



2024 ISPA U.S. SPA INDUSTRY STUDY

Introduction

This report presents the findings from the 2024 ISPA U.S. Spa Industry Study. The study was commissioned by the International SPA Association (ISPA) Foundation.

Established in 1991, ISPA has been recognized worldwide as the professional organization and voice of the spa industry, representing health and wellness facilities and providers in more than 35 countries. Members encompass the full spectrum of the spa experience, from resort/hotel, destination, mineral springs, medical, cruise ship, club and day spas, to service providers such as physicians, wellness instructors, nutritionists, massage therapists and product suppliers.

ISPA advances the spa industry by providing educational and networking opportunities, promoting the value of the spa experience and speaking as the authoritative voice of the industry to foster professionalism and growth.

This report presents the state of the industry in 2023, as indicated by total revenues, spa visits, average revenue per visit, the number of spa locations and staffing levels. These are referred to as the Big Five statistics.

This 2024 study marks the 25th anniversary of the Industry Study which was first conducted in 2000 highlighting the spa industry in 1999. Industry Studies were also conducted in the years 2002, 2004, 2006 and 2007. Shorter tracking studies were commissioned in 2003, 2005, 2008 and 2009.

The study has been conducted on an annual basis since 2010. Full Industry Study reports were produced each year from 2010 to 2019. In 2020, the survey was curtailed due to the onset of the coronavirus pandemic. Only the Big Five statistics were produced, showing the state of the industry in 2019, immediately prior to the Covid-19 pandemic and therefore serving as a baseline for assessing the impact on the spa industry.

The 2021 Industry Study clearly showed the impact of the pandemic on customer-facing industries such as the spa sector, as total spa industry revenue fell by an estimated 36 percent in 2020.

The 2022 and 2023 Industry Studies documented the spa industry's recovery from the pandemic in the years 2021 and 2022. Revenues bounced back strongly in 2021, up by an estimated 49.4 percent. The momentum was further sustained in 2022, when revenues rose by an estimated 11.1 percent, climbing above \$20 billion for the first time.

Nonetheless, entering 2023, the spa industry continued to face a challenging environment, with price inflation and rising interest rates affecting the wider economy, putting pressure on the consumer's purchasing power while also fueling increasing wages and overhead costs.

This study documents how the spa industry fared in 2023 in facing those challenges.

Research Objectives

The research objectives of the 2024 ISPA U.S. Spa Industry Study are as follows:

- Determine the size of the spa industry in the United States, specifically in terms of the Big Five statistics:
 - > Number of establishments;
 - > Revenues;
 - > Number of visits;
 - > Revenue achieved per visit; and
 - > Employment.
- Estimate the growth rate of the industry.
- Evaluate compensation levels of full-time employees within the spa industry.
- Determine current and future industry trends and challenges.
- Develop a profile of the U.S. spa industry using criteria such as regional distribution, spa type, ownership structure and service/product offerings.
- Manage the ISPA database of key industry statistics.

Definitions

For the purpose of the ISPA study, a spa is defined as a place of business that enhances the overall well-being of a person through a variety of professional spa services that encourage the renewal of mind, body and spirit. To be qualified as a spa, a business must offer at least two of the following three services: massage (full body); skin care treatments (i.e. facials); or body treatments (i.e., hydrotherapy or body wraps/scrubs).

The spa industry categories used in this study are as follows:

CLUB SPA	Primary purpose is fitness. Offers a variety of spa services on a day-use basis.
DAY SPA	Offers spa services to clients on a day-use basis.
DESTINATION SPA	Historically a seven-day stay, encompassing spa services as part of a program whose primary purpose is guiding individual spa-goers to develop healthy habits.
MEDICAL SPA	Operates under the full-time, on-site supervision of a licensed health care professional. Primary purpose is to provide comprehensive medical and wellness care in an environment that integrates spa services.
MINERAL SPRINGS SPA	Offers on-site source of natural mineral, thermal or sea water used in professionally administered hydrotherapy services.
RESORT/HOTEL SPA	A spa located within a resort or hotel.

Throughout the report, data is analyzed by type of spa. Day and resort/hotel spas are generally listed with the remaining spas combined into the ‘other’ spa category, due to their sample sizes in the survey undertaken for this study.

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This Section contains more detailed information on how the survey was undertaken

Note: All percentage calculations are based on un-rounded figures; therefore, totals or sub-totals may differ due to rounding.

INDUSTRY SIZE

Steady Growth

This section presents the survey findings for the size of the U.S. spa industry.

The economic context in the recovery from the pandemic

The Big Five statistics in 2023, i.e., revenues, visits, revenue per visit, establishments and employment

Trends in the Big Five statistics

Profitability in 2023

Looking forward to 2024, the single biggest opportunity that survey respondents see for the U.S. spa industry

The Economic Context

Notwithstanding headwinds from price inflation and rising interest rates, the U.S. economy performed better than had been expected in 2023. Total output of the economy expanded by 2.5 percent in real terms, accompanied by robust employment growth of 2.3 percent.

Against a backdrop of price inflation and rising interest rates, there were fears of an economic slowdown in 2023. However, the U.S. economy remained on a steady growth path throughout 2023, with output rising by 2.5 percent, up from 1.9 percent in 2022.

Having risen to a peak of 9.1 percent in June 2022, consumer price inflation abated in 2023, falling to an average of 4.9 percent for the year as a whole. Still, price inflation remains elevated, with the most recent data from the Consumer Price Index for March 2024 showing an annualized rate of 3.5 percent.

The resilience of consumer spending was one of the factors contributing to the growth in the economy. After adjusting for inflation, personal consumption expenditure on services rose by 2.3 percent. The dollar value of consumer spending on services rose by 7.4 percent in 2023.

Employment growth was robust in 2023, up by 2.3 percent, and continued rising through the first quarter of 2024. Unemployment remained low, averaging 3.6 percent in 2023, similar to the 2022 out-turn.

THE U.S. ECONOMY

SELECTED INDICATORS	ANNUAL PERCENT CHANGE			
	2020	2021	2022	2023 (Q1)
GDP (Constant 2012 \$)	-2.8%	5.8%	1.9%	2.5%
Employment	-5.8%	2.9%	4.3%	2.3%
Unemployment (%)	8.1%	5.4%	3.6%	3.6%
Compensation of employees				
Current \$	1.3%	8.2%	7.1%	6.0%
Personal consumption expenditure (all services)*				
Current \$	-4.0%	11.0%	9.3%	7.4%
Constant (2012) \$	-6.6%	6.9%	3.7%	2.3%
Consumer price index (all items)				
All items	1.2%	4.7%	8.0%	4.9%

Sources: Bureau of Economic Analysis (BEA); Bureau of Labor Statistics.

*Personal consumption expenditure is a measure of how much consumers spend on durable goods, consumer products and services. The figures shown above relate to spending on services.

GDP, income and expenditure data extracted from estimates published by BEA in March 2024. Rates shown in constant (2017) \$ are adjusted for inflation.

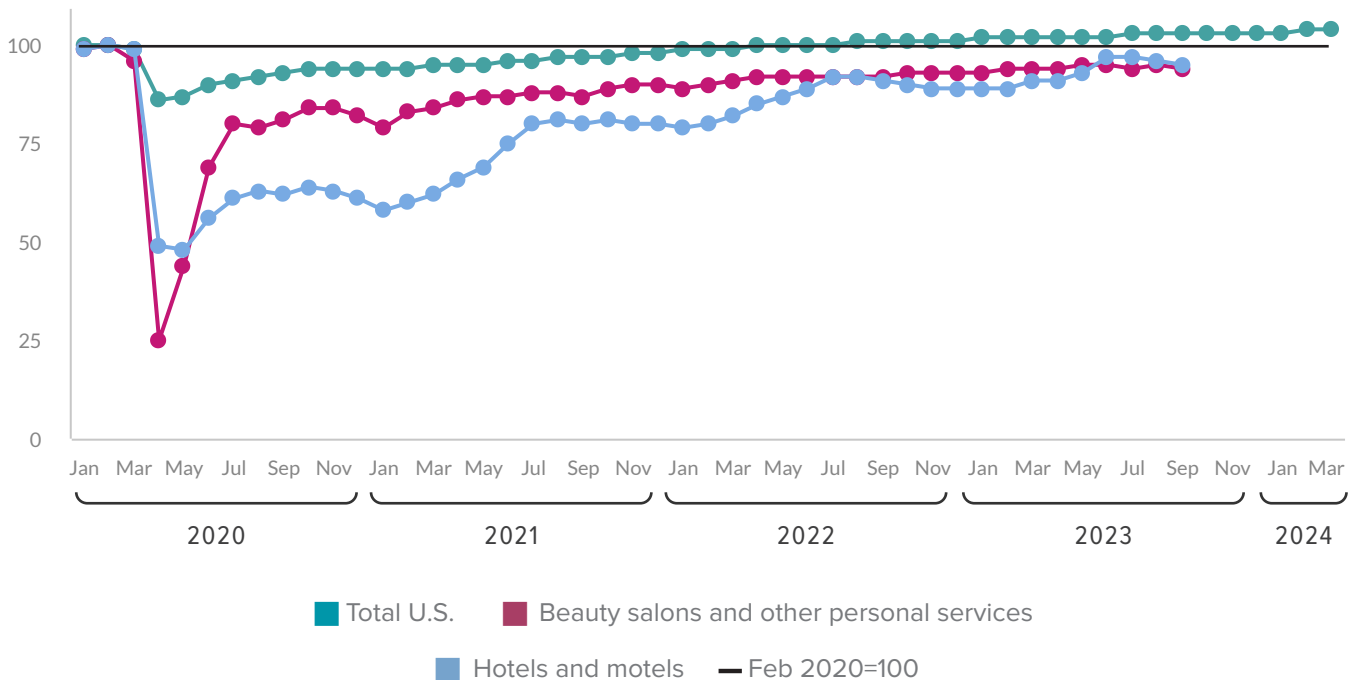
Employment in the Pandemic

Service industries that rely on personal contact with the consumer suffered large falls in employment during the spring 2020 Covid-19 lockdown. Since then, those industries have rebounded strongly. Nonetheless, they have yet to recover all the jobs lost in the lockdown period and, as of September 2023, their employment levels were 5-6 percent below their pre-pandemic levels.

Employment in beauty salons and other personal service industries, which includes the day spa sector, fell sharply during the spring 2020 Covid-19 lockdown. Employment rebounded strongly in the remaining months of 2020 but was still 20 percent lower in January 2021 compared with January 2020. The workforce continued to grow steadily through 2022 and from the available data, through the first nine months of 2023. Nonetheless, by September 2023, employment in beauty salons and other personal services was still 6 percent below the pre-pandemic level.

Employment in hotels and motels has followed a broadly similar course. Though, that sector was more strongly affected in the pandemic, due to factors such as travel restrictions and their effects on tourism and leisure activities. The industry struggled to recover in the wake of the first lockdown and employment in hotels and motels was still 42 percent lower in January 2021 compared with January 2020. Since then, employment has been steadily rising and, by September 2023, total employment in the industry had recovered to within 5 percent of the pre-pandemic level.

EMPLOYMENT, FEBRUARY 2020=100 (SOURCE: BLS)



The Big Five Statistics: 2023 Out-Turn and Percent Change Over 2022

In 2023, the spa industry remained on a positive trajectory, highlighted by continued revenue growth, both in total and per visit.

Total spa industry revenue is estimated to have risen by \$1.2 billion, from \$20.1 billion in 2022 to \$21.3 billion in 2023, an increase of 5.7 percent.

An estimated 182 million spa visits were made in 2023, representing an increase of 0.6 percent on the 2022 out-turn of 181 million visits.

The number of spa locations increased slightly, from 21,790 by year-end 2022 to 21,840 by year-end 2023, a rise of 0.2 percent.

Average revenue per visit rose by an estimated 5.1 percent from \$111.5 in 2022 to \$117.2 in 2023.

Total employment is estimated to have increased by 2.6 percent. With a 3.3 percent rise, part-time employment expanded at a slightly faster pace than full-time employment (1.8 percent). Contract employment is estimated to have increased by 3.3 percent, standing at 15,500 in January 2024.

THE BIG FIVE STATISTICS

	2022 (YEAR END)	2023 (YEAR END)	% CHANGE
REVENUE	\$20.1 billion	\$21.3 billion	5.7%
SPA VISITS	181 million	182 million	0.6%
LOCATIONS	21,790	21,840	0.2%
REVENUE PER VISIT	\$111.50	\$117.20	5.1%
	2023 (JAN)	2024 (JAN)	
TOTAL EMPLOYEES	360,700	370,100	2.6%
FULL-TIME	171,500	174,600	1.8%
PART-TIME	174,200	180,000	3.3%
CONTRACT	15,000	15,500	3.3%

Note: All percentage calculations are based on un-rounded figures; therefore, totals may differ due to rounding.

Spa Establishments

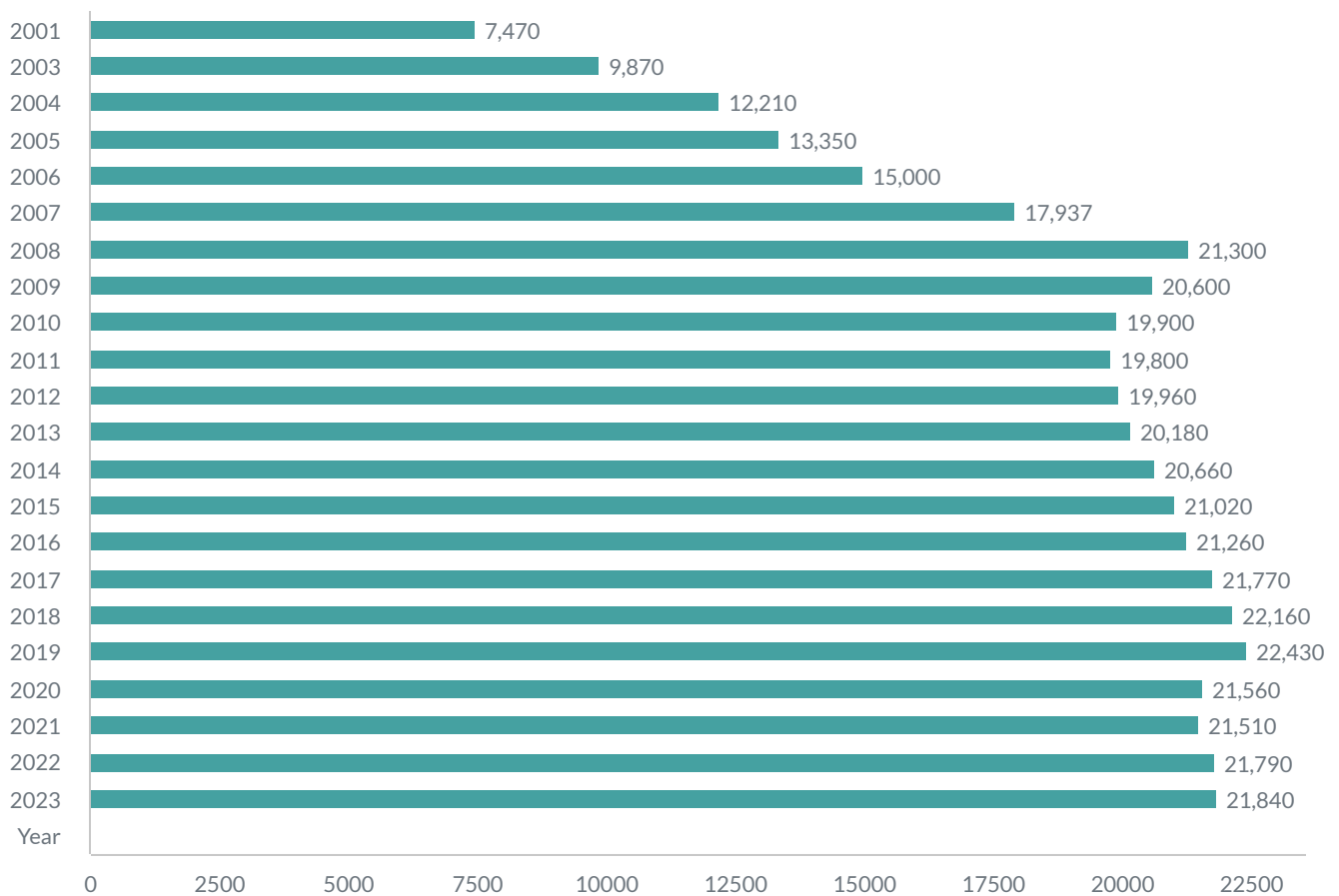
The number of spa locations was relatively stable in 2023 compared with 2022, with a slight increase of 0.2 percent.

An estimated 21,840 spa locations were operating by end-2023, up from 21,790 in 2022. Thus, by end-2023, the number of locations remained 3 percent below the pre-pandemic level (22,430 locations at end-2019).

In 2023, there were an estimated 670 new spa openings, adding 3.1 percent to the number of spas in operation at the end of 2022.

An estimated 620 spas closed over the course of 2023, representing 2.8 percent of the 2022 total. The net effect was an increase of 50 spa locations, adding 0.2 percent to the 2022 total.

TOTAL SPA ESTABLISHMENTS IN THE U.S.



Establishments by Type of Spa

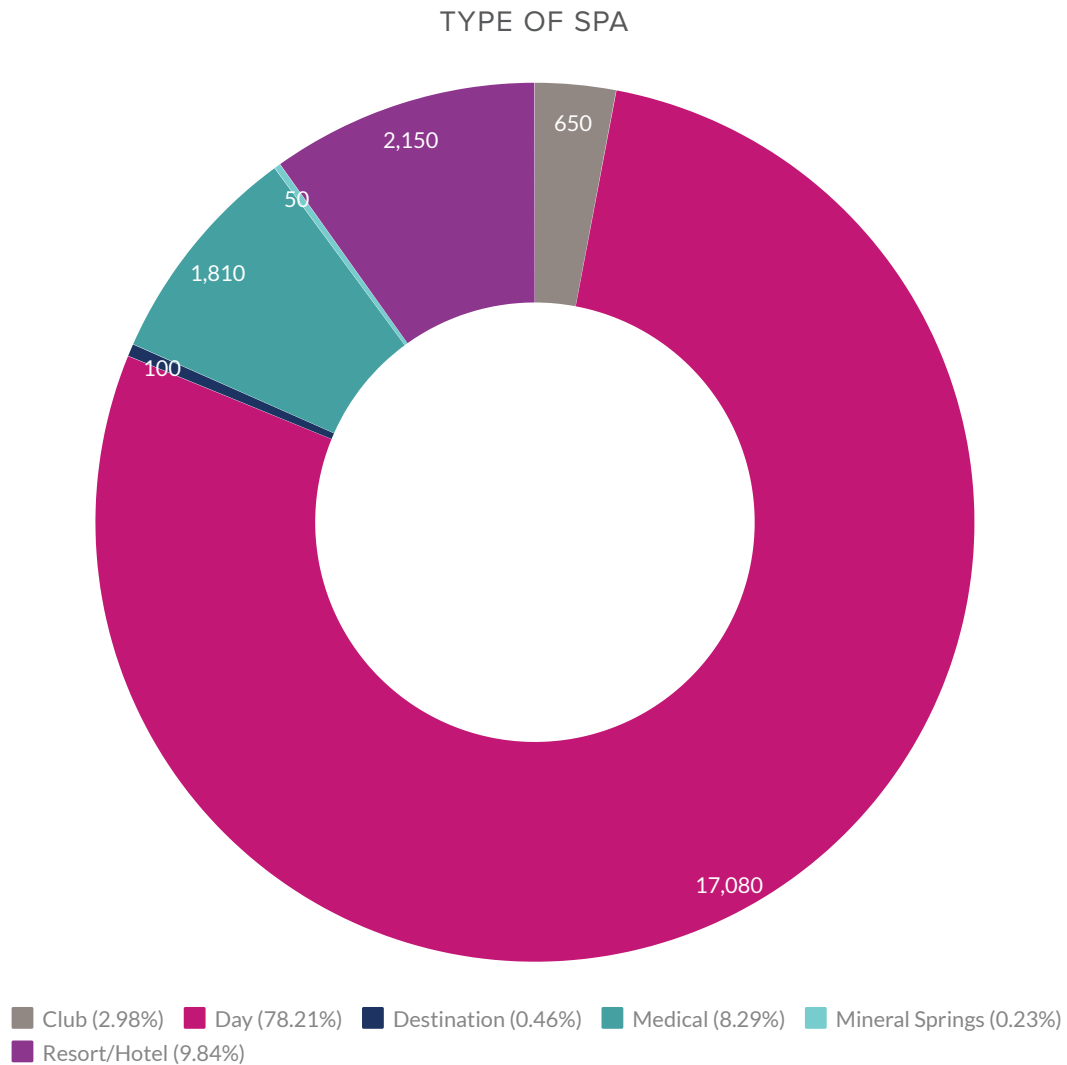
Day spas continue to predominate within the spa industry, accounting for 78.2 percent of the total of 21,840 establishments, followed by resort/hotel spas (9.9 percent) and medical spas (8.3 percent).

By end-2023, there were an estimated 17,080 day spa establishments operating across the U.S., representing a slight increase compared to the end-2022 level (17,060).

The number of resort/hotel spas at the end of 2023 is estimated at 2,150, a 1.7 percent increase compared with 2022, when an estimated 2,120 resort/hotel spas were in operation.

The number of medical spas is estimated at 1,810, unchanged compared with end-2022.

Club spa locations are estimated at 650 as of end-2023, representing 3 percent of the total number of spa locations.



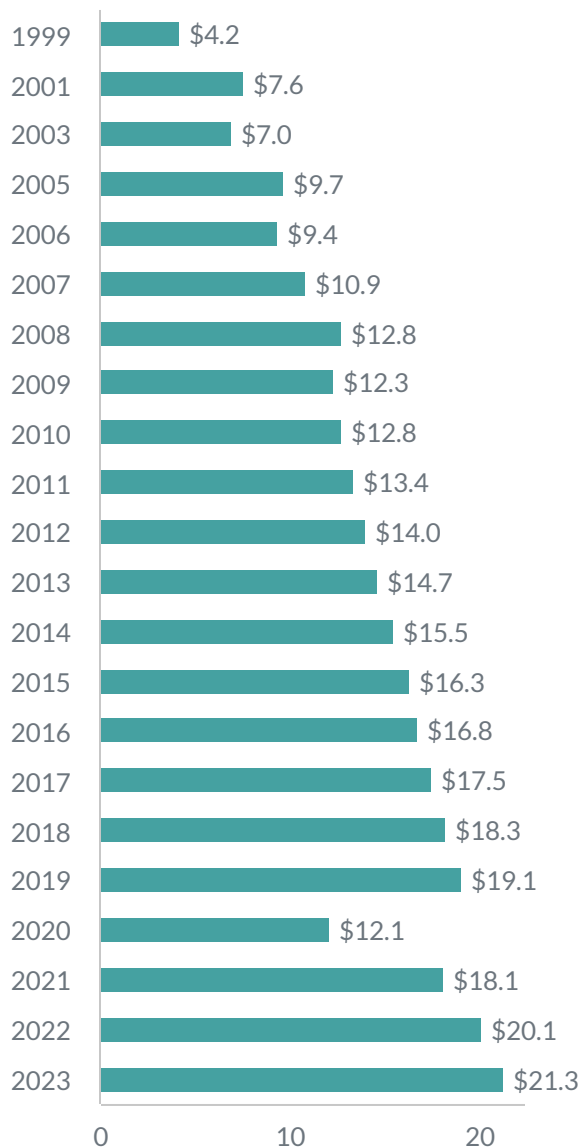
Spa Revenues

Spa industry revenues grew by an estimated 5.7 percent in 2023, with the total rising from \$20.1 billion in 2022 to \$21.3 billion in 2023.

