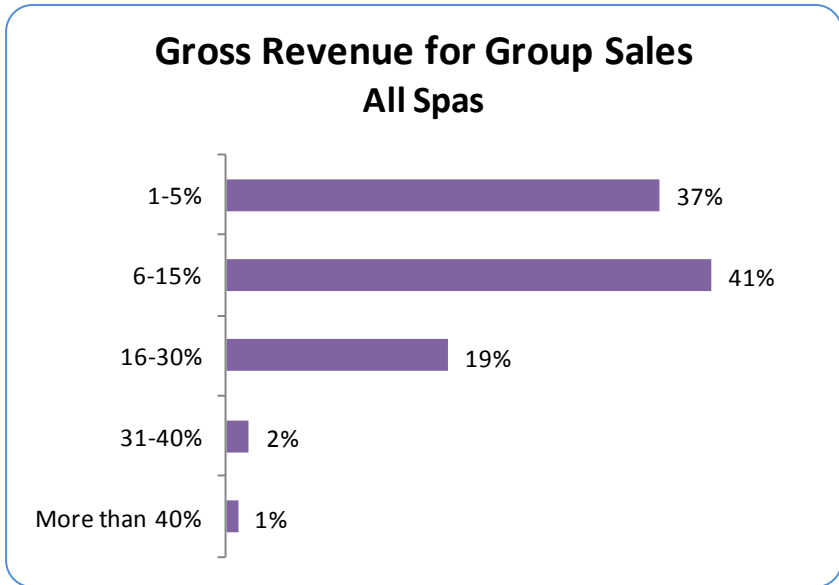
- Two large private patios in outside spa courtyard.
- Two rooms attached to the spa for: lunches, appetizers, yoga and other exercise classes, mini treatments and our nail salon can also be booked by a party and become completely private for that group.
- A large multi-functional room.
- A private waiting room and designated area by an indoor pool looking out into the woods with an eating space.
- A series of Cabanas with private amenities and elevated service.
- A small private room with a fireplace that can accommodate up to 12 guests seating, catering, etc.
- A solarium with a couch, two chairs and a table and great natural light coming in.
- Aquatonic sea water jet pool is available for 50 people at one time.
- Atrium Room.
- Ballroom.
- Board rooms.
- Co-ed spa area with wet lounge area.
- Conference rooms that can be made into any type of venue.
- Couples rooms.
- Fitness center.
- Guests may enjoy a tranquil relaxation room, wonderful wave style lounge chairs and fireplace before and after their experience.
- Lakeside & poolside cabanas.
- Large curtained room used as massage space during the week or with curtains drawn for a special event.
- Lounge - available for informal meetings or lunches.
- Meditation Rooms.
- Oceanfront spa sanctuary, spa courtyard and ocean terrace (three outdoor spaces).
- Outdoor spa patio featuring natural California landscaping, fireplace and fountain (can accommodate up to 50 people in a banquet-style function and doubles as an event space as well for overflow group business at the resort).
- Private courtyard.
- Private meeting room.
- Private Spa Lounge available for rental.
- Private, rentable indoor/outdoor lounge. We also can divide our spa treatment rooms and dedicate that last four of 12 rooms for a private party. These four rooms are a combination of three multi-purpose rooms, and one hydrotherapy (vichy, swiss and tub) room. Private lounge is adjacent. We also rent out the spa after hour.
- Relaxation area.
- Salon outside garden, Cabana area and cafe seating.
- Spa suite & villas.
- Summer cabana, squash courts for meetings and tournaments.
- Terme's are offered to every guest. Groups have booked private chair massages only available to their group attendees.
- The facility has beautiful courtyards and gardens that lend themselves well to indoor/outdoor functions. The spa has even been reserved for small weddings.



- Upstairs relaxation area with beach views.
- VIP lounge area.
- We can rearrange our relaxation room to make it more group-oriented if necessary.
- We can reserve an area of our regular relaxation area. We also have a training room space that we can convert to a private relaxation suite for groups.
- We have a designated Salon area for wedding/bridal parties.
- We have a private lounge where groups can converse and enjoy each other's company between services.
- We have a signature suite that we can place small parties of 6 in for private functions which features an outdoor patio.
- We have a studio called the M&M studio that we use for group experiences.
- We have a wine lounge available. It features a decorative bar, a flat screen TV playing a spa video, and comfy leather couches which allows groups to be together.
- We have offsite cottages that can be booked by groups (one of them has treatment rooms in it as well). We do onsite dining there as well for groups of 6 or more (a private chef experience for no extra charge).
- Yacht on the lake.

