



INTERNATIONAL SPA ASSOCIATION FOUNDATION
SPA CONSUMER SNAPSHOT INITIATIVE —
VOLUME ONE

— NOVEMBER 2011 —



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What is the ISPA Foundation Spa Consumer Snapshot Initiative?

Vital to the success of the spa industry is gaining greater understanding of the behaviors, motivations and attitudinal changes of consumers towards spas. To achieve this, the ISPA Foundation has commissioned PricewaterhouseCoopers (PwC) to conduct a U.S. nationally representative survey program to provide valuable spa consumer insights. In each snapshot initiative, the spa-goer incidence will be measured along with a selection of 'hot-topics' to answer the critical issues of the moment. The rich insight will be key to informing our members' future strategy development.

I had an excellent massage that truly relieved my muscle soreness and overall body comfort. The facility was clean and comfortable and the amenities were great, but the quality of the massage was the most memorable.

— Female, 45 to 54 years, more than 10 visits
in the past 12 months

The November 2011 Spa Consumer Snapshot Initiative achieved 1,000 responses for a representative sample of the U.S. population by gender, age range, income band, and region. The survey requested information from both spa-goers and non spa-goers and covered the hot industry topics of: the profile of a spa-goer; barriers to spa involvement; stress management practices; and memorable spa experiences.

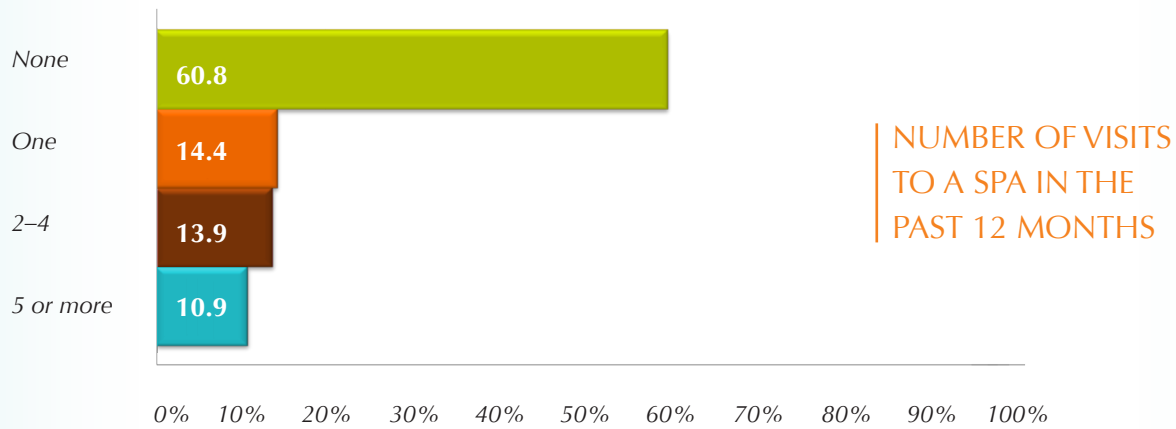
For the purpose of this study, a spa-goer is defined as a person who has visited/attended a spa in the past 12 months. A non spa-goer is defined as either an 'inactive spa-goer' (a person who has visited/attended a spa before, but has not been to a spa in the past 12 months) or a 'non spa-goer' (a person who has never visited/attended a spa).

This Consumer Snapshot Initiative survey report is the first of the ongoing initiative. Each time, a representative sample of 1,000 adults in the U.S. will take part. It is very important to understand that the results regarding spa attendance are self-reported by the snapshot participants and are not official statistics, nor can they be expected to be in line with what spas themselves might report (e.g., in terms of overall spa-going numbers or demographic composition of those using the facilities).

The snapshots are an invaluable insight into the real-life attitudes and opinions of a sample of the U.S. population at a point in time, and only when there are at least two more waves of research will it be feasible to make in-depth comments on any trends or key issues. The level of interest in the results has been phenomenal and the key to success is to interpret this first-ever consumer snapshot as just that — and one that will be built on to deliver the whole picture.