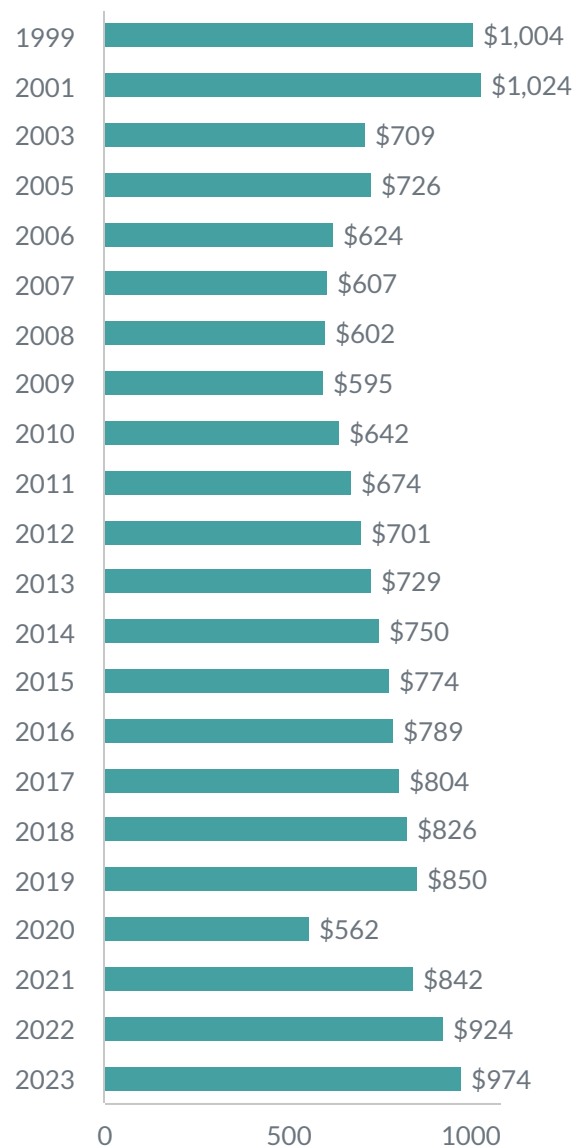
After falling sharply in 2020 as a result of the Covid-19 pandemic, total spa revenues have now recovered to stand 12 percent above the 2019 pre-pandemic level (\$19.1 billion).

Average revenue per spa establishment rose to \$974,000 in 2023, representing a 5.5 percent increase on the 2022 level (\$924,000).

TOTAL SPA REVENUE IN THE U.S.
(BILLIONS)



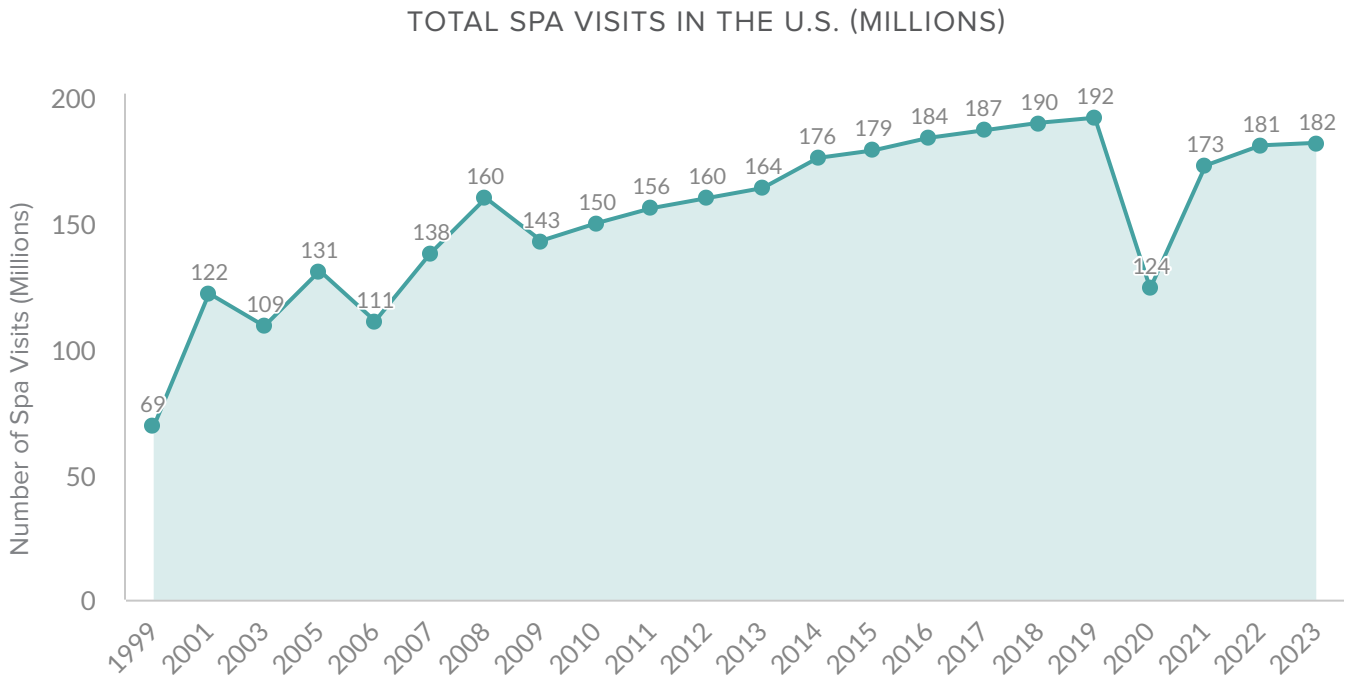
AVERAGE REVENUE PER ESTABLISHMENT
(THOUSANDS)



Spa Visits

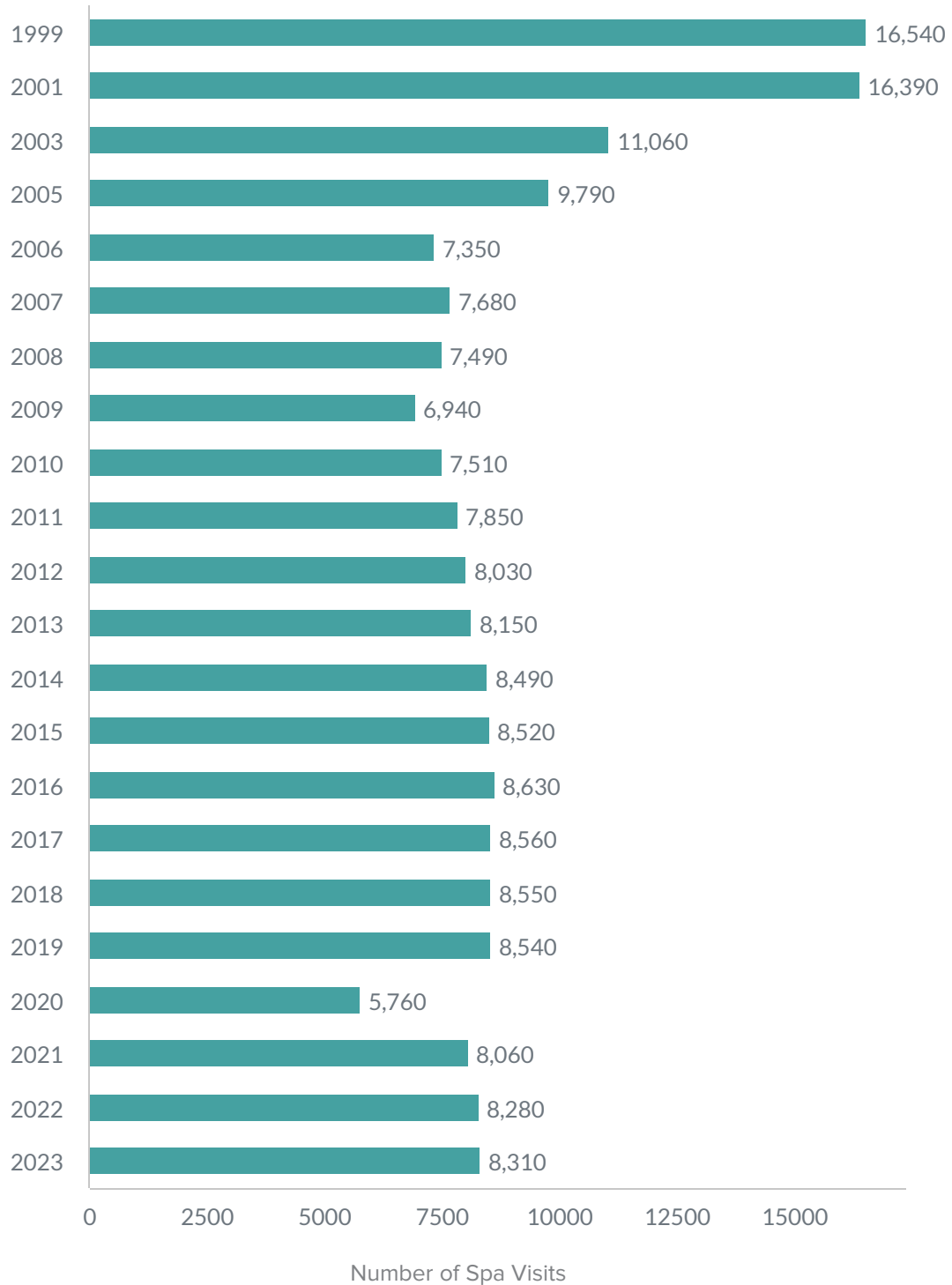
An estimated 182 million visits were made to spa establishments in 2023, up from 181 million in 2021. Thus, after falling sharply in 2020 as a result of the pandemic, by 2023 the number of spa visits had recovered to 95 percent of the 2019 pre-pandemic peak of 192 million.

In 2023, the number of spa visits compared with 2022 rose by 0.6 percent.



The average number of visits per spa establishment rose by 0.3 percent, from 8,280 in 2022 to 8,310 in 2023.

AVERAGE VISITS PER ESTABLISHMENT



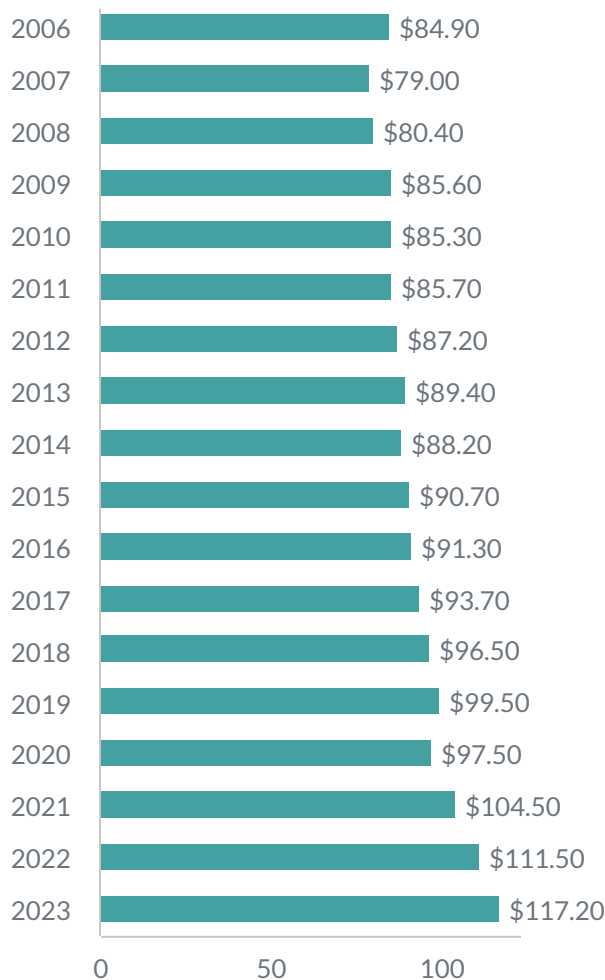
Average Spa Revenue Per Visit

The average revenue per spa visit in 2022 is estimated at \$117.2, an increase of 5.1 percent compared with 2021 (\$111.5).

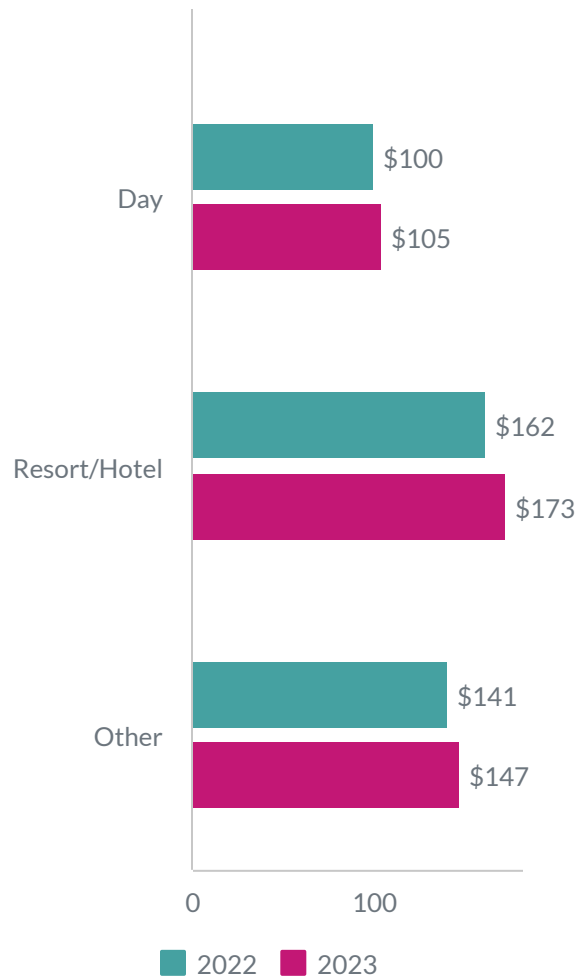
Average spend per visit varies by spa type, ranging from \$105 for day spa visits to \$173 for resort/hotel spa visits. Compared to 2022, the average revenue per visit in 2023 is estimated to have risen by 4.7 percent in the day spa sector and slightly faster, by 6.3 percent, in the resort/hotel sector.

The average amount that clients spend when they visit a spa is influenced by a range of factors, including the mix of services and treatments that clients purchase and the pricing of those services in a competitive market. Within that context, the rise in average spa revenue per visit in 2023 would seem to reflect, at least in part, higher prices per service (see Section 3 in this report for discussion of the trend in average prices per service).

AVERAGE REVENUE PER SPA VISIT



SPA REVENUE PER VISIT



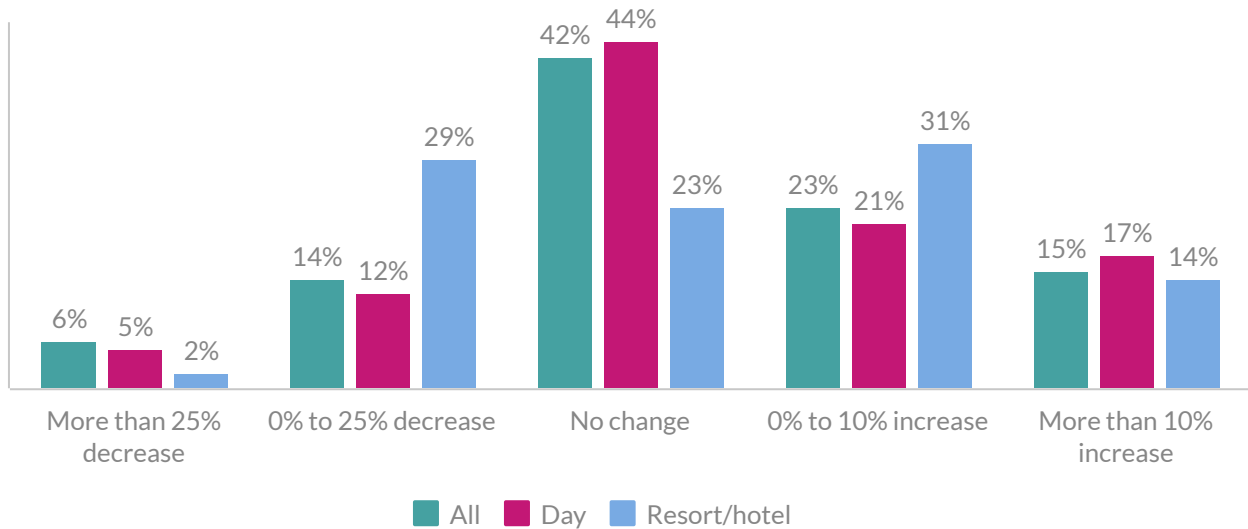
Employment Change Compared to January 2022

When asked to give the approximate percent change in staff employed in January 2024 compared with January 2023, 38 percent of survey respondents said they had increased their staff count, compared with 20 percent saying they had reduced employment. Overall, the proportion of spas increasing employment was 18 percentage points higher than the proportion with a reduced staff count, pointing to a growing spa industry workforce.

Almost half of resort/hotel spas (45 percent) said they had higher employment in January 2024 than in January 2023, compared with a little under one in three (31 percent) saying that employment had reduced, a difference of 14 percentage points.

Within the day spa sector, 38 percent said their employment levels had risen between January 2023 and January 2024, compared with 17 percent saying that employment had decreased, a difference of 21 percentage points.

EMPLOYMENT CHANGE COMPARED TO JANUARY 2023 (APPROXIMATE %)



Employment

By January 2024, total employment in the spa industry stood at 370,100, an increase of 9,400 (2.6 percent) compared with January 2023, bringing the total spa workforce back to 96 percent of the pre-pandemic level as of January 2020 (383,700).

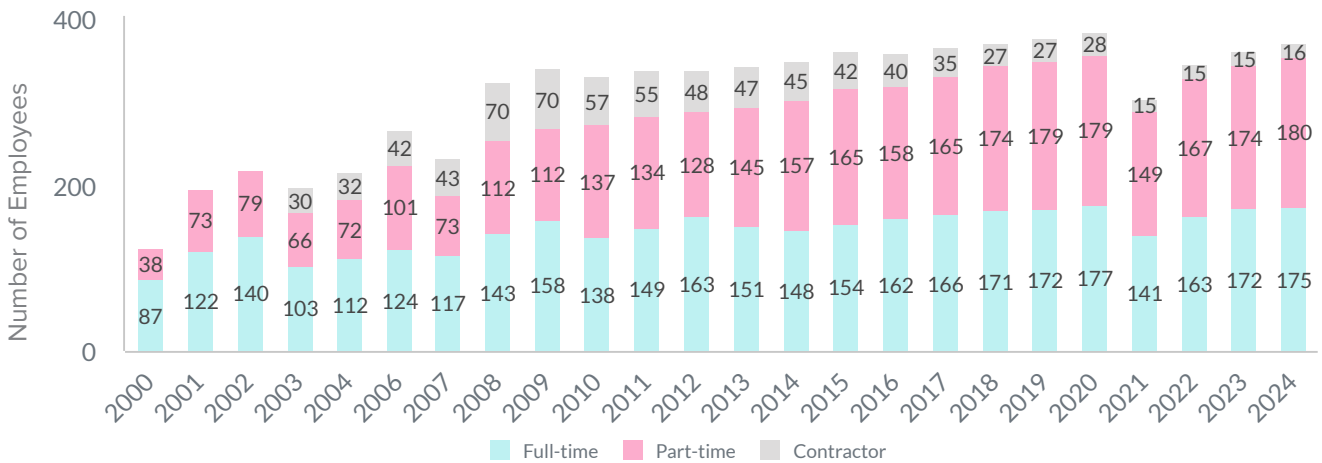
The number of full-time employees is estimated to have risen by 3,100 (1.8 percent), rising to 174,600 in January 2024. Part-time employment increased by 5,800 (3.3 percent), standing at 180,000 in January 2024.

Employment of independent contractors rose by an estimated 500, to 15,500 in January 2024 (3.3 percent).

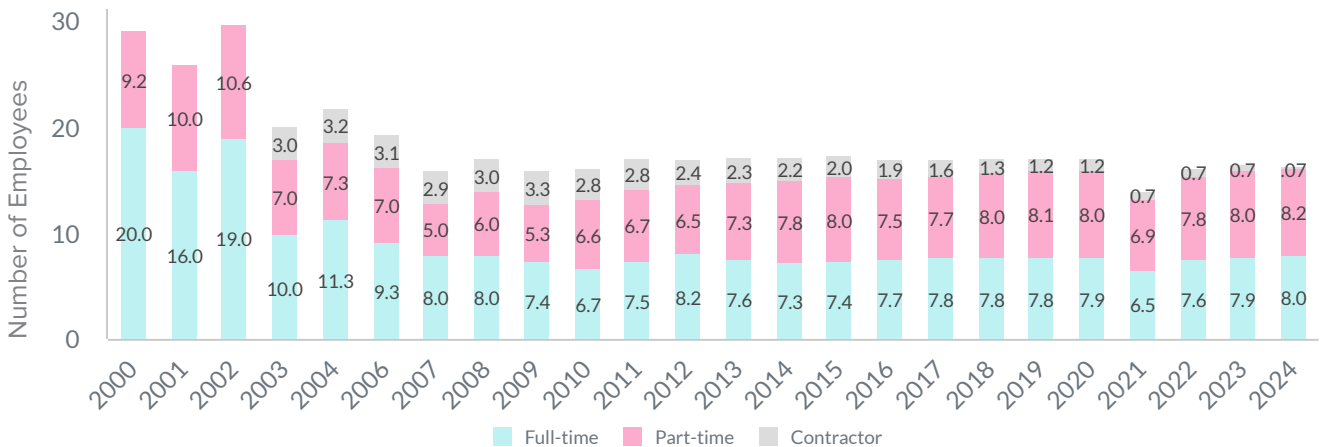
Across the industry as a whole, the number employed per spa location rose by 2.4 percent, from 16.6 in January 2023 to 16.9 in January 2024.

Note: On average, spas consider service providers need to work 32 or more hours per week to be considered a full-time employee (see the discussion in Section 4 of hours necessary to be considered a full-time worker).