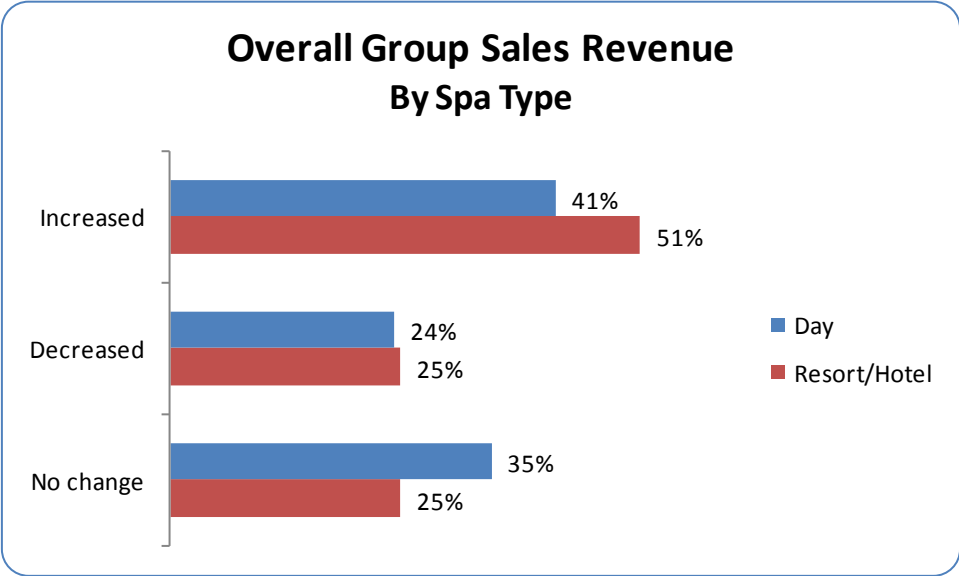
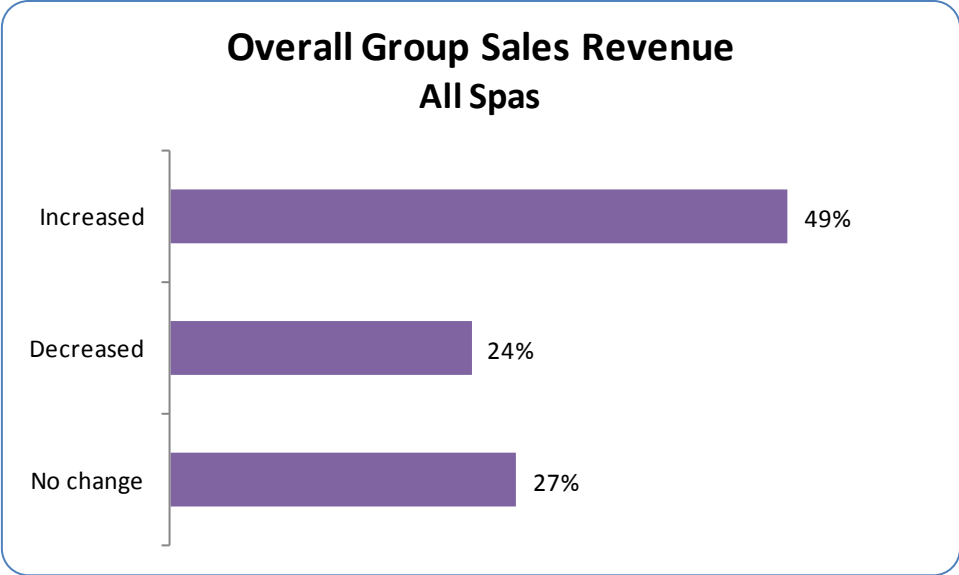


What percentage of your spa's year-to-date gross revenue is a result of group sales?