What is the spa-goer incidence in the U.S.?

A regular feature in the biannual Spa Consumer Snapshot Initiative will be the tracking of the spa-goer incidence for the U.S. population. The baseline spa-goer incidence is 39.2 percent of the U.S. population who have visited a spa at least once in the past 12 months. However, only one-quarter (24.8 percent) of the U.S. population could be classified as a regular spa-goer having been to a spa more than once in the past 12 months.

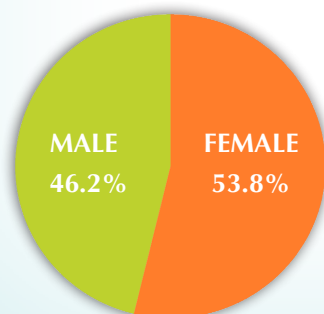


Who is the typical spa-goer?

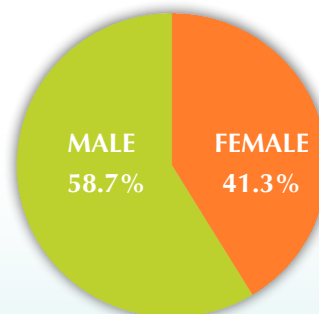
The typical spa-goer tends to be aged between 18 to 44 years, with 25 to 34 year-olds tending to visit more frequently. Spa-goers are inclined to earn more than \$50,000 per year. On average they are slightly or moderately stressed.

More females classify themselves as a spa-goer than males (53.8 percent compared to 46.2 percent).

However, it is interesting to note that male spa-goers visit spas more frequently than female spa-goers with 58.7 percent of male spa-goers indicating they had visited a spa at least five times in the past 12 months compared to only 41.3 percent of female spa-goers.



MALE vs. FEMALE HAVING VISITED A SPA AT LEAST ONCE IN THE PAST 12 MONTHS



MALE vs. FEMALE HAVING VISITED A SPA AT LEAST FIVE TIMES IN THE PAST 12 MONTHS

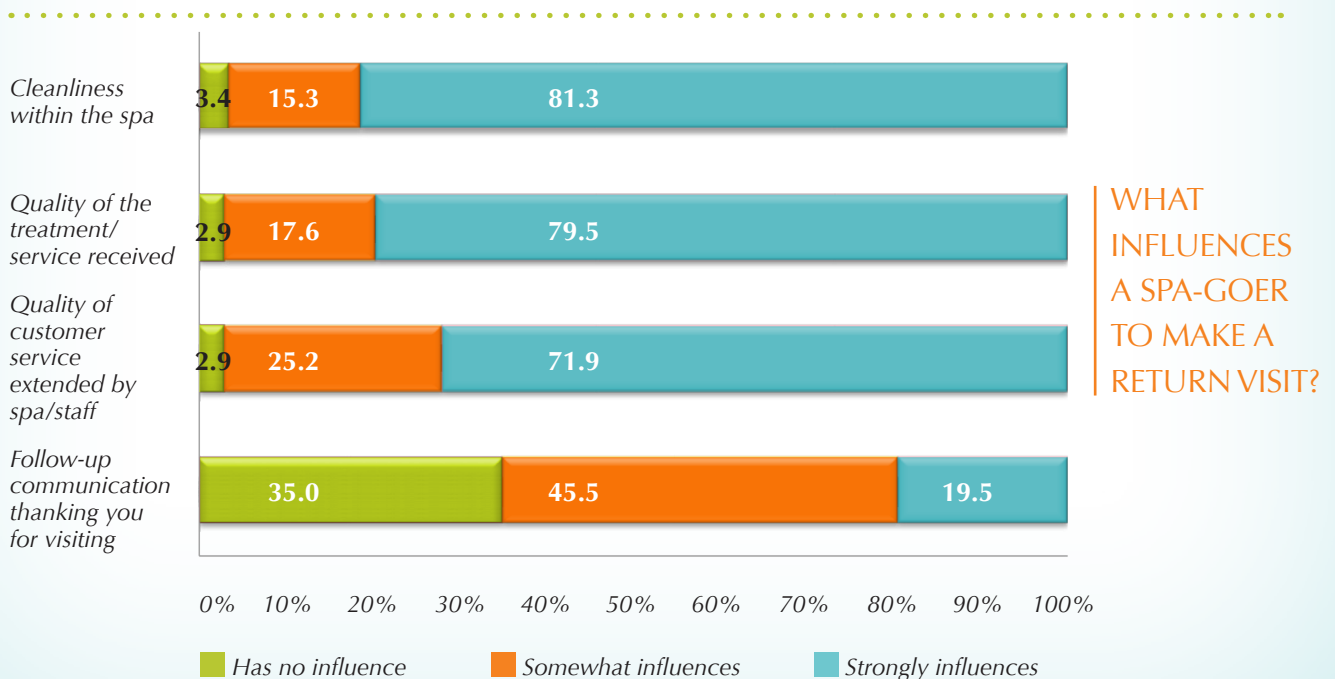
What are the motivations for spa involvement?