TOTAL EMPLOYEES IN THE U.S. (THOUSANDS)



AVERAGE EMPLOYEES PER ESTABLISHMENT

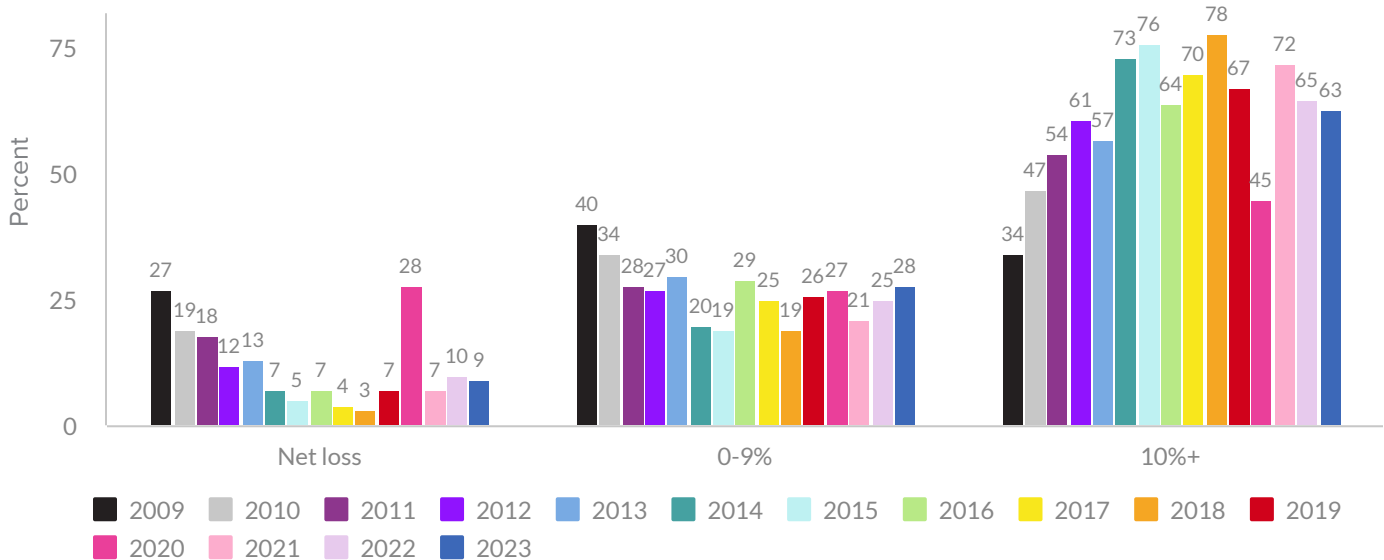


Profitability

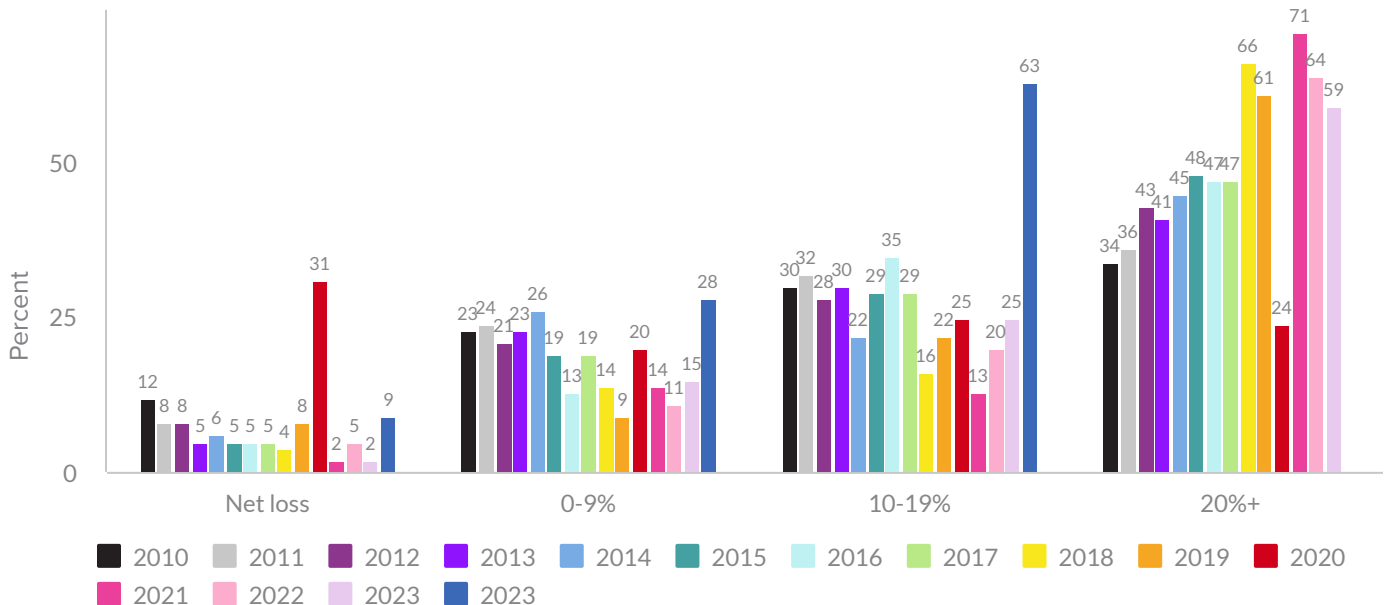
In the resort/hotel sector, 59 percent of spas said their profit percentage was 20 percent or more, slightly down on the 2022 out-turn (64 percent) but broadly consistent with the pre-pandemic level. The profitability performance of spas in the other sectors was also in line with pre-pandemic levels, with 63 percent reporting a 2023 profit percentage of 10 percent or more.

Since many resort/hotel spas are part of a larger enterprise, survey respondents in the resort/hotel sector were asked to give their approximate spa profit percentage, for the spa operation only and not the entire business. All other types of spa establishments were asked to give the approximate spa profit before fixed charges percentage.

SPA PROFIT PERCENTAGE: 2010–2023, RESORT/HOTEL SPAS



PROFIT PERCENTAGE BEFORE FIXED CHARGES: 2009-2023
ALL SPAS EXCLUDING RESORT/HOTEL SPAS

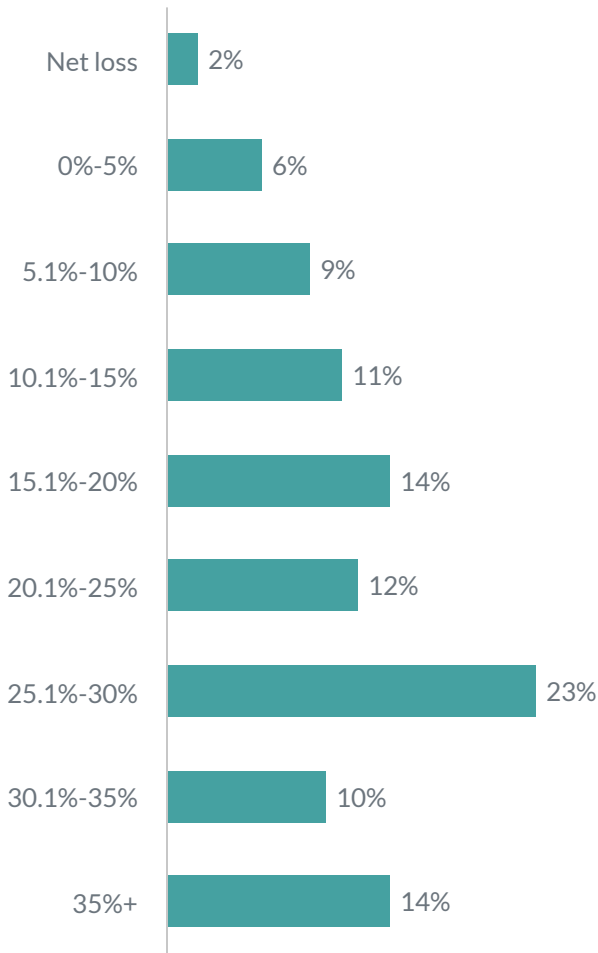


Profitability

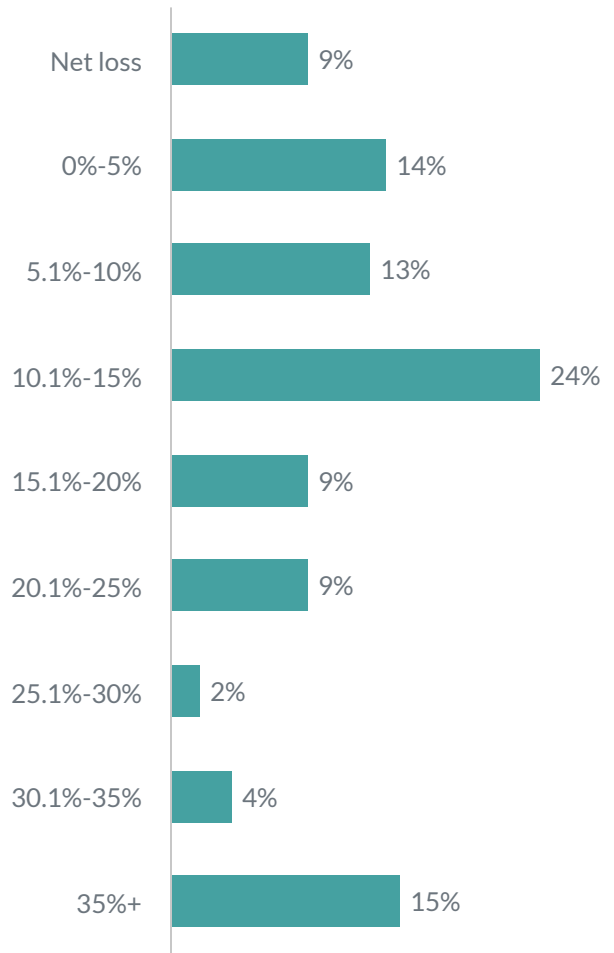
The detailed profit percentage results indicate that, in 2023 almost one in four resort/hotel spas (24 percent) reported a spa profit percentage in the range of 30 percent or more. Almost one in two resort/hotel spas (49 percent) cited a profit percentage in the range 15 percent to 30 percent.

Excluding the resort/hotel sector, the most frequently reported spa profit percentage was in the range of 10-15 percent, quoted by almost one in four spas (24 percent). Almost one in three spas (30 percent) said their profit percentage was 20 percent or more.

SPA PROFIT PERCENTAGE, 2023 – RESORT/HOTEL SPAS



SPA PROFIT PERCENTAGE BEFORE FIXED CHARGES, 2023 – ALL SPAS (EXCL. RESORT/HOTEL)



Looking Forward to 2024: Single Biggest Opportunity

When asked to say what is the single biggest opportunity that they see for the U.S. spa industry in 2024, wellness and self-care were most frequently mentioned, by about one in three respondents. One in four spa businesses mentioned staffing related issues, including recruitment, retention and education/training within the context of a competitive labor market and accompanying pay pressures. Other opportunities highlighted by respondents focused on technology, touch-free services, innovation, expanding the market for spa services, customization, collaboration and elevating the spa experience. Pricing also featured in the responses, both as an opportunity and a pressure.

WELLNESS AND SELF-CARE: Spas continue to see wellness and self-care as the main opportunity for growth, centred on promoting spa therapies as part of a healthy lifestyle, through an integrated and holistic approach encompassing mind, body and spirit.

STAFFING: To boost recruitment, spas cited an opportunity to raise the profile of career options as rewarding and well paid. Spas also identified the need for more schools to fill shortages in massage therapists, leadership roles and boost professionalism. Affordable licensing, valid across all states, was also mentioned as an aid to recruitment. In a competitive hiring market, retention can be a challenge. In addition to pay and benefits, ensuring team wellbeing and offering flexibility for a work-life balance are viewed as aids to improved retention.

TECHNOLOGY: Seen as having the potential to deliver opportunities and benefits across multiple areas, including streamlining operations (i.e., online booking, scheduling, self-service), enabling innovation in new services, experiences and treatments (i.e., immersive therapies, at home apps, touch-free, VR/AR) and building the spa's profile (i.e., marketing, apps, online, media, education).

INNOVATION: Evolving the spa offering, staying abreast of trends and adapting and adding new experiences, treatments and technologies. Spas also referred to making smart use of space.

TOUCH-FREE SERVICES: About one in 10 spas saw opportunity in the delivery of touch-free services, with demand viewed as driven by post-Covid need to minimise close contact, tackling staff shortages, attendee-free services, and adoption of technology for virtual/self-guided therapy. Still, some spas emphasised the importance of maintaining connection and the human touch.

EXPANDING THE MARKET: Attract a wider demographic: men, younger clients, seniors boomers. The aging population is living longer and values services to enhance wellbeing.

ELEVATING THE SPA EXPERIENCE: Savvier guests expect more. The opportunity is around ensuring guests feel truly cared for, not part of an assembly line.

CUSTOMIZE: Differentiate and build loyalty by offering personalised plans.

COLLABORATION: Team with gyms to combine fitness and wellbeing and offer treatments appealing to fitness clients. Also collaborate with healthcare providers, wellness and medical spas, cross-promoting services.

PRICING: Seen as an opportunity by some, i.e., dynamic pricing, but more often as a challenge around managing overheads, wage bills and providing value and quality in the face of rising prices.

Key Points Summary

THE INDUSTRY IN 2023: STEADY GROWTH

Notwithstanding headwinds from price inflation and rising interest rates, the U.S. economy performed better than had been expected in 2023. Total output of the economy expanded by 2.5 percent in real terms, accompanied by robust employment growth of 2.3 percent.

As measured by the Consumer Price Index, inflation surged in the wake of the pandemic, peaking at 9.1 percent in June 2022. Since then, inflation has fallen back, averaging 4.9 percent in 2023, albeit remaining elevated in the first three months of 2024, at around 3.5 percent.

Service industries that rely on personal contact with the consumer suffered large falls in employment during the spring 2020 Covid-19 lockdown. Since then, those industries have rebounded strongly. Nonetheless, they have yet to recover all of the jobs lost in the lockdown period and, as of September 2023, their employment levels were 5-6 percent below their pre-pandemic levels.

In 2023, the spa industry remained on a positive trajectory, highlighted by continued revenue growth, both in total and per visit:

- Spa industry revenues grew by an estimated 5.7 percent in 2023, with the total rising from \$20.1 billion in 2022 to \$21.3 billion in 2023.
- An estimated 182 million spa visits were made in 2023, representing an increase of 0.6 percent on the 2022 out-turn of 181 million visits.
- The average revenue per spa visit in 2023 is estimated at \$117.2, an increase of 5.1 percent compared with 2022 (\$111.5).
- When asked to give the approximate percent change in staff employed in January 2024 compared with January 2023, 38 percent of survey respondents said they had increased their staff count, compared with 20 percent saying they had reduced employment. Overall, the proportion of spas increasing employment was 18 percentage points higher than the proportion with a reduced staff count, pointing to a growing spa industry workforce.
- By January 2024, total employment in the spa industry stood at an estimated 370,100, an increase of 9,400 (2.6 percent) compared with January 2023.
- The number of spa locations was relatively stable in 2023 compared with 2022, with a slight increase of 0.2 percent.

After falling sharply in 2020 as a result of the Covid-19 pandemic, by 2023 total spa revenues had recovered to stand 12 percent above the 2019 pre-pandemic level (\$19.1 billion). The revenue growth was underpinned by the 18 percent rise in average revenue per visit between 2019 and 2023.

Nonetheless, the remaining key statistics remain below pre-pandemic levels:

- The number of visits to spa establishments in 2023 was 5 percent below the 2019 pre-pandemic peak of 192 million.
- By January 2024, the spa workforce had recovered to within 96 percent of the pre-pandemic level.
- At the end of 2023, the number of locations remained 3 percent below the pre-pandemic level.

PROFITABILITY

In the resort/hotel sector, 59 percent of spas said their profit percentage was 20 percent or more, slightly down on the 2022 out-turn (64 percent) but broadly consistent with the pre-pandemic level. The profitability performance of spas in the other sectors was also in line with pre-pandemic levels, with 63 percent reporting a 2023 profit percentage of 10 percent or more.

LOOKING FORWARD TO 2024: SINGLE BIGGEST OPPORTUNITY

When asked to say what is the single biggest opportunity that they see for the U.S. spa industry in 2024, wellness and self-care were most frequently mentioned, by about one in three respondents. One in four spa businesses mentioned staffing related issues, including recruitment, retention and education/training within the context of a competitive labor market and accompanying pay pressures. Other opportunities highlighted by respondents focused on technology, touch-free services, innovation, expanding the market for spa services, customization, collaboration and elevating the spa experience. Pricing also featured in the responses, both as an opportunity, i.e., dynamic pricing, and a pressure, i.e., ensuring a value-for-money spa experience in a climate of rising prices.

SPA SERVICES + FACILITIES

In 2023, spas received an estimated 182 million client visits, an average of 8,310 per spa establishment. This section describes the facilities and services that spas offered to their clients.

This section presents the Industry Study findings for the following topics:

Customer base in spring 2024 compared to spring 2023

The core types of services offered by spas

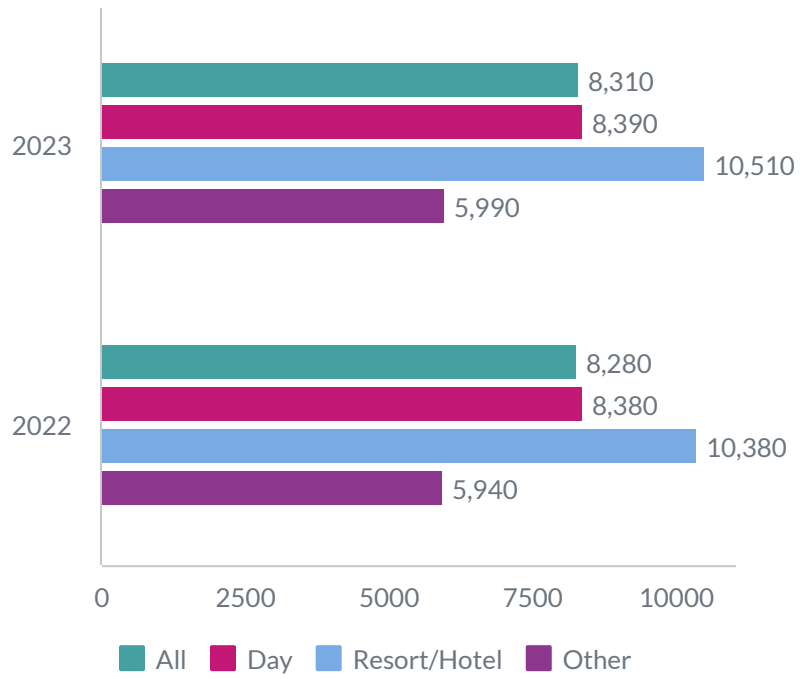
Technology-driven services offered by spas

Average prices per spa service

Pricing and service availability strategies

Spa policies and activities currently in place

AVERAGE VISITS PER SPA ESTABLISHMENT



Customer Base

SPRING 2024 COMPARED TO SPRING 2023

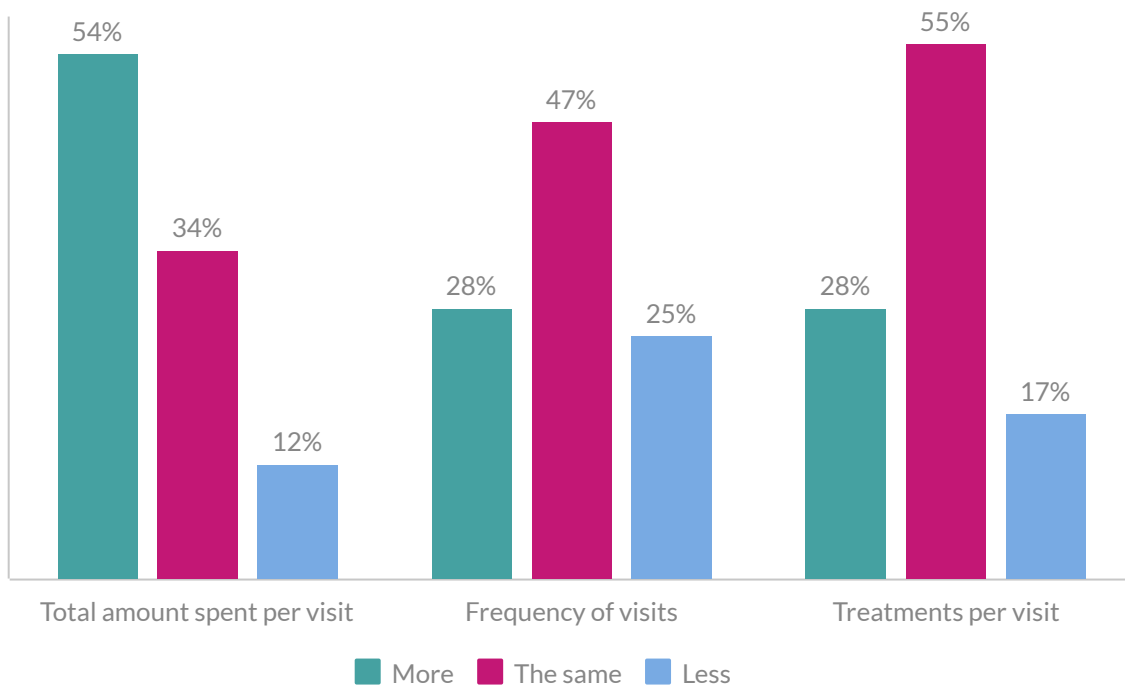
Comparing spring 2024 with the same period one year ago, 54 percent of spas said there had been an increase in the total amount spent per visit, well in excess of the proportion reporting a decrease (12 percent). Almost one in two spas (47 percent) said the frequency of visits made by their customer base had remained the same, with roughly equal proportions saying the frequency had increased (28 percent) or decreased (25 percent). Most spas (55 percent) also said that treatments per visit were unchanged compared with one year ago. A little over one in four spas (28 percent) said treatments per visit had increased compared with 17 percent reporting a decrease.

Resort/hotel spas were more likely than day spas to say that the total amount spent per visit had increased compared with spring 2023, by a margin of 64 percent to 54 percent (see table overleaf). In both sectors, fewer than one in 10 spas (9 percent) said that spend per visit had fallen compared with spring 2023.

Day spas and resort/hotel spas were equally likely to say that the frequency of visits had increased compared with spring 2023 (28 percent). Day spas were more likely than resort/hotel spas to say that the frequency of visits had decreased, with 27 percent of day spas reporting a decrease versus 14 percent of resort/hotel spas.

Similarly, day spas and resort/hotel spas were almost equally likely to say that the number of treatments per visit had increased compared with spring 2023 (28 percent and 26 percent respectively). Day spas were slightly more likely to say that treatments per visit had decreased, 16 percent compared with 11 percent of resort/hotel spas.

CUSTOMER BASE IN SPRING 2024 COMPARED TO SPRING 2023



CUSTOMER BASE IN SPRING 2024 COMPARED TO SPRING 2023

		ALL	DAY	RESORT/ HOTEL
Total amount spent per visit	MORE	54%	54%	64%
	THE SAME	34%	37%	26%
	LESS	12%	9%	9%
Frequency of visits	MORE	28%	28%	28%
	THE SAME	47%	45%	58%
	LESS	25%	27%	14%
Treatments per visit	MORE	28%	28%	26%
	THE SAME	55%	56%	63%
	LESS	17%	16%	11%

Types of Services Offered

When asked about the services that they provide to their clients, 93 percent said they offer facials, followed by massage services (91 percent), waxing services (53 percent), body services (47 percent) and couples services (47 percent).

In addition to their core spa and salon services, many spas offer their visitors a diverse range of treatments and programs. Nail services are offered by 39 percent of spas, ranging from 35 percent of day spas to 74 percent of resort/hotel spas. Almost one in three spas (28 percent) offer salon services.