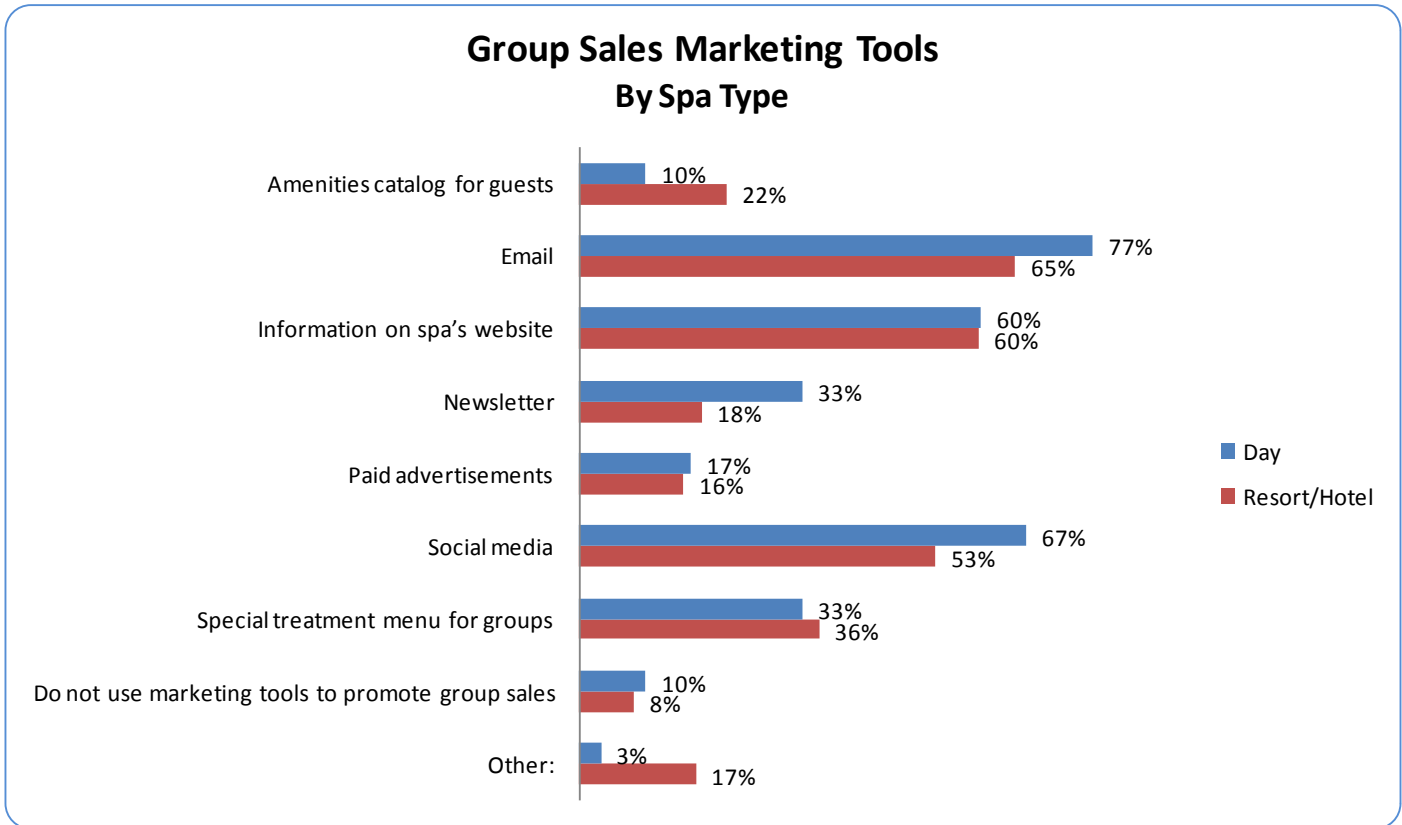
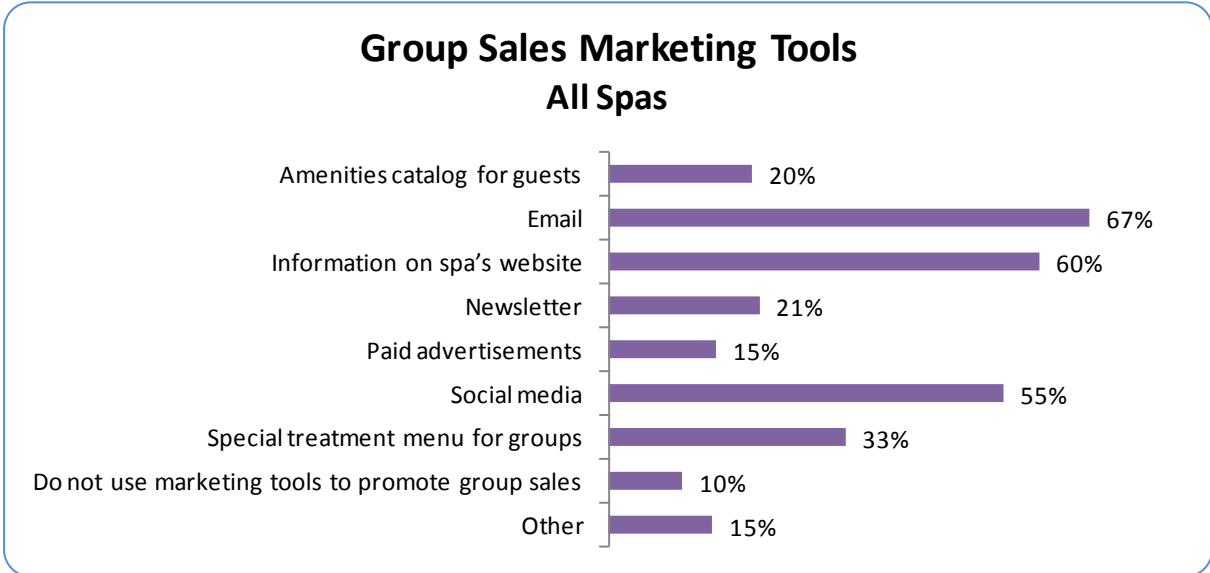