Over half of all spa-goers (52.8 percent) describe themselves as a casual spa-goer who visits the spa to treat oneself on occasion. Of these people 44.0 percent were encouraged to go to a spa by an advertised sale.

While stress levels of the average spa-goer tend to be 'slightly' or 'moderately' stressed, when asked what best describes the reason for their most recent visit to a spa, over one-quarter indicated it was to 'reduce/relieve stress' (26.8 percent). A further one-quarter of spa-goers indicated the reason was to 'treat myself/indulge' (25.4 percent). Other reasons included to 'soothe sore joints/muscles' (13.3 percent), 'invest in overall wellness' (10.7 percent), 'improve my appearance' (9.7 percent) and to 'utilize a gift card/certificate' (5.4 percent).

85.9 percent of spa-goers believe spas provide services that have a positive impact on their overall health and wellness.

A spa being able to get the basics right will strongly influence a spa-goer to make a return visit to a spa. With 81.3 percent of spa-goers being strongly influenced by the cleanliness within the spa; 79.5 percent being strongly influenced by the quality of the treatment/service received; and 71.9 percent being strongly influenced by the quality of customer service extended by spa staff. A follow-up communication thanking them for visiting will only strongly influence one out of every five spa-goers to make a return visit to a spa (19.5 percent).



What makes a memorable spa experience?

When spa-goers were asked to describe their most memorable spa experience within the past 12 months, three common themes emerged from their responses:

- The high quality service and expertise of the staff;
- The atmosphere and cleanliness of the spa; and
- The benefits they felt during and after their visit.

What are the barriers to spa involvement?

The biggest barrier to spa involvement is cost, with 3 out of 5 non spa-goers indicating spas being ‘too costly’ as the main reason they have not gone to a spa in the last 12 months.

Only 47.3 percent of non spa-goers believe spas provide services that have a positive impact on their overall health and wellness.

When non spa-goers were asked what one thing would entice/encourage them to visit a spa, ‘discounting’ emerged as the biggest incentive.

How do we manage stress?

There is little difference in the stress levels of spa-goers to that of non spa-goers with approximately two-thirds of each group indicating they were ‘slightly’ or ‘moderately’ stressed.

In order to relieve or reduce stress levels, the three most common activities for a spa-goer include: watching a movie (67.6 percent); exercising at home or outdoors (67.3 percent); and reading a book (63.8 percent). Similarly, these are also the three most common activities for non spa-goers (69.1 percent, 54.8 percent and 62.3 percent respectively).