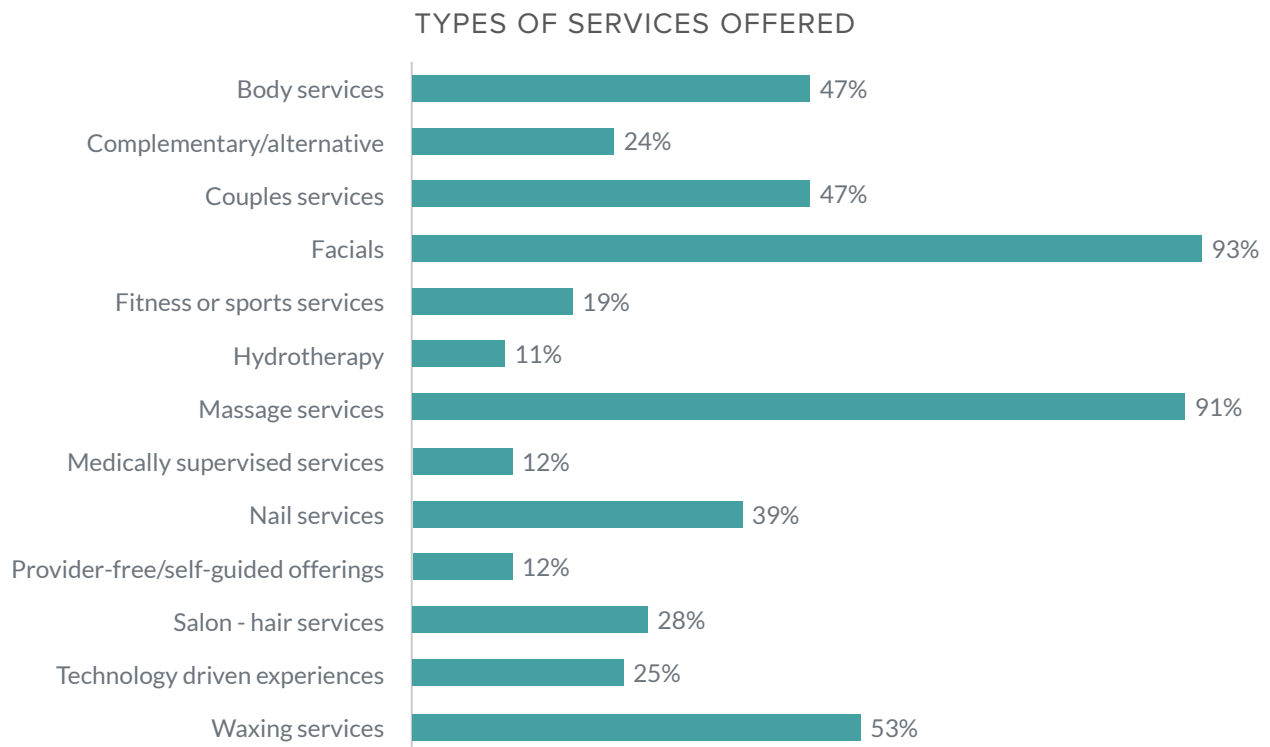
One in four spas (25 percent) offer technology-driven experiences, including 19 percent of day spas and 30 percent of resort/hotel spas. Provider-free/self-guided services are available at 12 percent of spas, including 26 percent of resort/hotel spas.

A little under one in four spas (24 percent) offer complementary or alternative therapies or mind, body and spirit programs, such as acupuncture, reiki and yoga, including 45 percent of resort/hotel spas and 19 percent of day spas.

Fitness or sports services are offered by almost one in five spas (19 percent), including 49 percent of resort/hotel spas.

Medically supervised services are provided by 12 percent of spas. Reflecting the medical spa effect, such services are most often found in the other spa category (65 percent).

The range and mix of services offered varies by type of spa. Reflecting their larger size, resort/hotel spas typically offer a wider range of services; an average of 7.6 types of services compared to 4.6 among day spas. For example, almost all resort/hotel spas (95 percent) offer body services compared with 39 percent of day spas. Similarly, hydrotherapy services are more frequently offered by resort/hotel spas (31 percent) than day spas (8 percent).



PRODUCT OFFERING: CORE SPA SERVICES

	ALL	DAY	RESORT/ HOTEL	OTHER
Body services	47%	39%	95%	56%
Complementary/alternative therapies or mind, body and spirit	24%	19%	45%	37%
Couples services	47%	43%	91%	33%
Facials	93%	93%	98%	85%
Fitness or sports services	19%	13%	49%	29%
Hydrotherapy	11%	8%	31%	16%
Massage services	91%	96%	100%	53%
Medically supervised services	12%	6%	4%	65%
Nail services	39%	35%	74%	35%
Provider-free/self-guided offerings	12%	9%	26%	20%
Salon - hair services	28%	26%	50%	27%
Technology driven experiences	25%	19%	30%	56%
Waxing services	53%	51%	67%	59%

Technology-driven Services

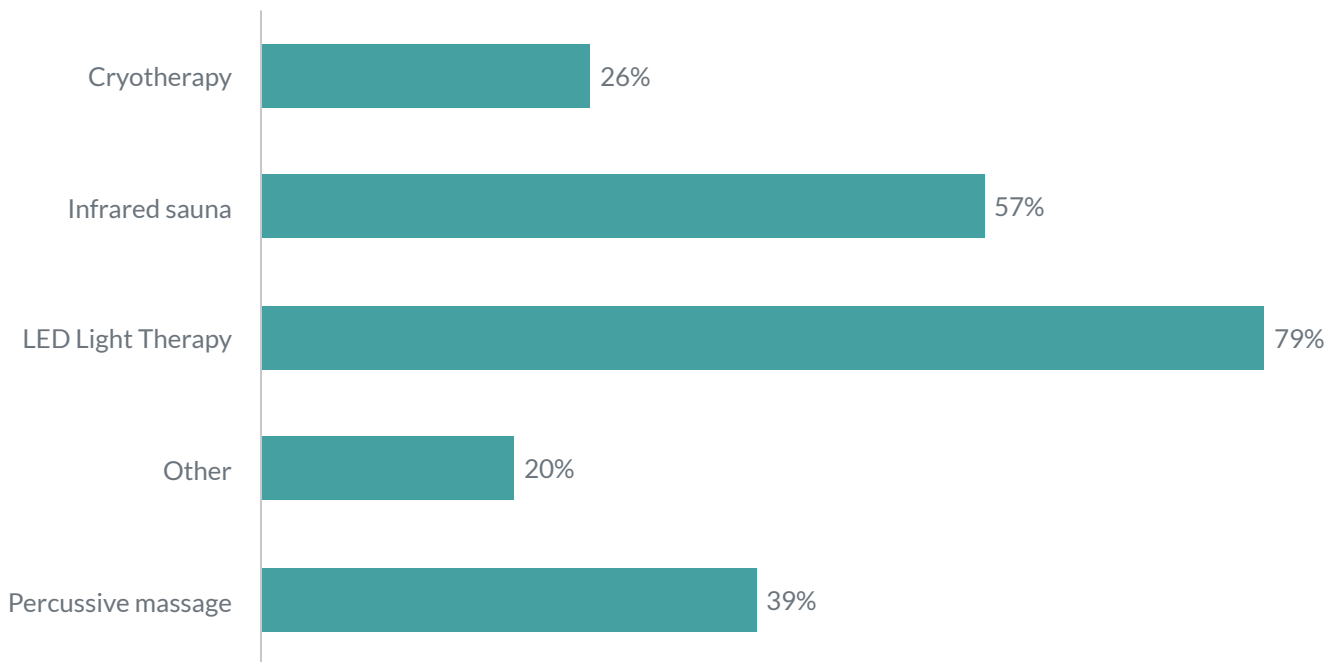
Among the 25 percent of spas saying they provide technology-driven services, 79 percent offer LED light therapy, followed by 57 percent offering infrared sauna. A little under two in five (39 percent) offer percussive massage while over one in four (26 percent) provide a cryotherapy service. One in five (20 percent) said they offer some other type of technology-driven services.

On average, spas providing technology-driven services offer two of the treatments listed in the chart below.

Among the one in five day spas (19 percent) saying they offer technology-driven services, over three in four (77 percent) said they provide an LED light therapy option, followed by 60 percent offering infrared sauna and 30 percent offering percussive massage.

The mix of services is slightly different among the 30 percent of resort/hotel spas providing technology-driven services. Similar to the day spa sector, around three in four (73 percent) said they offer LED light therapy. In contrast to day spas, percussive massage is the second most popular service (67 percent) followed by infrared sauna (58 percent).

TECHNOLOGY-DRIVEN SERVICES OFFERED



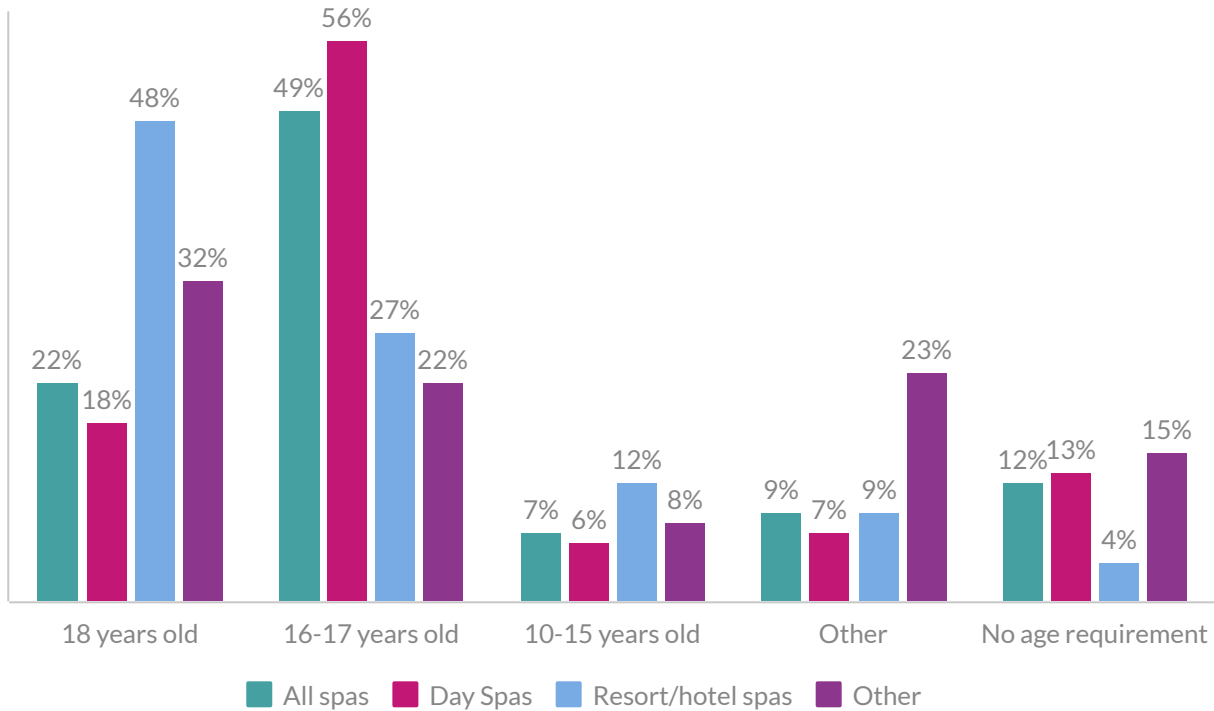
Minimum Age Requirement

When asked to say what is the minimum age requirement to receive a massage within their spa, almost three in four respondents (72 percent) specified a minimum in the age range 16 to 18 years old.

Among resort/hotel spas, almost one in two (48 percent) specified a minimum age requirement of 18 years old to receive a massage, with 27 percent setting a minimum of 16 or 17 years old.

A little under one in five day spas (18 percent) have a minimum age requirement of 18 years to receive a massage while 56 percent set the minimum at 16-17 years old.

MINIMUM AGE REQUIREMENT TO RECEIVE A MASSAGE



Price Per Service

The average price per spa service in 2023 is estimated as \$120, up by 4 percent compared to 2022, when the estimated average price per service was \$116.

Average prices vary depending on the type of service provided, ranging from \$59 per nail service to \$163 per body treatment. At \$116, the average price per massage occupies an intermediate position within that range. The differences in average prices by type of service have been consistent over the past five years. It should be appreciated that these are estimated average prices which will vary across spa establishments depending on type, location, etc.

The average price per massage in 2023 (\$116) was 4 percent higher by comparison with the 2022 average (\$111). The average price for facials in 2023 (\$130) was also 4 percent higher than the average in 2022 (\$125). Body treatment prices are estimated to have registered a 7 percent increase, up from \$152 in 2022 to \$163 in 2023.

The average prices shown for hair services and nail services tend to be more variable from one year to the next, due to smaller sample sizes for spas offering those services. Percentage changes should therefore be interpreted with caution.

AVERAGE PRICES, 2023 COMPARED TO 2022, 2021, 2020 AND 2019

	2019	2020	2021	2022	2023
Per body treatment	\$114	\$114	\$124	\$152	\$163
Per facial	\$104	\$104	\$112	\$125	\$130
Per hair service	\$81	\$80	\$91	\$85	\$89
Per massage	\$98	\$100	\$106	\$111	\$116
Per nail service	\$48	\$49	\$51	\$57	\$59
Per service	\$98	\$100	\$108	\$116	\$120

Price Per Service by Type of Spa

The average price per spa service is higher in resort/hotel spas than in day spas.

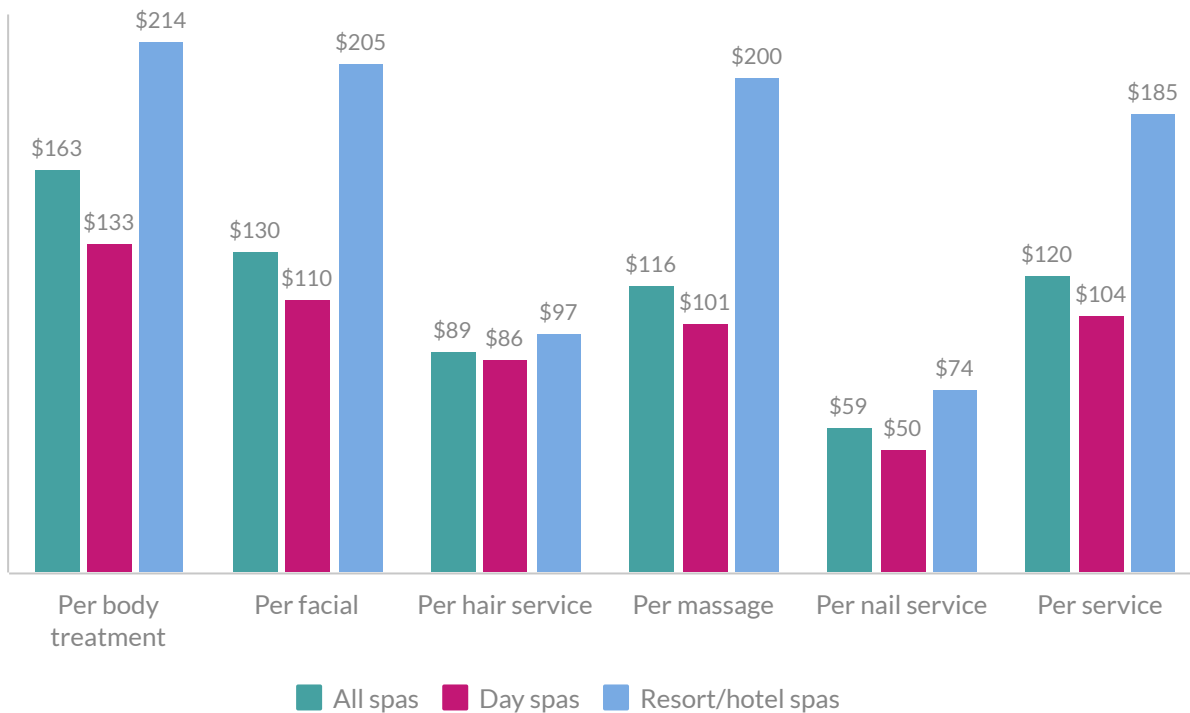
In 2023, the overall average price per service in resort/hotel spas was \$185 compared to \$104 per service in day spas, a differential of \$81.

The largest difference between resort/hotel and day spas was for massage services, with the estimated average price in resort/hotel spas standing at \$200 compared to \$101 in day spas, a \$99 difference. Similar differences can be observed in relation to facials (\$205 in resort/hotel spas versus \$110 in day spas) and body treatments (\$214 in resort/hotel spas compared with \$133 in day spas).

Average prices for hair services are more closely aligned between day spas (\$86) and resort/hotel spas (\$97), a difference of \$11.

Price comparisons by type of spa should be made with caution. The estimated averages shown in the accompanying chart will vary across individual spas according to a range of factors such as location.

AVERAGE PRICE PER SERVICE BY TYPE OF SPA



Pricing and Service Availability Strategies

Spas have adopted a range of strategies designed to boost client visits and match pricing to service availability and demand. The mix of strategies varies by spa type.

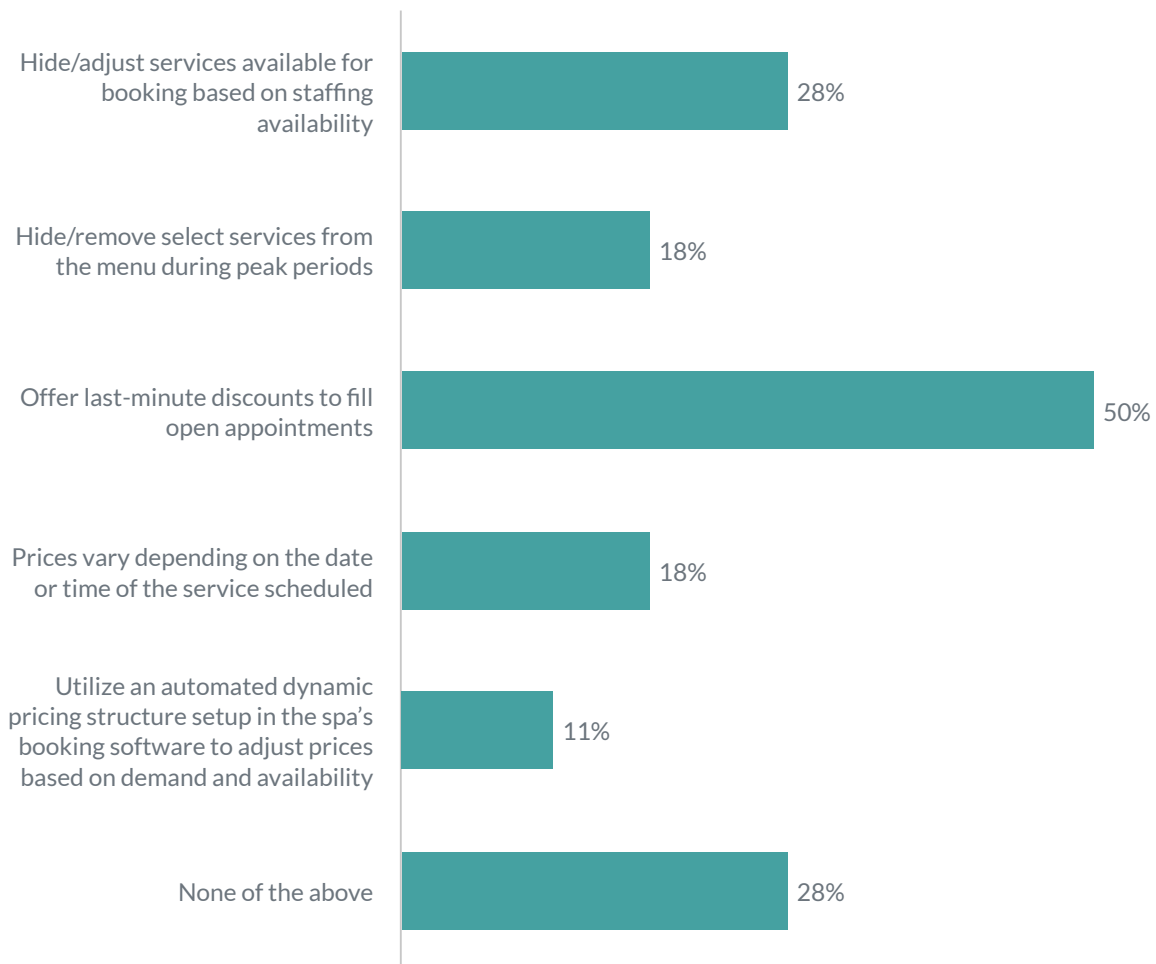
To encourage client visits, one in two spas (50 percent) offer last minute discounts to fill open appointments. That strategy is more frequently used in day spas (56 percent) than in resort/hotel spas (32 percent).

28 percent of spas hide or adjust services available for booking based on staffing availability. The proportion is slightly higher in day spas (29 percent) than in resort/hotel spas (24 percent).

Close to one in five spas (18 percent) vary their prices depending on the date or time of the service scheduled. That strategy is used by almost one in two resort/hotel spas (45 percent) and less often by day spas (14 percent).

A large majority of spas (72 percent) use one or more of the pricing and availability strategies listed in the chart below.

AVERAGE PRICE PER SERVICE BY TYPE OF SPA



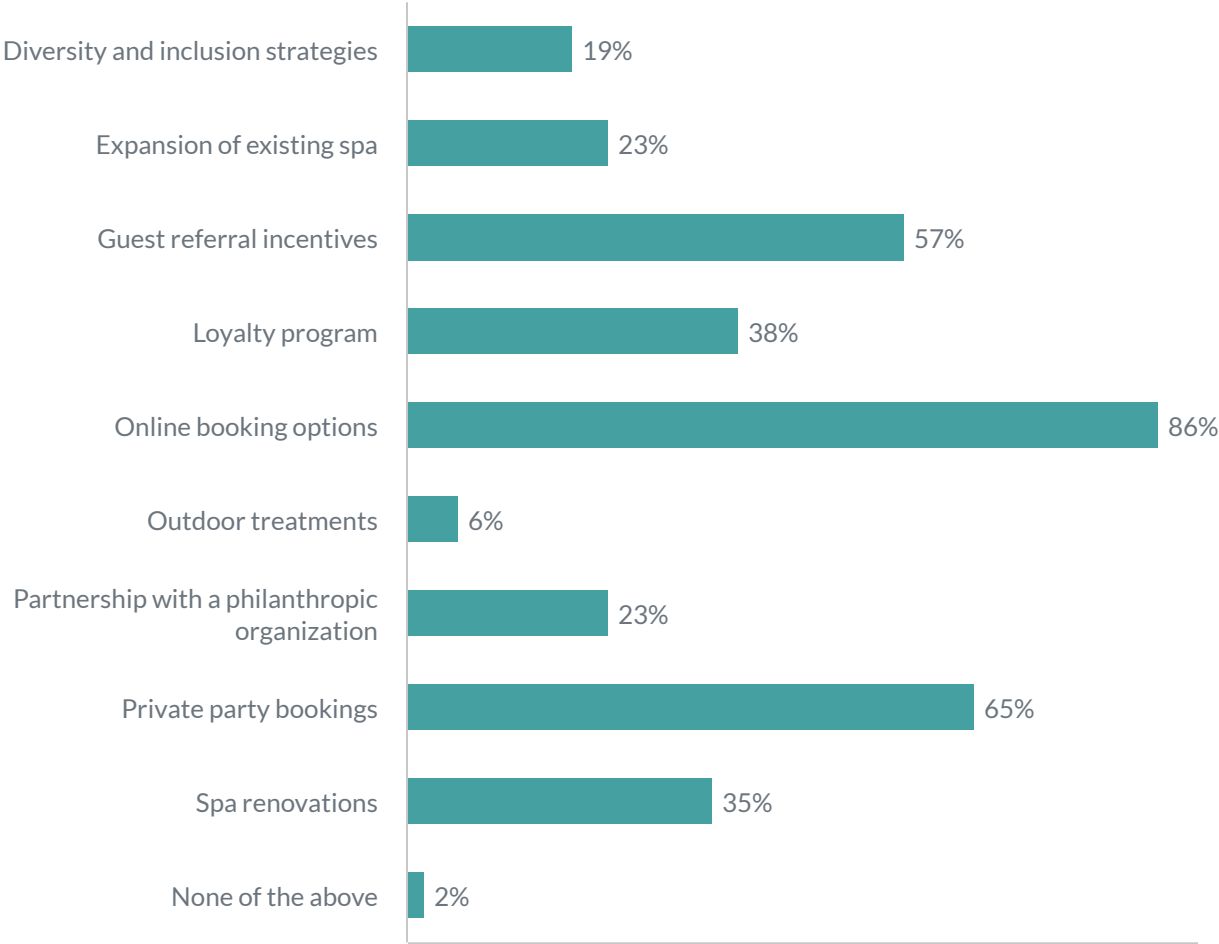
PRICING AND SERVICE AVAILABILITY STRATEGIES UTILIZED

	All	Day	Resort/ hotel	All other
Hide/adjust services available for booking based on staffing availability	28%	29%	24%	23%
Hide/remove select services from the menu during peak periods	18%	18%	21%	10%
Offer last-minute discounts to fill open appointments	50%	56%	32%	27%
Prices vary depending on the date or time of the service scheduled	18%	14%	45%	19%
Utilize an automated dynamic pricing structure setup in the spa's booking software to adjust prices based on demand and availability	11%	10%	19%	9%
None of the above	28%	27%	28%	41%

Policies or Activities Currently in Place

When asked about the policies or activities that they currently have in place, the most frequently cited were online booking option (86 percent), private party bookings (65 percent) and guest referral incentives (57 percent).