Which of the following best describes the change in overall group sales revenue year-to-date at your spa when compared to the same period in 2011?





**Which of the following marketing tools does your spa use to promote group sales?
(select all that apply)**





Respondents were asked to describe the most successful marketing promotion or resource their spa has implemented to increase group sales. Below are some of the responses.

All Spas

- A three pronged approach of email/physical sales and visit/direct mail.
- Administrative Professionals Spa Day targeted a large oil company group who ended up using both the spa and food and beverage outlets as part of the day package.
- We have offered a "deal site" for groups of six. We did not sell any (compared to selling 2,300+ when it is for a single service) but it did create a lot of buzz about parties/groups.
- Attending bridal shows and doing direct bookings.
- *Club Reflections Magazine* (sent out monthly to our members).
- Contacting all definite groups to build custom programs.
- Contacting every incoming group contact.
- Corporate offers sent by email to corporate databases.
- Creating specific promotions according to the groups needs with the hotel sales manager. The sales manager contacts the group coordinator directly and offers the whole package (all inclusive resort + spa treatment) with a special rate.
- Customized treatments where group name is used in the package title.
- Direct marketing to specific businesses or at wedding fairs.
- Discount promotions.
- E-newsletter that goes out monthly to our local membership.
- Group meeting breaks incorporating chair massages, passed out hot scented towels, discount vouchers placed at registration tables and keeping in front of meeting planners.
- Groupon/Travelzoo Promotions.
- In-house resort group discounts.
- Incentives for group registration and pre-booking discounts.
- Incentivized the group sales managers.
- Involve the hotel sales department and contact group coordinators directly.
- Moroccan Indulgence Promotion.
- Passkey.
- Personalized emails.
- Resort sales team is actively promoting spa to all their new account leads.
- Revised group packages.
- Sales presentation for spa during initial site visit or property sales calls.
- Social media and website.
- Spa group coordinator position.
- Spa welcome letter at group check-in.
- Specials put in grocery store bag.
- Specific group solicitation.
- Targeted menu customization. Utilized a savvy sales manager that has good graphic skills.
- Tour the spa on site inspection and connect with our group contact after spa tour attending their needs.
- We did an ad for social groups and we definitely had an increase after that.
- We have access to group sales representatives that attend expos and sales events throughout the US.