“*I received a very deep massage that really relaxed my body. I was more stressed than usual and my shoulders were in pain. The massage got all the knots out and left me feeling very relaxed, pain-free and rejuvenated.*”

— Female, 35 to 44 years, more than 10 visits in the past 12 months



ACTIVITY	SPA-GOER	NON SPA-GOER
Watching a movie	67.6 percent	69.1 percent
Exercising at home or outdoors	67.3 percent	54.8 percent
Reading a book	63.8 percent	62.3 percent

MOST COMMON ACTIVITIES TO RELIEVE OR REDUCE STRESS LEVELS BETWEEN SPA-GOERS AND NON SPA-GOERS

The three activities to relieve or reduce stress levels with the greatest difference between spa-goers and non spa-goers include: exercising at a fitness facility (44.4 percent of spa-goers compared to 18.4 percent of non spa-goers); having an at-home spa treatment (i.e., pedicure, body scrub, etc.) (29.3 percent of spa-goers compared to 5.4 percent of non spa-goers); and taking a vacation (54.8 percent of spa-goers compared to 31.9 percent of non spa-goers).

ACTIVITY	SPA-GOER	NON SPA-GOER
Exercising at a fitness facility	44.4 percent	18.4 percent
Having an at-home spa treatment (i.e., pedicure, body scrub, etc.)	29.3 percent	5.4 percent
Taking a vacation	54.8 percent	31.9 percent

ACTIVITIES TO RELIEVE OR REDUCE STRESS LEVELS WITH THE GREATEST DIFFERENCE BETWEEN SPA-GOERS AND NON SPA-GOERS

“I had a pedicure manicure, complete with foot and hand massage. I’m very busy and don’t have a lot of time to visit the spa, but this trip was quick, relaxing, and I was able to complete it without much planning and then continue with my errands.”

— Female, 18 to 24 years, between two to four visits in the past 12 months



What are the key insights for the industry?

Discounting will help get more customers into the spa

The main barrier to spa involvement is the perceived cost of a spa visit. However, the enticement of discounting is the one thing that would encourage a non spa-goer to visit a spa. Interestingly, more than half of spa-goers describe themselves as ‘a casual spa-goer who visits the spa to treat oneself on occasion.’ Of these ‘casual spa-goers,’ 44 percent were encouraged to go by an advertised sale. To help communicate the benefits of a spa visit, spas need to get customers in the door. To get more customers in the door it is important to develop a strategy to reach the flash sale generation.

“I was very stressed going in and so I decided to try and relieve it with a spa treatment and afterwards I felt like a new person. It was better than I could have expected. Now I go back whenever I am really stressed out.”

— Male, 25 to 34 years, between five to seven visits in the past 12 months

Make sure you get the basics right

It helps to create a memorable spa experience and the reward is repeat business.

Build loyalty by communicating the benefits of a visit to the spa

The battle to communicate the benefits of going to a spa is not yet won. The majority of spa-goers understand the benefits of a visit to the spa, with the vast majority believing spas provide services that

“Therapist was well qualified and worked with me to adjust massage pressure to relieve my pain; she was very thorough and professional, friendly, and offered a competitive price for services.”

— Female, 25 to 34 years, between five to seven visits in the past 12 months

have a positive impact on their overall health and wellness. However, it is clear the benefits of a spa visit are not understood by over three-fifths of the U.S. population who are non spa-goers as fewer than half believe spas provide services that would have a positive impact on their overall health and wellness. There is a clear need and opportunity to communicate the benefits of going to a spa to build a loyal customer base.

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The ISPA Foundation is the 501(c)3 arm of ISPA and was created in 1999 to serve the educational and research needs of the industry. The ISPAF was created as a non-profit organization with the initial donation of \$30,000, arranged by Vincenzo Marra, founder of Italian Beauty Innovations, from the Agnus Noster Foundation.

The ISPA Foundation's mission to improve and enhance the value of the spa experience; their vision is to advance spa culture to sustain health and well-being. The ISPA Foundation's objectives include being the educational source for the spa industry, establishing definitive research that validates spa industry related topics and creating an endowment that sustains the ISPA Foundation in perpetuity.

The ISPA Foundation also wishes to thank the donations of many individuals and companies who have given generously over the years including those from the Charter Club Members (found on the website) who continue to make these research projects and work of the Foundation possible.

To learn more about the Foundation or to make a donation to help support the continuance of the Consumer Snapshot Initiative, please visit experienceispa.com/ispafoundation.

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International Survey Unit

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