POLICIES OR ACTIVITIES CURRENTLY IN PLACE



EMPLOYMENT

Staffing

This section focuses on employment in the spa industry, under the following headings:

Employment per spa, comparing January 2024 with January 2023

Hours required to be considered a full-time worker

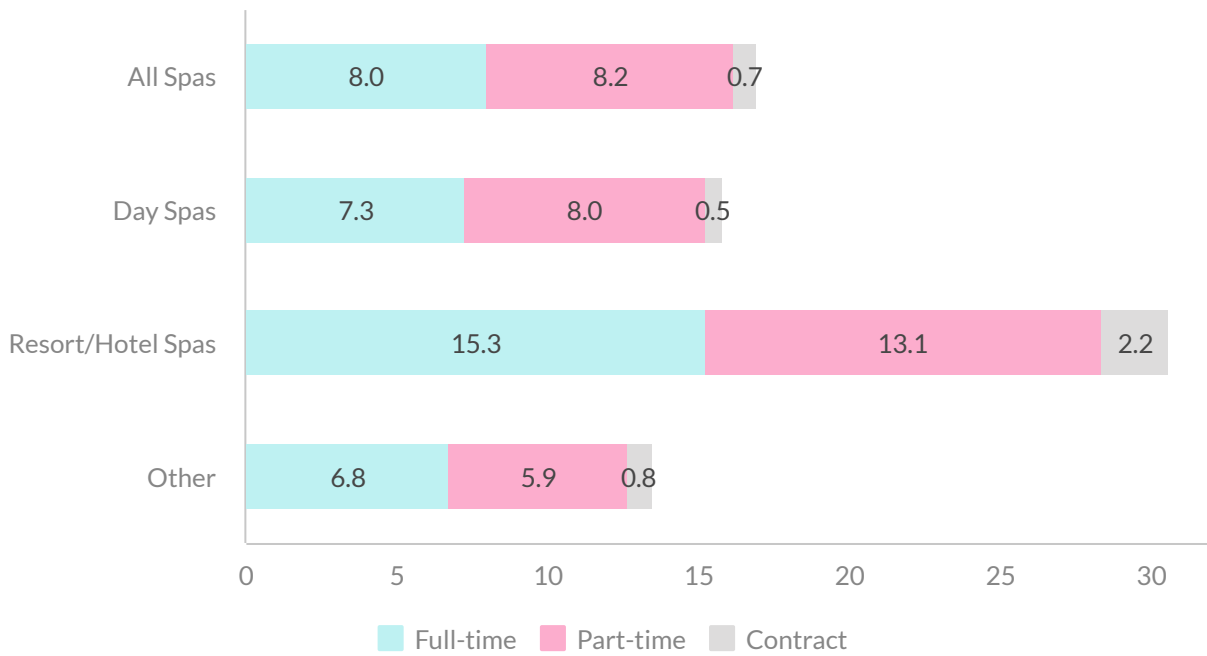
Issues experienced by spas in recruiting massage therapists in the last year

Actions taken to help cope with recruitment difficulties

Unstaffed positions, both for service providers and managers and directors

EMPLOYMENT PER SPA, BY FULL-TIME, PART-TIME AND CONTRACT

Average Number of Employees Per Spa



Employment

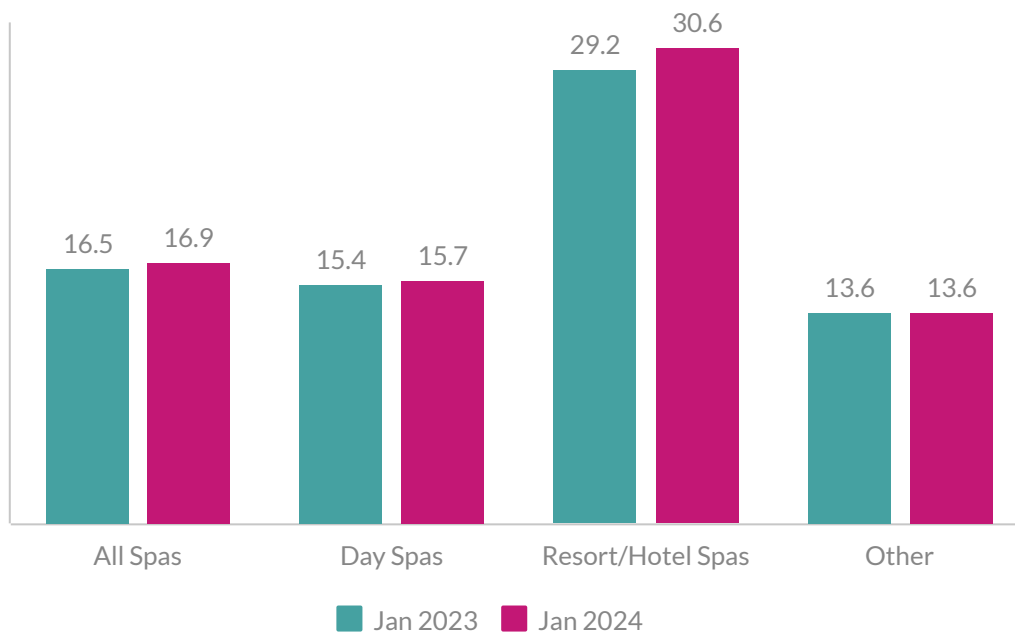
The total number employed in the spa industry is estimated at 370,100 as of January 2024, comprising 174,600 full-time employees, 180,000 part-time employees and 15,500 contract workers.

There are 21,840 spa locations across the U.S., with an average of 16.9 workers per spa establishment as of January 2024, compared with 16.5 per spa as of January 2023, an increase of 0.4 percent.

The growth in the average size of the workforce per spa was higher in resort/hotel spas (4.8 percent) than in day spas (2.0 percent).

Employment levels in January 2024 were highest in resort/hotel spas, with 30.6 workers on average compared to an average of 15.7 per establishment in the day spa sector.

EMPLOYMENT PER SPA, JANUARY 2024 COMPARED WITH JANUARY 2023



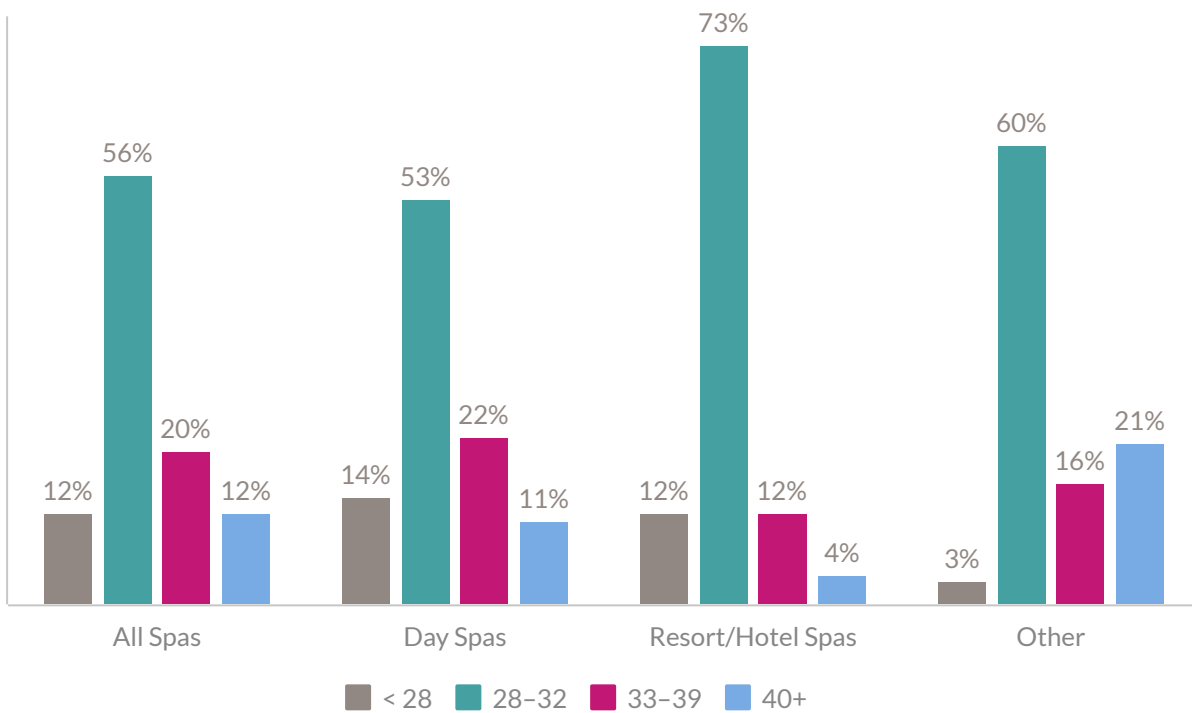
Hours Necessary to be Considered a Full-time Employee

Spas were asked to say how many weekly hours their service providers need to work in order to be considered a full-time employee. On average, respondents said service providers had to work at least 32 hours per week to be considered a full-time employee.

It should be noted that the number of hours necessary to be considered a full-time employee is a threshold value. The actual number of hours worked may be greater than the threshold.

A little over one in two in day spas (53 percent) gave a value in the range 28-32 hours compared with almost three in four resort/hotel spas (73 percent). One in three day spas (33 percent) gave a figure higher than 32 hours for full-time status, versus 16 percent of resort/hotel spas.

HOURS NECESSARY TO BE CONSIDERED A FULL-TIME EMPLOYEE



WEEKLY HOURS NECESSARY TO BE CONSIDERED FULL-TIME: AVERAGE

	All Spas	Day Spas	Resort/Hotel Spas	Other
Average	32	31	31	33

Average Hours Worked Per Week

Respondents were asked to give the current average number of hours worked per week by service provider roles. The average hours worked do not vary greatly across the service provider roles. Respondents quoted an average of 32 hours per week for massage therapists, very slightly below the 33 hours per week average for estheticians.

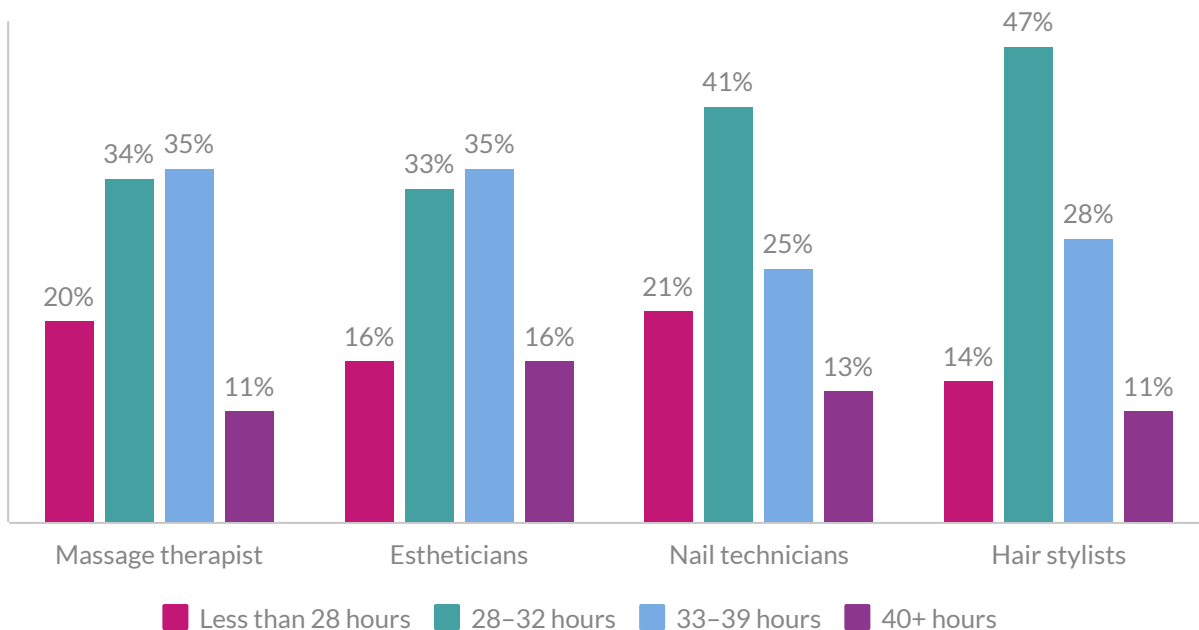
AVERAGE HOURS WORKED PER WEEK

	All Spas	Day Spas	Resort/Hotel Spas	Other
Massage Therapists	32	32	32	32
Estheticians	33	33	32	32
Nail Technicians	30	30	32	N/A
Hair Stylists	30	30	32	N/A

N/A estimate not available due to low sample size for the job type.

Average weekly hours vary more widely within each service provider role. For example, 35 percent of respondents said their massage therapists work between 33 and 39 hours per week while 34 percent work 28 to 32 hours, on average, and 11 percent work 40 or more weekly hours. That is, average weekly hours are more spa-specific than role-specific.

AVERAGE HOURS WORKED BY JOB TYPE

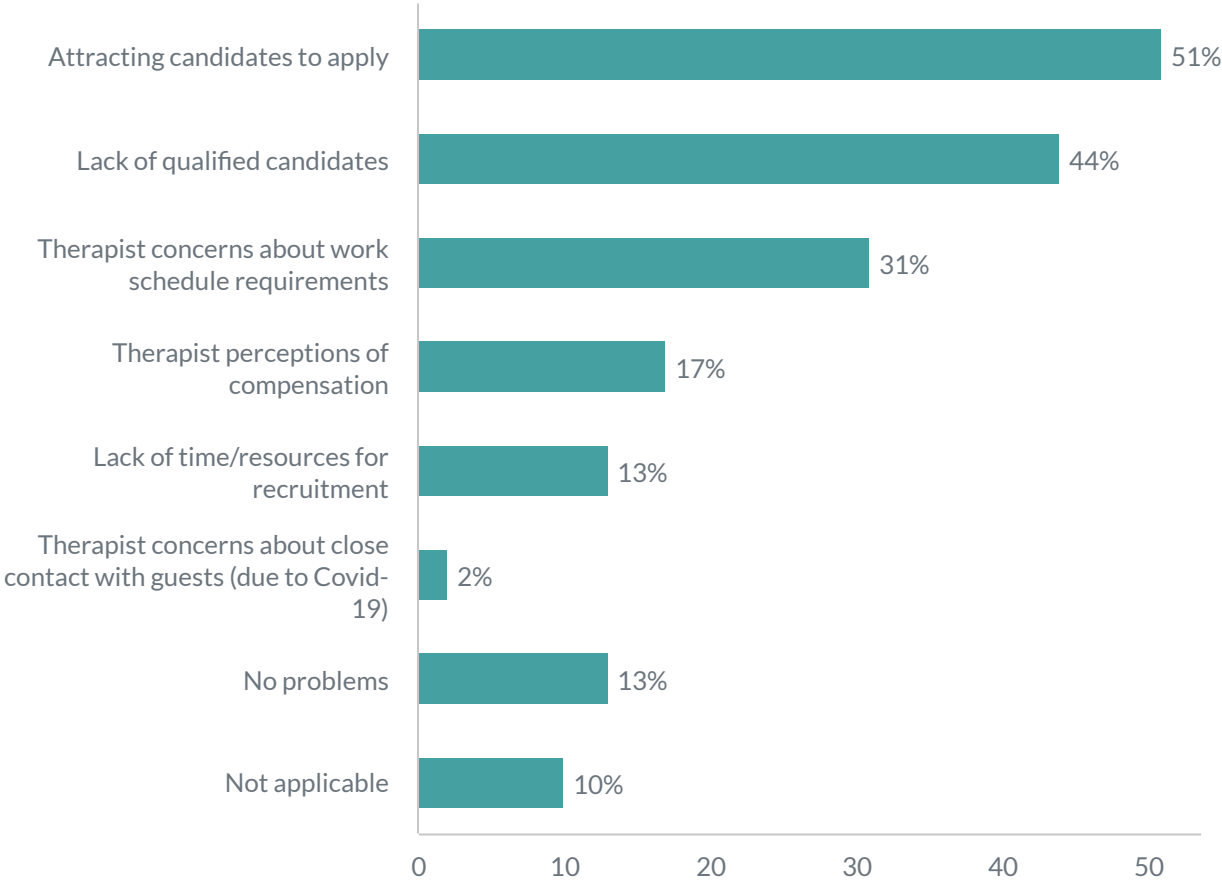


Massage Therapists: Recruitment Issues in Last Year

The main issue faced by spas in recruiting massage therapists during 2023 was difficulty in attracting candidates to apply, mentioned by 51 percent of respondents. Lack of qualified candidates was the second most frequently cited recruitment issue (44 percent), followed by therapist concerns about work schedule requirement (31 percent).

The recruitment difficulties posed by therapists' concerns about close contact with guests, due to Covid-19, have all but disappeared, down to 2 percent from 19 percent in 2022 and 43 percent in 2021.

ISSUES EXPERIENCED IN RECRUITING MASSAGE THERAPISTS IN THE LAST YEAR



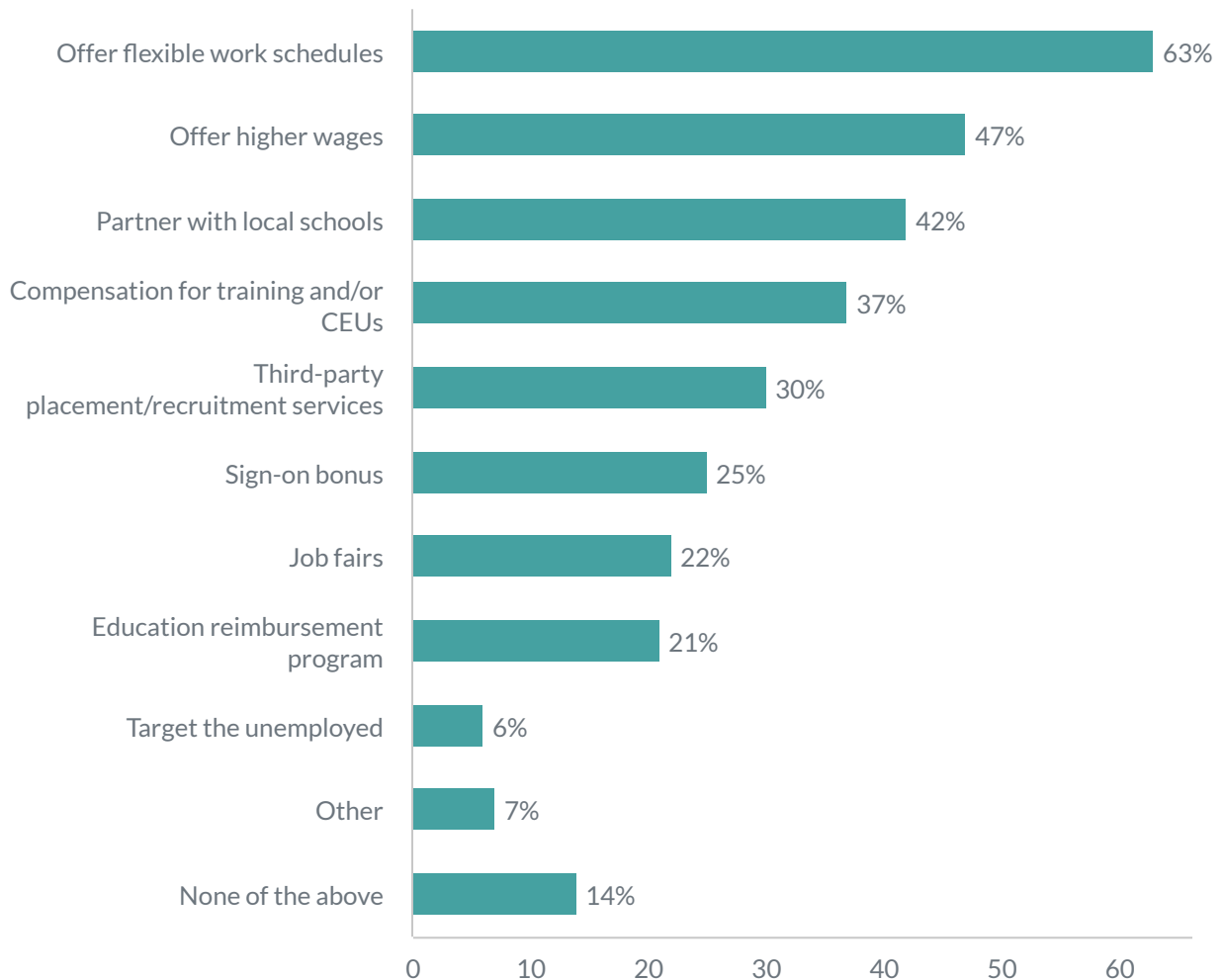
Recruitment Difficulties: Actions Taken

Spas have sought to address recruitment difficulties through a range of actions. Most often, they have offered flexible work schedules (63 percent), higher wages (47 percent) and partnerships with local schools (42 percent).

The range of measures adopted by spas to tackle recruitment difficulties include:

- Financial incentives – offering higher wages (47 percent) and/or a signing-on bonus (25 percent), along with 63 percent offering flexible work schedules.
- Education and training, to enhance the supply of skills – including 42 percent saying they were partnering with local schools, 37 percent offering compensation for training and/or Continuing Education Units (CEUs) and 21 percent offering an education reimbursement program.
- Proactive outreach for recruitment – including job fairs (22 percent), third party placement/recruitment services (30 percent) and targeting the unemployed (6 percent).

WHICH OF THE FOLLOWING HAVE YOU BEEN USING TO HELP COPE WITH RECRUITMENT DIFFICULTIES?



Unstaffed Positions: Service Providers

When asked if they have any unstaffed service provider positions, 51 percent of spas said they had openings that they are actively trying to fill, including 68 percent of resort/hotel spas and 49 percent of day spas. The number of unfilled service provider positions is estimated at 25,680 of which 10,860 are full time and 14,820 part-time.