ISPA SNAPSHOT SURVEY

- Wellness events, walks, bike tours and interactive spa experiences.
- Word of mouth.
- Work with our MSE department to add services for hotel incentive groups.
- Working with local hotels that do not have spas.

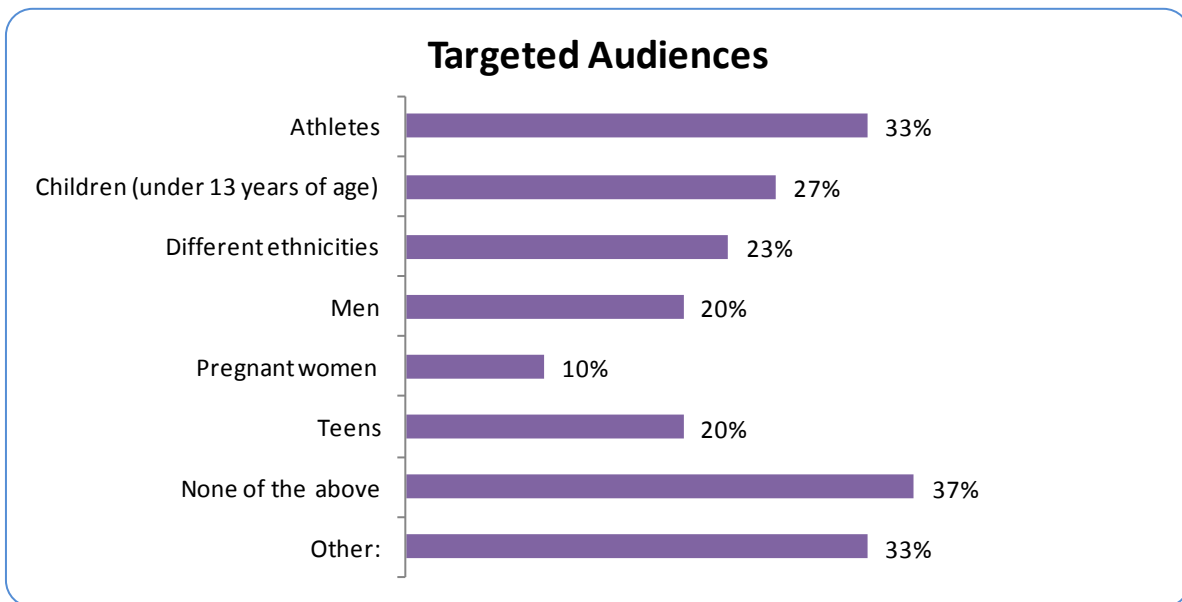
Resort/Hotel Spas

- All resort groups receive an email about our spa offerings.
- Contact all groups booked by hotel.
- Corporate sales.
- Coupons.
- Hotel sales team.
- Incentives at registration.
- National Sales Team.
- Newspaper write-ups.
- Our sales managers will introduce spa facilities & services to meeting planners (in addition to a 20 percent discount on services).
- Passkey (marketing in online booking platform).
- Pre-booking.
- Sales department includes spa group information in all sales kits.
- Site inspections.
- SMS.
- Specific Group Solicitation.



RESOURCE PARTNERS

Please identify which of the following audiences your company targets with a product specially developed for that audience.



Respondents were asked how their company assists their clients with promoting their products to targeted audiences. Below are some of the responses.

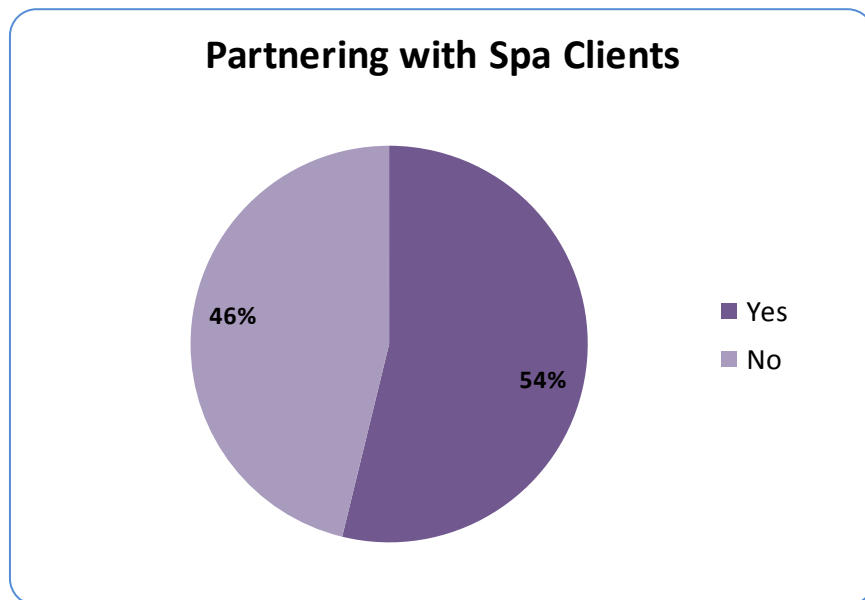
- By integrating with their marketing plan.
- By offering events and programs to their guests.
- Dedicated marketing and merchandising material.
- Education, custom brand strategy and programs.
- Marketing materials and public relation campaigns.
- Participate in any spa event that we are invited to and promote samples.
- POS signage and social media.
- Shelf talkers.
- SpaCell facial sponge (specifically for beards) for African American males.
- Specific training programs, diagnostic technology, extensive PR campaigns.
- Samples.
- Support education and marketing materials.
- Testimonials, samples and brochures.
- Through product sets, brochures and treatment menus.
- We offer a specialty men's line and a vegan make-up line (developed with ethnic skin in mind).
- We provide marketing and guest communications to both hotel and stand-alone spas.
- We provide table signage, treatment ideas and logos.
- Web services, mobile services and Facebook integration.



Respondents were asked to identify one holiday or event (i.e. Mother’s Day, Breast Cancer Awareness Month, etc.) for which their company provides the most promotional marketing materials to its spa clients to assist with sales. Below are some of the responses.

- Breast Cancer Awareness Month.
- Christmas/holiday Season.
- End of the year customer appreciation is important and we pull out all the stops for our clients to be successful with these events!
- Mother's Day.
- Spring.
- Valentine’s Day.
- We do this year round - 100 percent of our profits are donated to world relief.

Does your company partner with spa clients to create special offerings or packages for group sales within their spa?





Respondents were asked to share the story of their most successful partnership where their company helped a spa client(s) create special amenities and/or package offerings for spa groups. Below are some of the responses.

- We created custom account cards (which can then be passed out to clients or turned down in hotel room) to market the promotion. We also offer a series program: course series of three or six treatments (providing the retail products complimentary instead of discounting services). This could be great for larger groups or bridal parties where they would purchase the course and use one treatment for themselves and use the others as gifts. We've found that this is an excellent way to build clientele.
- We've recently developed a spa water circuit set. This was given to all guests and increased their retail by 40 percent.
- We've run several notoriety campaigns and implemented brand awareness globally (i.e. long run partnership with Air France's 1st class lounge - implementing and operating a small version of our spa and providing first class passengers with in-flight amenities).
- We created unique gifts for VIPs of a spa client which introduced the high rollers of the casino to our spa services. We also support many VIP events and specifically the men's barber area with travel sized amenities.
- The most successful Spaliday event.
- We create special co-branded amenity kits that merge our brand image with our partners' philosophy in order to increase traffic to the spa, upgrade groups with spa offerings, mini-bar program, etc.
- We create special packages for seasonal promotions or limited edition sets.
- We created a string of events for the holidays based on mother/children activities for a spa client. We then linked the events to special group offerings if "X" amount of attendees participated. This applied to products and services. It has shown to be a great way to introduce the community to the spa without hard sales and opens the door for inspiring clients to make a purchase.
- We developed a teen treatment package for the *Twilight* movie launch including removable Tattoos for Team Edward vs. Team Jacob.
- We had a trunk show at a spa in Park City, Utah during the Sundance Film Festival. We offered our clients a demo of our PMD device and it was a huge success. We sold 15 machines in two days and booked 30 clients or less within the two days.
- We helped put together VIP packages for our hotel to use when VIP groups come in. These packages are left in the guests' room for them to enjoy upon their arrival.
- We offer meditation events.