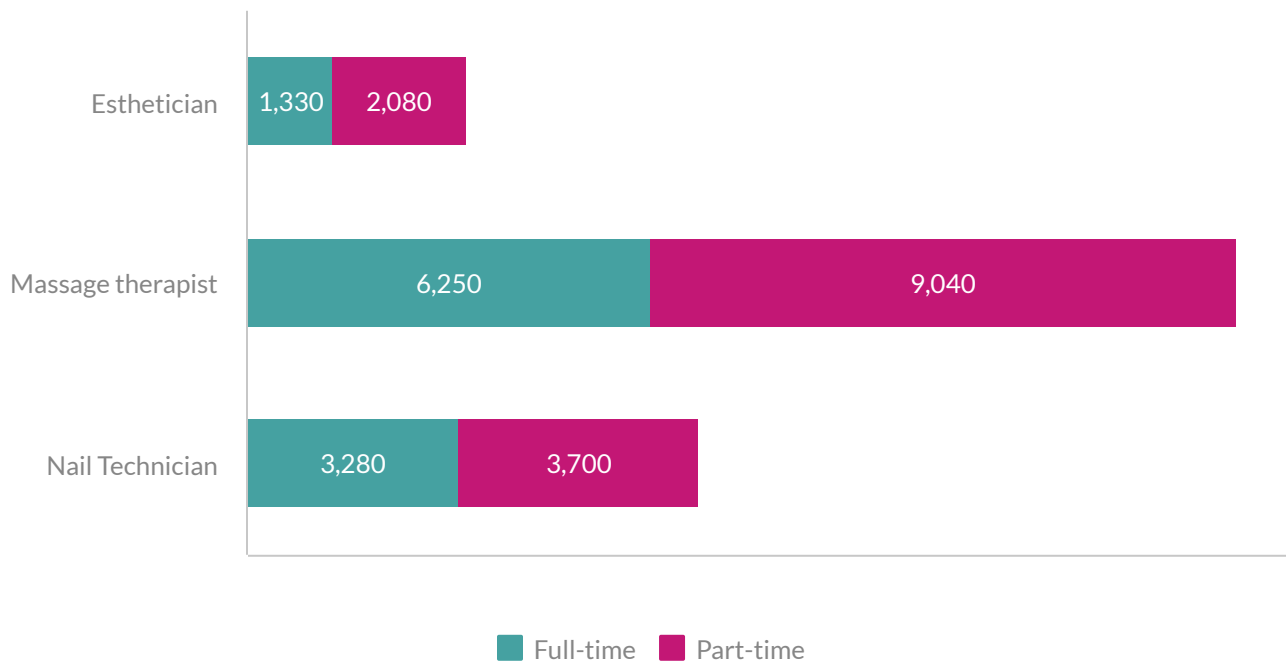
Massage therapists account for the largest number of unfilled positions that spas are currently trying to fill, a total of 15,290 representing 60 percent of unfilled service provider positions. The massage therapist share of unfilled positions is estimated at 58 percent in the day spa sector and 68 percent in the resort/hotel sector.

Estheticians account for an estimated 3,410 unstaffed positions, 13 percent of the service provider total. The esthetician share of service provider vacancies was higher among day spas (13 percent) compared to resort/hotel spas (10 percent).

The remaining 6,980 positions are for nail technicians, representing 27 percent of total unfilled service provider positions.

The number of unfilled service provider positions equates to 7 percent of total employment in the spa industry as of January 2024. That is down from 15 percent in January 2022 and 10 percent in January 2023, both years in which the numbers of unfilled positions were elevated as the spa industry emerged from the pandemic downturn.

UNSTAFFED POSITIONS: SERVICE PROVIDERS



UNSTAFFED POSITIONS: SERVICE PROVIDERS

		All Spas	Day Spas	Resort/Hotel Spas	Other
Esthetician	FULL-TIME	1,330	900	90	340
	PART-TIME	2,080	1,400	460	220
	ALL	3,410	2,300	550	560
Massage Therapist	FULL-TIME	6,250	4,470	1,330	450
	PART-TIME	9,040	5,970	2,510	560
	ALL	15,290	10,440	3,840	1,010
Nail Technician	FULL-TIME	3,280	2,670	550	60
	PART-TIME	3,700	2,670	710	320
	ALL	6,980	5,340	1,260	380
All Service Providers	FULL-TIME	10,860	8,040	1,970	850
	PART-TIME	14,820	10,040	3,680	1,100
	ALL	25,680	18,080	5,650	1,950

Unstaffed Positions: Directors, Managers and Front-desk Staff

Spas saying that they have unstaffed positions were asked to also say how many spa director, spa manager and front desk/receptionist positions they are actively trying to fill.

The total number of spa director positions that spas are currently seeking to fill is estimated at 520, of which 360 (69 percent) are full-time and 160 (31 percent) are part-time positions.

It is estimated that spas are seeking to fill 1,190 spa manager positions, of which 880 (74 percent) are full-time with the remaining 310 (26 percent) part-time openings.

The total number of front desk/receptionist positions that spas are currently seeking to fill is estimated at 6,640, of which 3,050 (46 percent) are full-time and 3,590 (54 percent) are part-time positions.

UNSTAFFED POSITIONS: SPA DIRECTORS, MANAGERS AND FRONT-DESK STAFF

	Full-time	Part-time	All
Spa Director	360	160	520
Spa Manager	880	310	1,190
Front Desk	3,050	3,590	6,640
All	4,290	4,060	8,350

EMPLOYMENT

Compensation

This section presents the survey findings for employee compensation in the spa industry, under the following headings:

Compensation structures for full-time massage therapists

Movements in compensation levels over the last year, separately for:

- Leadership/management positions
- Front desk/receptionist/concierge positions
- Massage therapist positions

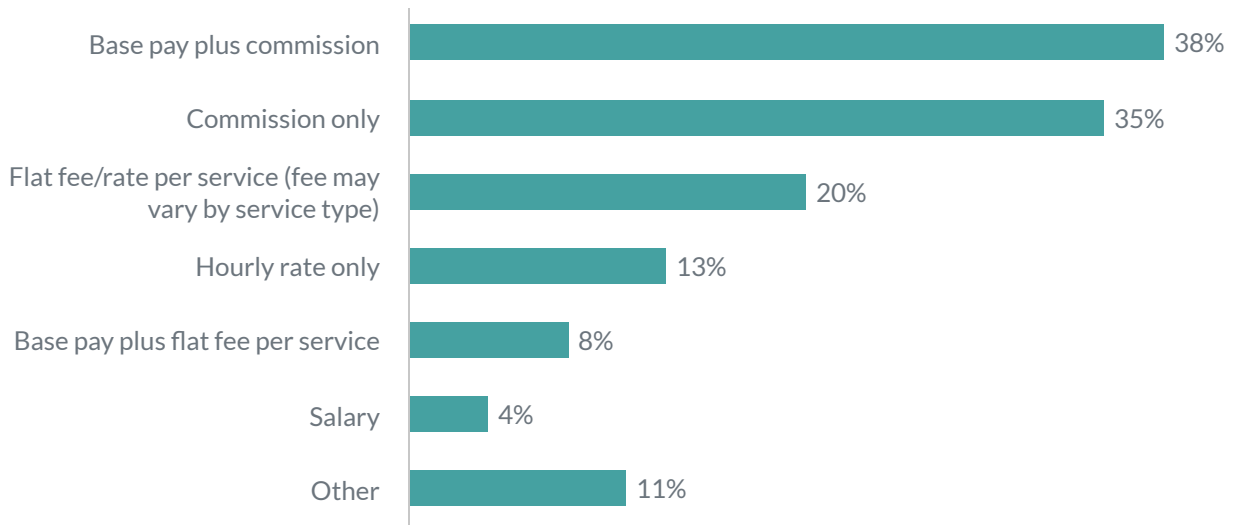
Average annual compensation levels by employee role including:

- Spa director
- Spa manager
- Esthetician
- Massage therapist
- Nail technician
- Front desk/receptionist

Compensation Structures: Massage Therapists

A little over one in three spas (38 percent) said they use base pay plus commission to compensate their full-time massage therapists. A similar proportion (35 percent) cited a commission only compensation structure. One in five spas (20 percent) use a flat fee/rate per service model. The hourly rate only structure is utilized by 13 percent of spas. Only 4 percent of spas use a salary structure.

WHICH OF THE FOLLOWING COMPENSATION STRUCTURES DOES YOUR SPA UTILIZE FOR FULL-TIME MASSAGE THERAPISTS?



One in two resort/hotel spas (52 percent) use base pay plus commission to compensate their full-time massage therapists, compared with 35 percent of day spas. The commission-only structure is more frequently found in day spas than in resort/hotel spas, by a margin of 41 percent to 23 percent.

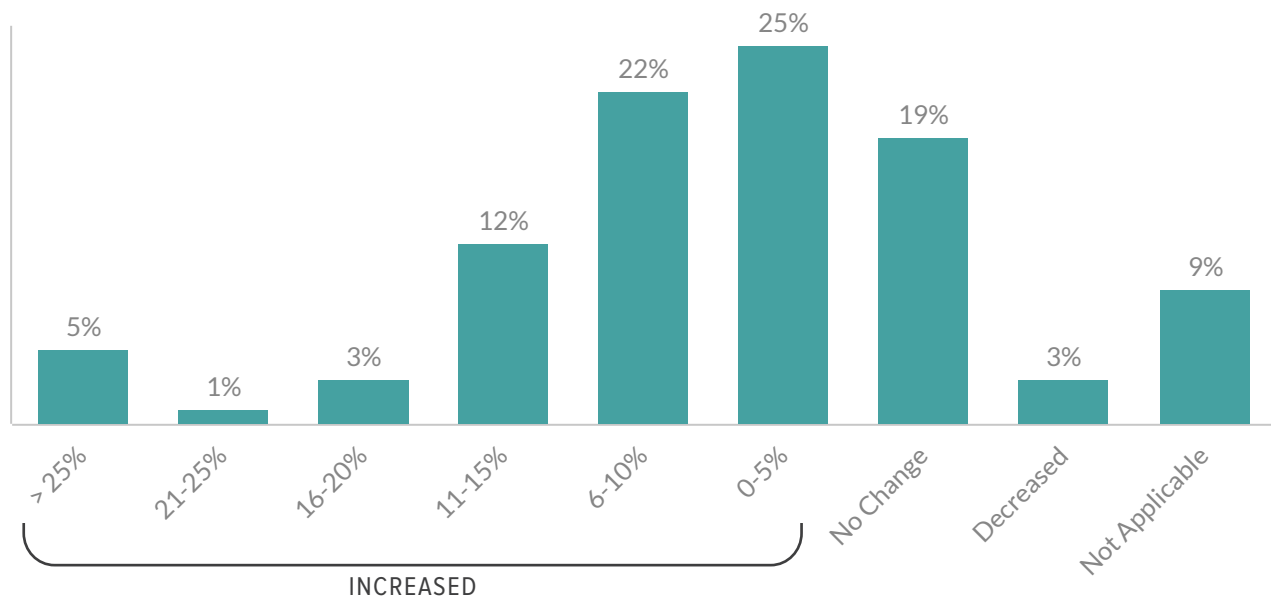
	All Spas	Day Spas	Resort/Hotel Spas
Base pay plus commission	38%	35%	52%
Commission only	35%	41%	23%
Flat fee/rate per service <i>(fee may vary by service type)</i>	20%	20%	14%
Hourly rate only	13%	8%	3%
Base pay plus flat fee per service	8%	8%	11%
Salary	4%	4%	2%
Other	11%	11%	17%

Movement in Annual Compensation Levels: Leadership/Management

Annual compensation levels for full-time leadership/management positions, such as spa manager, increased in 68 percent of spas. Over one in five spas (21 percent) reported an increase of 11 percent or more, with a further 22 percent citing an increase in the range 6-10 percent and 25 percent saying levels had risen by 5 percent or less. Almost one in five spas (19 percent) reported no change in compensation levels. Just 3 percent of spas said compensation levels had reduced.

The distribution of changes in annual compensation levels for leadership/management positions varied between day and resort/hotel spas. Across the resort/hotel sector, 52 percent reported an increase in the range 0-5 percent compared with 23 percent of day spas. In the day spa sector, 42 percent said compensation levels had risen by 6 percent or more compared with 31 percent of resort/hotel spas.

MOVEMENT IN ANNUAL COMPENSATION LEVELS, LEADERSHIP/MANAGEMENT



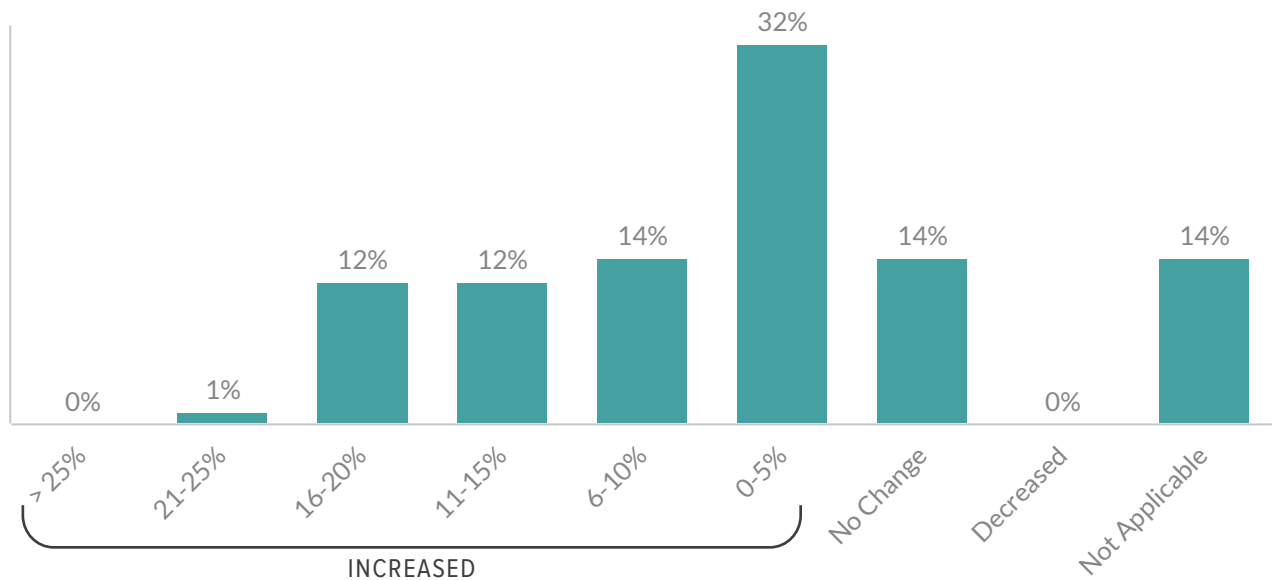
	All Spas	Day Spas	Resort/Hotel Spas
More than 10% increase	21%	21%	10%
6-10% increase	22%	21%	21%
0-5% increase	25%	23%	52%
No change	19%	21%	11%
Decrease	3%	4%	0%
Not applicable	9%	10%	6%

Movement in Annual Compensation Levels: Front Desk / Receptionist / Concierge

Annual compensation levels for full-time front desk/receptionist/concierge positions increased in 72 percent of spas. Over one in four spas (26 percent) reported an increase in compensation levels of 11 percent or more. Compensation levels increased by 6-10 percent in 14 percent of spas. Almost one in three spas (32 percent) said compensation levels had risen at a more modest pace, by 5 percent or less while 14 percent said compensation levels had remained unchanged.

An increase in compensation levels for front desk/receptionist positions was reported by 83 percent of resort/hotel spas, slightly higher than the 69 percent of day spas citing an increase. However, day spas were more likely to say that compensation levels had risen by more than 10 percent, by a margin of 30 percent to 9 percent.

MOVEMENT IN ANNUAL COMPENSATION LEVELS, FRONT DESK/RECEPTIONIST/CONCIERGE



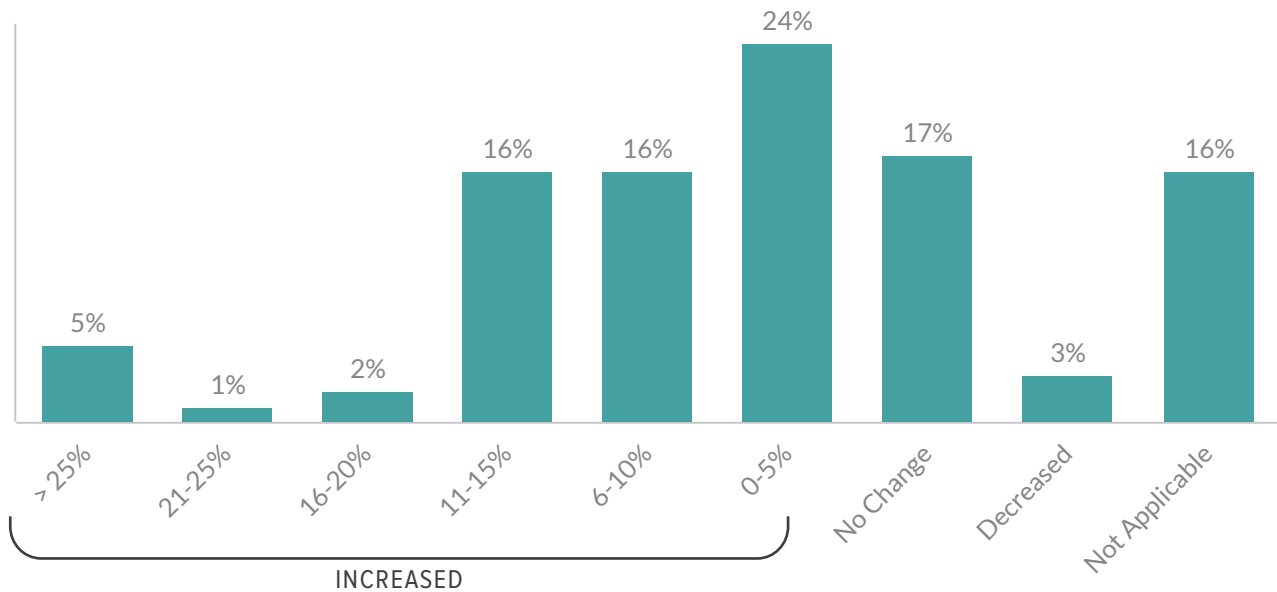
	All Spas	Day Spas	Resort/Hotel Spas
More than 10% increase	26%	30%	9%
6-10% increase	14%	10%	23%
0-5% increase	32%	30%	51%
No change	14%	15%	12%
Decrease	0%	0%	0%
Not applicable	14%	16%	5%

Movement in Annual Compensation Levels: Massage Therapist

Annual compensation levels for full-time massage therapist positions increased in 64 percent of spas. Almost one in four spas (24 percent) said compensation levels had risen by 11 percent or more. A further 16 percent of spas reported an increase in the 6-10 percent range along with 24 percent saying levels had risen by 5 percent or less. Compensation levels were unchanged in 17 percent of spas.

Day and resort/hotel spas were almost equally likely to say they had increased compensation levels for massage therapists; 66 percent and 69 percent respectively. Within that context, day spas were more likely to say that compensation levels had risen by more than 10 percent, by a margin of 30 percent to 9 percent.

MOVEMENT IN ANNUAL COMPENSATION LEVELS,
MASSAGE THERAPIST



	All Spas	Day Spas	Resort/Hotel Spas
More than 10% increase	24%	30%	9%
6-10% increase	16%	14%	21%
0-5% increase	24%	22%	39%
No change	17%	19%	23%
Decrease	3%	4%	1%
Not applicable	16%	12%	6%

Average Annual Compensation

For the 2024 Industry Study, respondents were asked to state the average annual compensation (including gratuities) received by full-time staff across the range of employee roles, including service providers and leadership/management roles.

Among day spas, the average compensation levels quoted for service providers ranged from \$48,800 for massage therapists to \$38,100 for nail technicians.

Compensation levels for service providers working in the resort/hotel sector are higher than in day spas, on average. The average levels range from \$74,500 for massage therapists to \$51,900 for nail technicians.

The estimated average compensation level for spa managers is \$53,600 in day spas compared to \$67,200 in resort/hotel spas.

The difference in compensation levels between day spas and resort/hotel spas is widest in relation to spa directors, with an average annual compensation level of \$103,400 in resort/hotel spas compared with \$74,400 in day spas.

The average compensation received by front desk/receptionist staff was \$36,200 in the day spa sector, compared with \$40,400 in resort/hotel spas.

The figures presented in the table below are averages for each position. Compensation levels vary considerably around the average levels, both by employee role and by spa type. Those variations are shown in further detail in the remaining pages within this section.

AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES),
FULL-TIME INDIVIDUALS

	All	Day	Resort/Hotel
Spa Directors	\$84,300	\$74,400	\$103,400
Spa Managers	\$56,700	\$53,600	\$67,200
Esthetician	\$51,200	\$48,500	\$67,700
Massage therapist	\$52,100	\$48,800	\$74,500
Nail technician	\$41,400	\$38,100	\$51,900
Front desk/receptionist	\$36,600	\$36,200	\$40,400

Spa Director Compensation

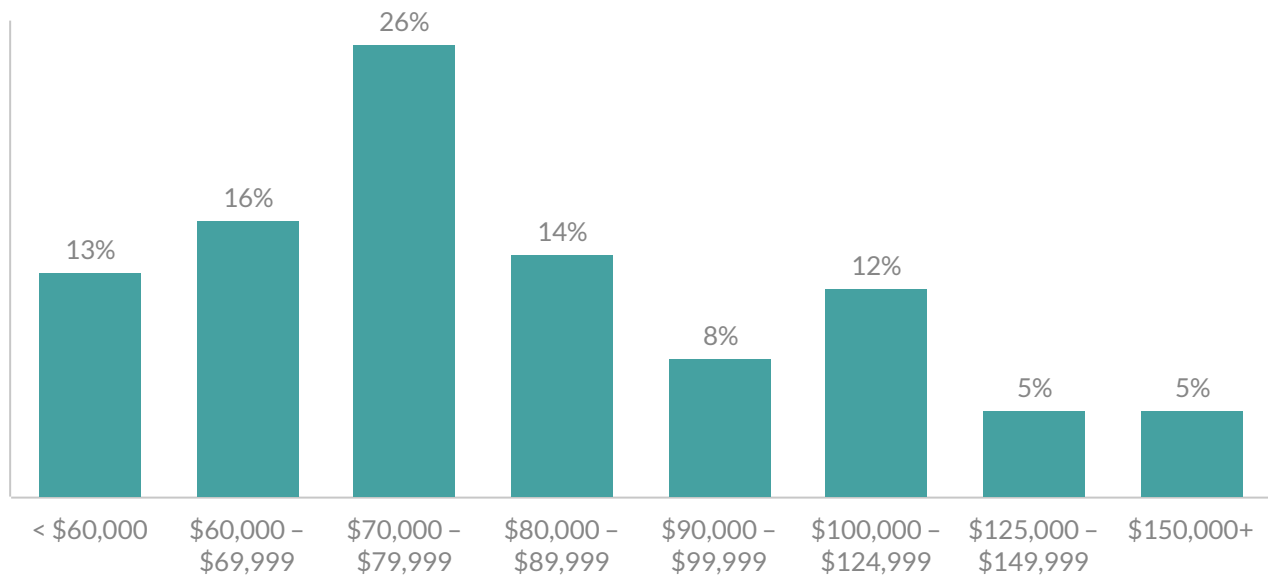
Spa director compensation levels vary widely around the overall average of \$84,300. An estimated 42 percent receive compensation in the range \$60,000 to \$79,999 with 45 percent earning \$80,000 or more and 13 percent earning under \$60,000.

The distribution of compensation levels for spa directors varies sharply by type of spa.

In the day spa sector, almost one in two spas (48 percent) said they have a spa director role. Of those, 52 percent said their annual compensation level for that position was in the range \$60,000 to \$79,999. Almost one in three spas (31 percent) quoted an annual compensation level of \$80,000 and above with the remaining 17 percent reporting a compensation level of less than \$60,000.

By contrast, in the resort/hotel spa sector, where 89 percent said they employ a spa director, 81 percent said that their spa directors receive compensation of \$80,000 or more, including 49 percent earning \$100,000 or more. Almost one in five (17 percent) quoted a salary in the range \$60,000 to \$79,999. The proportion earning less than \$60,000 was 1 percent.

SPA DIRECTOR COMPENSATION



	All	Day	Resort/Hotel
Spa Directors	\$84,300	\$74,400	\$103,400

SPA DIRECTOR COMPENSATION BY TYPE OF SPA

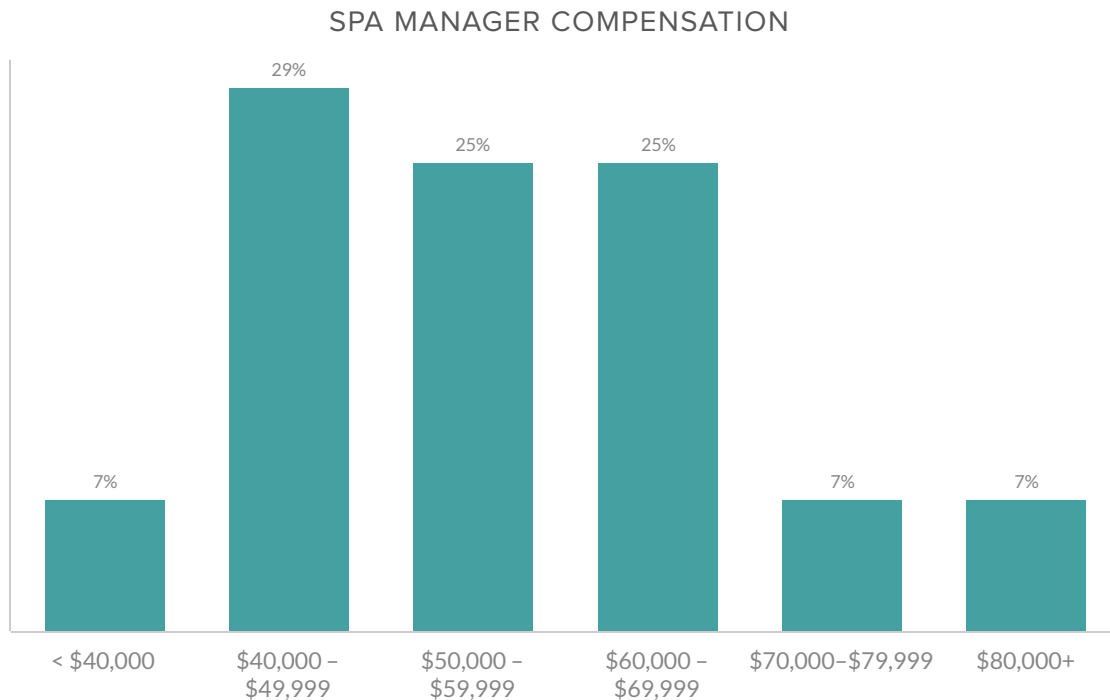
	All	Day	Resort/Hotel
Less than \$60,000	13%	17%	1%
\$60,000 to \$69,999	16%	20%	5%
\$70,000 to \$79,999	26%	32%	12%
\$80,000 to \$89,999	14%	16%	13%
\$90,000 to \$99,999	8%	6%	20%
\$100,000 to \$124,999	12%	8%	28%
\$125,000 to \$149,999	5%	0%	12%
\$150,000 or more	5%	2%	8%

Spa Manager Compensation

Among spas employing managers on a full-time basis (82 percent), the most frequently cited compensation level (29 percent) was in the range \$40,000 to \$49,999, followed by 25 percent receiving \$50,000 to \$59,999 and a similar proportion in the range \$60,000 to \$69,999. An estimated 14 percent reported compensation of \$70,000 and above with the remaining 7 percent saying their managers receive less than \$40,000.

In the day spa sector, where 85 percent said they employ a full-time spa manager, one in three respondents (33 percent) quoted an average compensation level in the range \$40,000 to \$49,999 while 27 percent cited a figure in the range \$50,000 to \$59,999. A little under one in three (31 percent) said their managers receive \$60,000 and above. Fewer than one in 10 (9 percent) reported a compensation level of less than \$40,000.

Similar to the spa director role, compensation levels skew higher in the resort/hotel sector, where 82 percent of spas employ a manager. Over two in three (68 percent) said their compensation level for managers was \$60,000 or more, including 18 percent quoting a level of \$80,000 or more.



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), SPA MANAGERS FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Spa Manager	\$56,700	\$53,600	\$67,200

SPA MANAGER COMPENSATION BY TYPE OF SPA
FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Less than \$40,000	7%	9%	2%
\$40,000 to \$49,999	29%	33%	12%
\$50,000 to \$59,999	25%	27%	17%
\$60,000 to \$69,999	25%	23%	35%
\$70,000 to \$79,999	7%	5%	15%
\$80,000 or more	7%	3%	18%

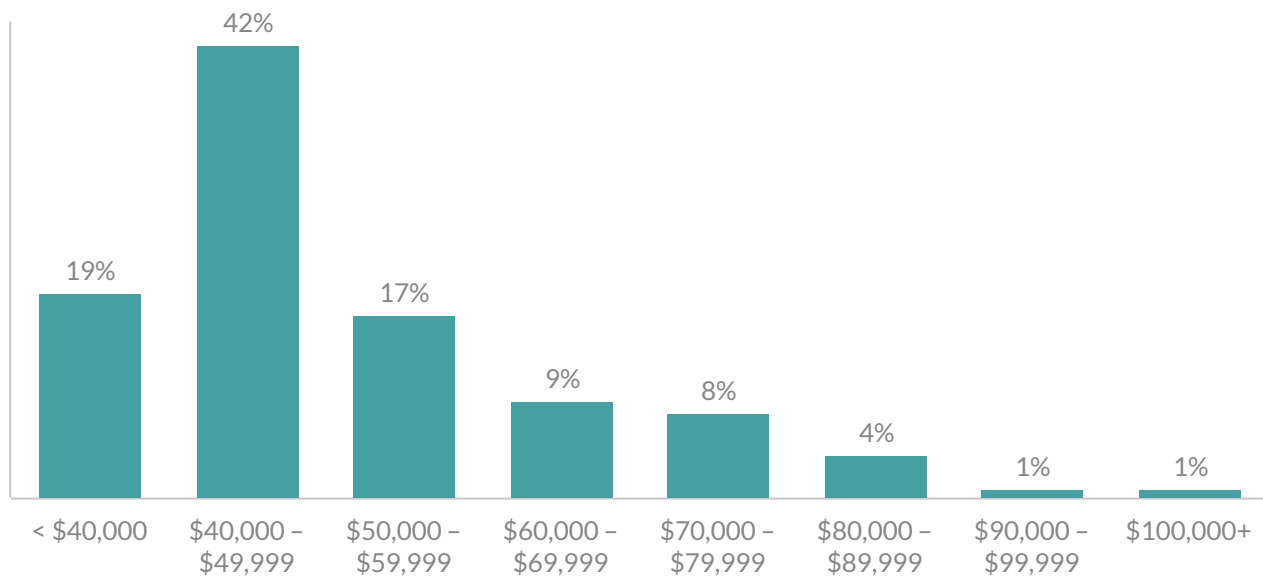
Esthetician Compensation

Amongst spas employing estheticians on a full-time basis (88 percent), 42 percent of spas quoted a compensation level in the range \$40,000 to \$49,999. A similar proportion (40 percent) said their estheticians receive \$50,000 or more with a little under one in five (19 percent) reporting a figure of less than \$40,000.

In the day spa sector, where 90 percent said they employ one or more full-time estheticians, average annual compensation was \$48,500, with almost one in two spas (47 percent) quoting a compensation level in the range \$40,000 to \$49,999. A little under one in three day spas (32 percent) quoted an annual compensation level of \$50,000 or more while 21 percent said their estheticians earn less than \$40,000.

In the resort/hotel spa sector, where 83 percent said they employ one or more full-time estheticians, the average annual compensation level was \$67,700. Three in four resort/hotel spas (76 percent) cited an annual compensation level of \$50,000 or more. A little under one in five (18 percent) said their estheticians receive a compensation level in the range \$40,000 to \$49,999 while 6 percent gave a figure below \$40,000.

ESTHETICIAN COMPENSATION



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), ESTHETICIAN FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Esthetician	\$51,200	\$48,500	\$67,700

ESTHETICIAN COMPENSATION, BY TYPE OF SPA, FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Less than \$40,000	19%	21%	6%
\$40,000 to \$49,999	42%	47%	18%
\$50,000 to \$59,999	17%	15%	15%
\$60,000 to \$69,999	9%	7%	20%
\$70,000 to \$79,999	8%	6%	15%
\$80,000 to \$89,999	4%	2%	12%
\$90,000 to \$99,999	1%	1%	7%
\$100,000 or more	1%	1%	7%

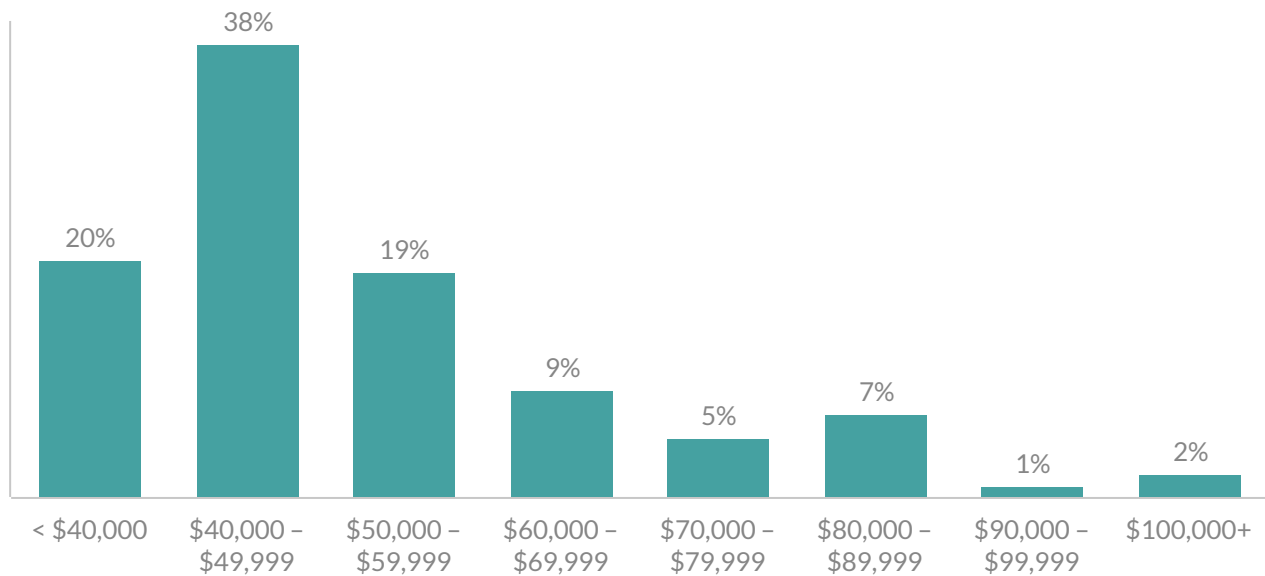
Massage Therapist Compensation

Amongst spas employing massage therapists on a full-time basis (88 percent), the average annual compensation level quoted was \$52,100. Thirty-eight percent of spas said their massage therapists earn \$40,000 to \$49,999 annually. One in five (20 percent) quoted a compensation level less than \$40,000 with the remaining 42 percent saying that compensation levels are \$50,000 or more.

In the day spa sector, where 92 percent said they employ one or more full-time massage therapists, 41 percent of respondents quoted an annual compensation level in the range \$40,000 to \$49,999. A little under one in four (23 percent) said their massage therapists receive less than \$40,000 with the remaining 36 percent citing a figure of \$50,000 or more.

In the resort/hotel spa sector, where 90 percent said they employ one or more full-time massage therapists, compensation levels again skewed higher. Over four in five resort/hotel spas (83 percent) said that compensation levels for massage therapists were \$50,000 or more, including 44 percent paying \$80,000 or more. A little under one in five resort/hotel spas (17 percent) said their massage therapists receive less than \$50,000.

MASSAGE THERAPIST COMPENSATION



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), MASSAGE THERAPIST FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Massage Therapist	\$52,100	\$48,800	\$74,500

MASSAGE THERAPIST COMPENSATION, BY TYPE OF SPA, FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Less than \$40,000	20%	23%	4%
\$40,000 to \$49,999	38%	41%	13%
\$50,000 to \$59,999	19%	20%	12%
\$60,000 to \$69,999	9%	7%	10%
\$70,000 to \$79,999	5%	3%	17%
\$80,000 to \$89,999	7%	5%	23%
\$90,000 to \$99,999	1%	0%	9%
\$100,000 or more	2%	1%	12%

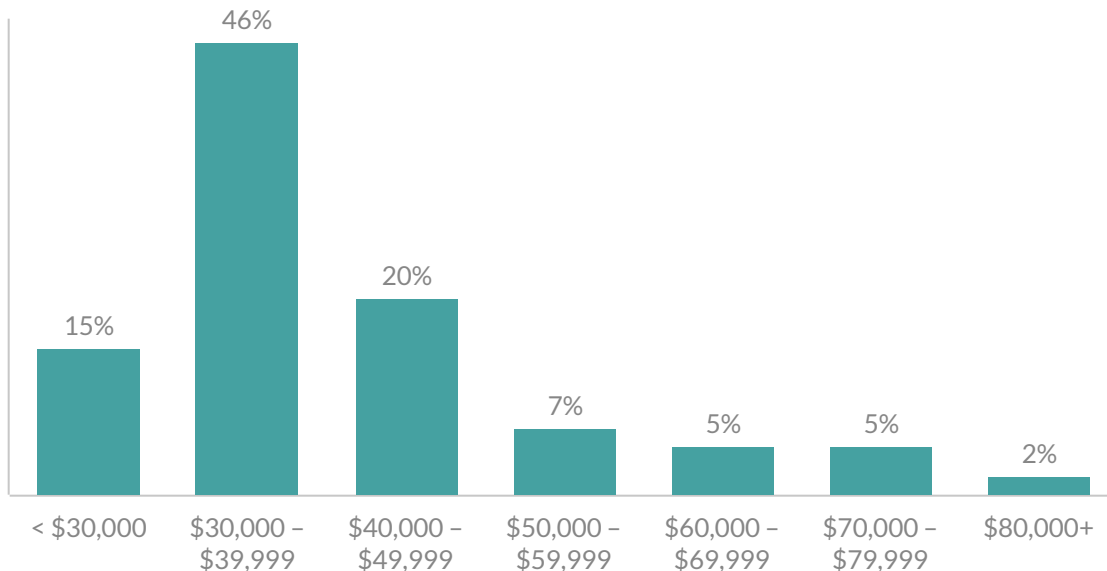
Nail Technician Compensation

Amongst spas employing nail technicians on a full-time basis (38 percent), the average annual compensation level quoted was \$41,400. Almost one in two spas (46 percent) said that compensation levels were in the range \$30,000 to \$39,999, with 15 percent citing compensation levels below \$30,000 and 39 percent giving a figure of \$40,000 or more.

In the day spa sector, where 35 percent said they employ one or more full-time nail technicians, 55 percent said compensation levels are in the range \$30,000 to \$39,999. Almost one in five (18 percent) quoted an amount less than \$30,000 with the remaining 27 percent giving a figure of \$40,000 and above.

In the resort/hotel spa sector, where 61 percent said they employ one or more full-time nail technicians, over one in two spas (54 percent) said their annual compensation levels are \$50,000 or more. Slightly over one in five resort/hotel spas (21 percent) reported annual compensation in the range \$40,000 to \$49,999 with the remaining 25 percent saying compensation levels are below \$40,000.

NAIL TECHNICIAN COMPENSATION



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), NAIL TECHNICIAN FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Nail Technician	\$41,400	\$38,100	\$51,900

NAIL TECHNICIAN COMPENSATION, BY TYPE OF SPA, FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Less than \$30,000	15%	18%	6%
\$30,000 to \$39,999	46%	55%	19%
\$40,000 to \$49,999	20%	15%	21%
\$50,000 to \$59,999	7%	5%	20%
\$60,000 to \$69,999	5%	2%	23%
\$70,000 to \$79,999	5%	3%	8%
\$80,000 or more	2%	2%	3%

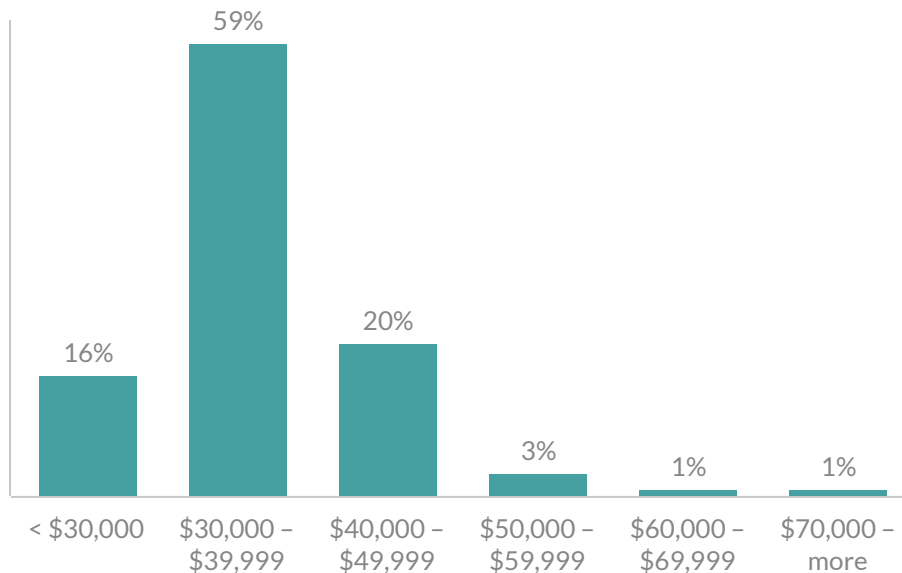
Front Desk/Receptionist Compensation

Compensation levels for full-time front desk/receptionist roles are relatively concentrated in the \$30,000 to \$39,999 range, quoted by 59 percent of spas. A little under one in five spas (16 percent) reported full-time annual compensation levels below \$30,000 while one in four spas (25 percent) said that compensation levels are \$40,000 or more.

In the day spa sector, 65 percent of spas reported annual compensation levels for front desk/receptionist staff in the range \$30,000 to \$39,999. One in five day spas (20 percent) reported a compensation level of \$40,000 and above with the remaining 15 percent quoting a figure less than \$30,000.

In the resort/hotel spa sector, 38 percent quoted an annual compensation level for front desk/receptionist staff in the range \$30,000 to \$39,999. One in two spas (50 percent) said that compensation levels are \$40,000 or above while 12 percent said their full-time front desk/receptionist staff earn less than \$30,000.

FRONT DESK/RECEPTIONIST COMPENSATION



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), FRONT DESK/RECEPTIONIST FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Front Desk/Receptionist	\$36,600	\$36,200	\$40,400

FRONT DESK/RECEPTIONIST COMPENSATION, BY TYPE OF SPA, FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Less than \$30,000	16%	15%	12%
\$30,000 to \$39,999	59%	65%	38%
\$40,000 to \$49,999	20%	15%	36%
\$50,000 to \$59,999	3%	3%	11%
\$60,000 to \$69,999	1%	1%	3%
\$70,000 or more	1%	1%	1%

SPA INDUSTRY PROFILE

This section presents a profile of the estimated 21,840 spa industry establishments located across the U.S as of end-2023. The spa industry is diverse, with establishments varying by size, facilities, range of services offered, as well as the people who work in spas and the clients they serve.

This section focuses on the following attributes of spa establishments:

Composition of the industry by type of spa

The main contrasts by type of spa establishment in respect to industry size statistics, i.e., average revenues, visits and employment

Spa Locations

Age profile of spa establishments, as measured by year of start-up

Number of single location operations vs. affiliated to a larger entity

Key Ratios

Key size indicators vary by type of spa. As in previous years, average revenues and visits per resort/hotel spa are higher than for day spas.

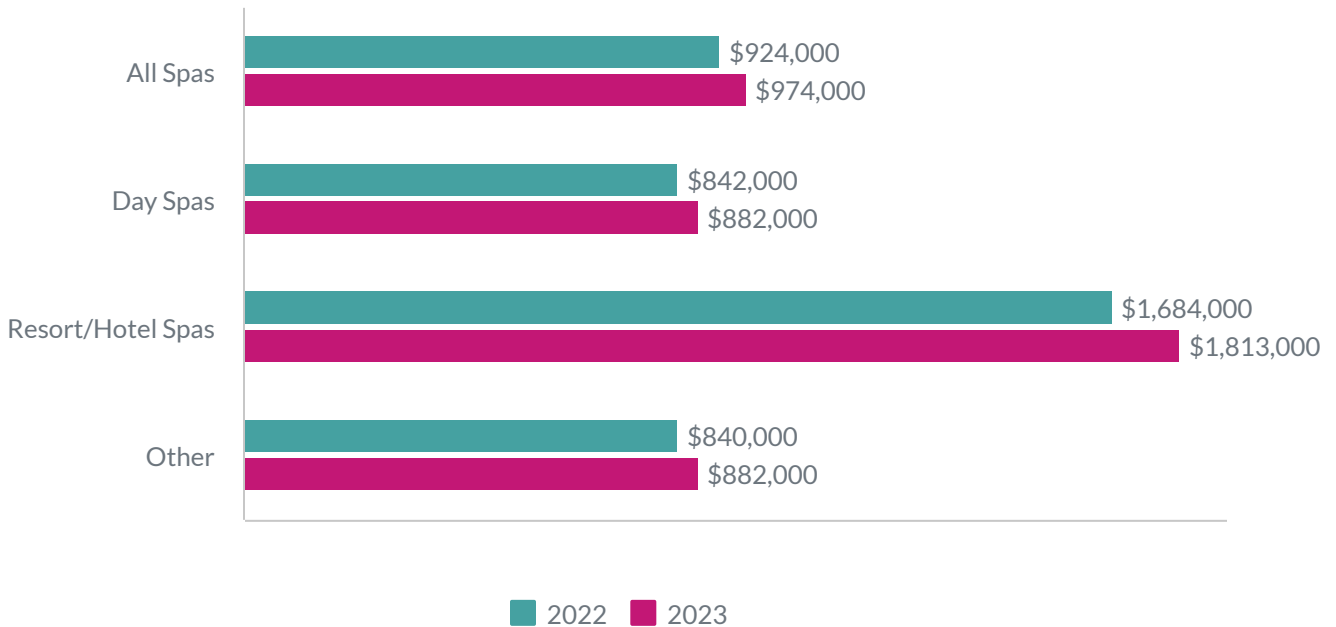
The key size indicators are shown for the main spa types in the Key Ratios table on the following page.

In addition to revenues per spa, the table also shows the per spa averages for visits and employees as well as revenue per visit and per employed person.

Resort/hotel spas generate higher average revenues per visit (\$173) compared to day spas (\$105). They also have higher average numbers of visits – 10,510 versus the day spa average of 8,390. Consequently, in 2023, revenue per resort/hotel spa (\$1.813 million) was over twice the average for day spas (\$882,000).

In 2023, the average revenue per resort/hotel spa rose by 7.7 percent on the 2022 level, compared with a 4.8 percent increase in the day spa sector.

AVERAGE REVENUE PER SPA ESTABLISHMENT



KEY RATIOS BY SPA TYPE

	All	Day	Resort/Hotel	Other
Revenue per spa	\$924,000	\$842,000	\$1,684,000	\$840,000
Per visit	\$112	\$100	\$162	\$141
Per employed person	\$55,810	\$54,610	\$57,660	\$61,510
Visits per spa	8,280	8,380	10,380	5,940
Total employees per spa	16.5	15.4	29.2	13.6
Full-time	7.9	7.2	14.8	6.8
Part-time	8.0	7.8	12.4	6.0
Contract	0.7	0.5	2.0	0.9

Note: The key ratios by spa type should be interpreted with caution. They are estimates based on a sample of spa establishments and will therefore be subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry Studies as the estimates in those previous reports will also exhibit variability due to sampling error.

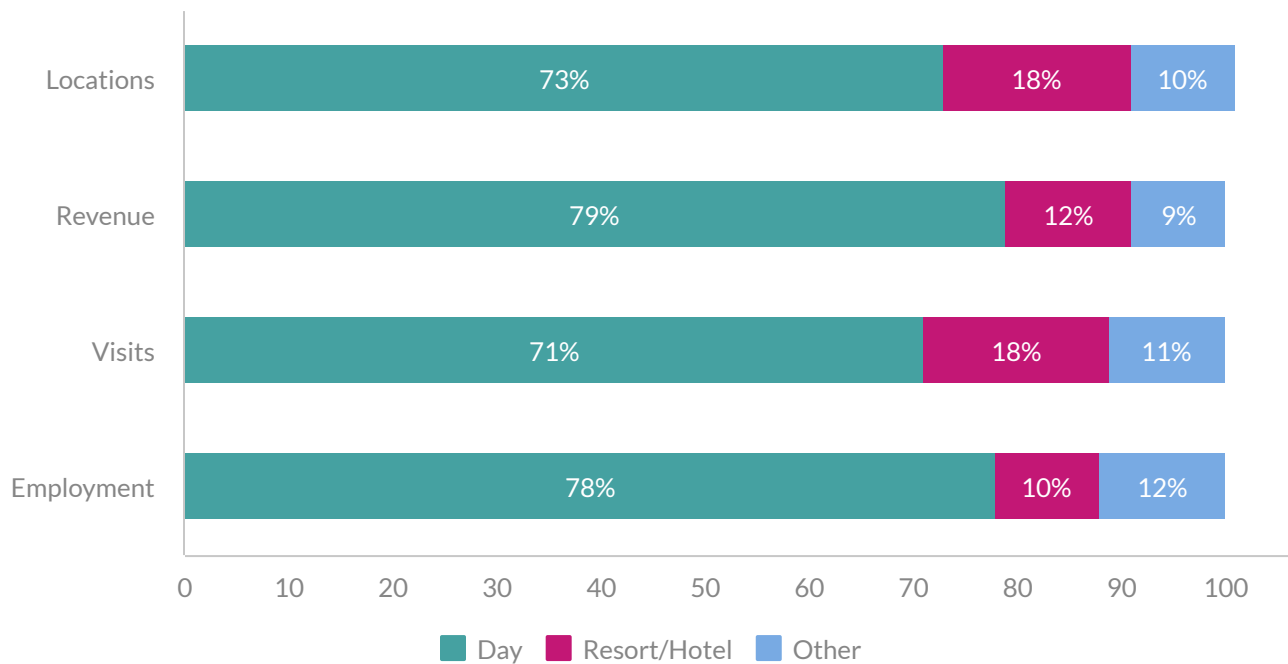
The Big Five: Composition by Spa Type

The composition of the size indicators by spa type varies according to differences between spas in key ratios such as average revenues and visits.

While they account for 10 percent of locations, resort/hotel spas account for almost one-fifth of total spa industry revenue and employment (18 percent). The contrast reflects the larger scale of resort/hotel spas compared to the industry averages for revenue and employment.

In 2023, day spas accounted for 71 percent of total revenue, compared to 78 percent of locations. That is because spend per visitor in the day spa sector (\$105) is below the industry average (\$117). Similarly, the day spa share of employment (73 percent) is below the day spa share of locations. The day spa share of total spa industry visits (79 percent) is closely aligned with the sector's share of locations.

COMPOSITION BY SPA TYPE



Geography of the Spa Industry

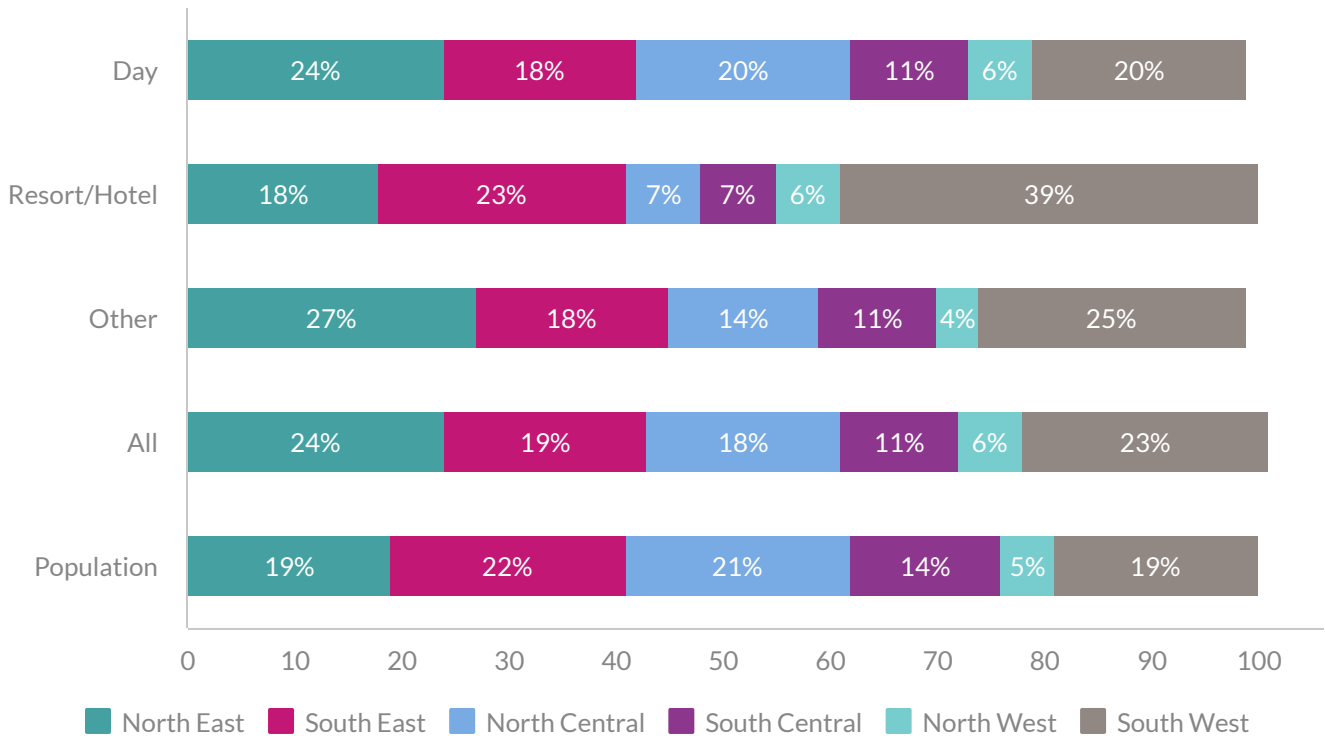
DISTRIBUTION OF SPA TYPES BY REGION

The distribution of spa types by region in 2023 shows little change from the historic pattern.

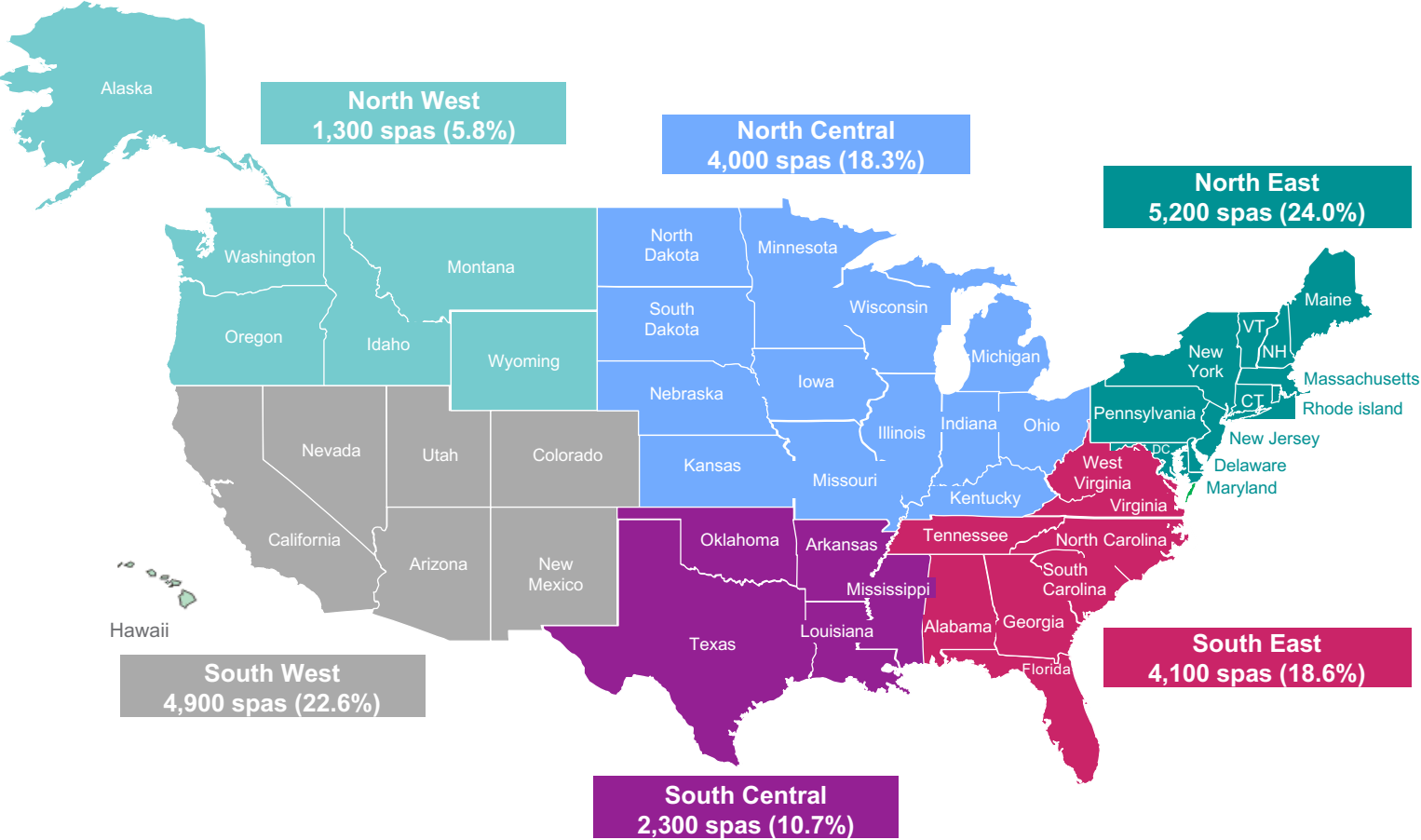
Compared to the general population, resort/hotel spas are more heavily concentrated in the Southwest region; 39 percent of such spas are located in the Southwest, i.e., over two times the region’s 19 percent population share.

The regional distribution of day spas more closely follows the general population; such spas typically serve the population living in the areas where they are located.

The map of spa establishments by region is shown on page 67. Key ratios by region are shown in the table on page 68.



THE DISTRIBUTION OF SPA ESTABLISHMENTS BY REGION



Note: Number of spas rounded to the nearest 100

Key Ratios by Region

	All	North East	South East	North Central	South Central	North West	South West
Revenue per spa	\$974,000	\$953,000	\$918,000	\$902,000	\$988,000	\$1,006,000	\$1,086,000
Per visit	\$117	\$117	\$119	\$105	\$115	\$118	\$128
Per employed person	\$57,490	\$60,520	\$55,240	\$53,970	\$57,430	\$57,300	\$59,120
Visits per spa	8,310	8,160	7,750	8,580	8,630	8,550	8,500
Total employees per spa	16.9	15.8	16.6	16.7	17.2	17.6	18.4
Full-time	8.0	8.0	7.3	8.0	8.0	8.8	8.4
Part-time	8.2	7.4	8.3	8.3	8.7	8.2	8.9
Contract	0.7	0.4	1.1	0.4	0.5	0.5	1.1
LOCATIONS*							
Total	21,800	5,200	4,100	4,000	2,300	1,300	4,900

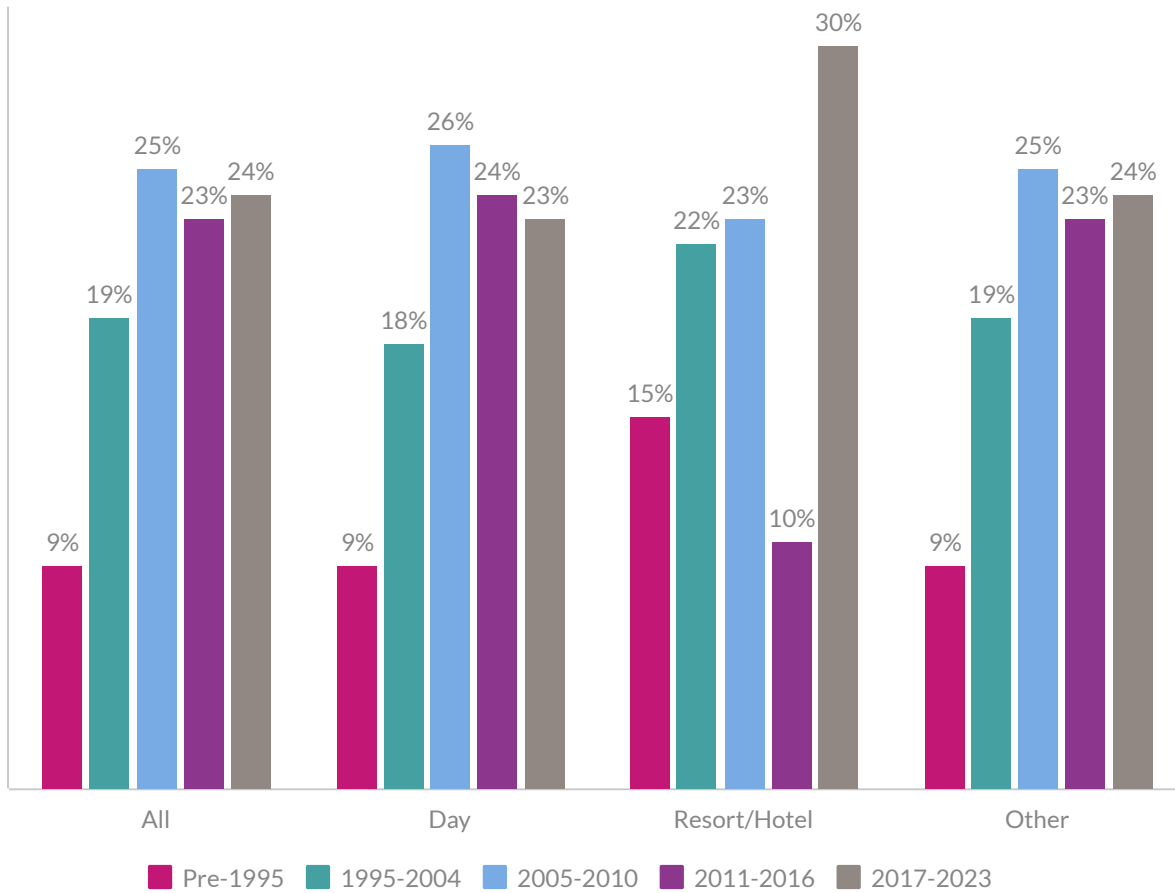
*Regional number of locations rounded to the nearest hundred.

Note: The key ratios by region should be interpreted with caution. They are estimates based on a sample of spa establishments and will therefore be subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry Studies as the estimates in those previous reports will also exhibit variability due to sampling error.

Year Spa Business Started

Among those spas in business at the end of 2023, 24 percent said they started in the period from 2017-2023. A similar proportion (23 percent) commenced in the first half of the last decade, i.e., between 2011 and 2016. One in four spas (25 percent) said they started between 2005 and 2010 with a further 19 percent between 1995 and 2004. The remaining 9 percent of spas have been in business since before 1995.

YEAR SPA BUSINESS STARTED



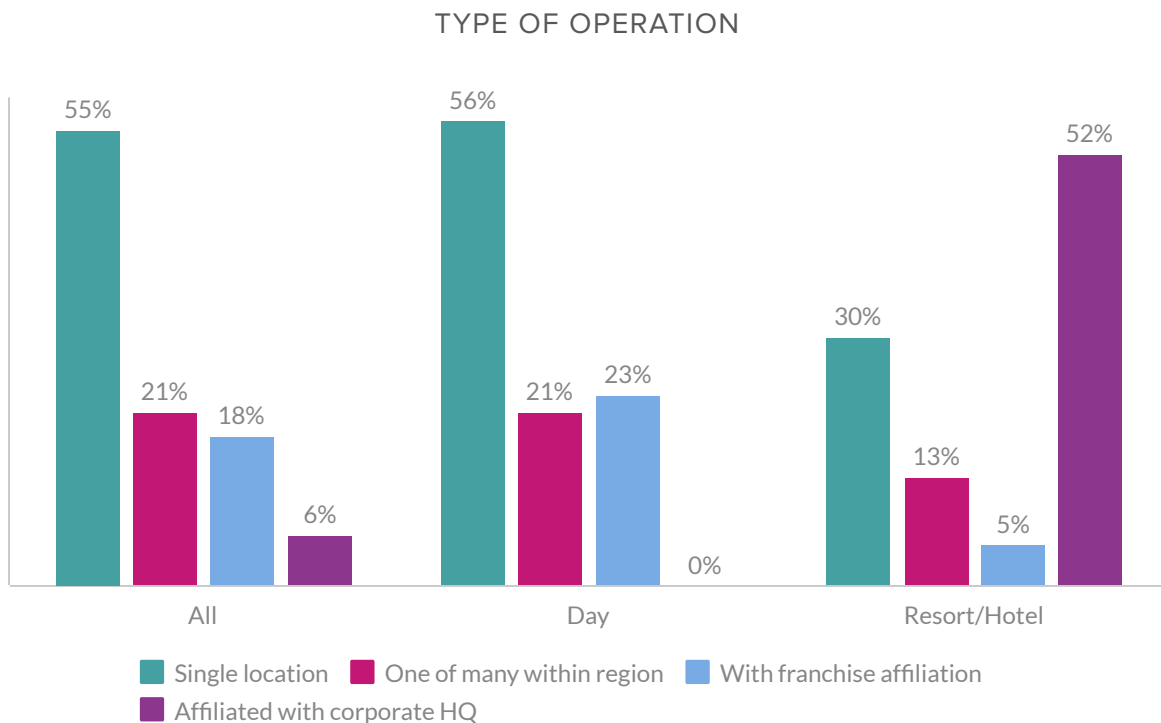
Type of Operation

Over one in two spa establishments (55 percent) describe themselves as single location operations.

One in five spa locations (21 percent) said they are one of a number of establishments within the same state or region and owned by the same owner/company.

Spas with a franchise affiliation account for 18% of establishments. The proportion is highest among day spas (23 percent).

Overall, six percent of spa establishments said they are affiliated with a national corporate headquarters. The proportion with such an affiliation is highest among resort/hotel spas (52 percent).



TECHNICAL APPENDIX

This section describes the approach to the 2024 ISPA U.S. Spa Industry Study, under the following headings:

Overview on the methodology

The questionnaire

Survey outcomes

Comparability over time

Survey Methodology

A large-scale quantitative survey of spa establishments was undertaken to collect the information required to estimate the key statistics for the 2024 ISPA U.S. Spa Industry Study. The full survey was launched in January 2024 and completed in late-February 2024.

The survey questionnaire was divided into two main parts. The first part asked respondents to provide details for each of the 'Big Five' key statistics, including 2023 revenues and visits and current employment levels. Respondents were also asked to provide information on their type of operation, year started and spa type.

The second part sought information on operating characteristics of spas, such as core spa services, average price per visit by type of service and spa policies. The survey questions included a particular focus on staffing, including open job positions, recruitment issues and compensation levels.

Contact details for spas invited to participate in the survey were obtained from the ISPA database of spa locations, containing information on over 7,000 valid contacts. The typical role of those who responded to the survey included spa director, spa manager or those with a 'hands-on' role within the spa.

The Questionnaire

The questionnaire for the 2024 ISPA U.S. Spa Industry Study was based on the questionnaire used for the 2023 Industry Study. This was to ensure continuity and consistency with the 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023 ISPA U.S. Spa Industry Studies. The questionnaire was developed in consultation with ISPA and refined through expert review and in-house testing of the structure and routing of the questionnaire.

As in the previous Industry Studies, the final version of the questionnaire comprised two main parts. The first part focused on collecting the information necessary to estimate the key statistics per spa establishment, i.e., revenues, visits and employment. This section also asked spas about their 2023 profit percentage.

The second part of the questionnaire asked respondents to provide information on the operational aspects of their spa establishment, under the following headings:

- Employment and staffing
- Compensation levels
- Open job positions
- Product offering: Core spa services
- Spa administration and policies
- Looking forward to 2024

Survey Outcomes

The survey was launched on an online survey platform in January 2024 and ran until late-February 2024.

The estimates for key statistics are based on responses relating to 2,618 establishments. Those establishments were based on 247 survey returns that were submitted for either single locations or composite returns for businesses with multiple spa locations.

When compared to their share of all spa establishments, resort/hotel spas were over-represented in the sample while day spas were under-represented. The findings reported in this study have, therefore, been weighted to reflect the distribution of establishments by type of spa.

As the information for this study was collected from a sample of spas, the findings will inevitably be subject to margins of error. For proportions based on all respondents, the indicative margins of error at the 95% confidence level are $\pm 6.2\%$.

The margins of error are wider for sub-samples. Thus, for proportions based on all day spas, the margins of error are $\pm 10.5\%$. For proportions relating to resorts/hotels, the indicative margins of error are $\pm 9\%$.

Key ratios by spa type and region should be interpreted with caution. They are estimates based on a sample of spa establishments and are therefore subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry reports as estimates in those reports will also exhibit sampling error variability.

Comparability Over Time

In 2005, ISPA undertook a census of the North American spa industry to formally qualify and classify spas. Through this process, ISPA developed specific product/service-based criteria for qualifying and classifying spas. The spa type definitions are listed on page 2 of this report.

In order to develop revised estimates of the trend in the number and distribution of spas, data from previous studies was adjusted to be consistent with the revised definitions. Further detail on the re-estimation procedures can be found in the 2007 ISPA U.S. Spa Industry Study.

In particular, with the exception of destination spas, per spa estimates of revenue no longer include accommodations. Similarly, on-site retail and fitness operations that were not contained within the spa were specifically excluded from the statistics. Using data on the allocation of space and revenue from previous studies, these components were removed and the averages recalculated for comparability purposes.

The methodological changes were made to reflect the changing industry. As a result of the methodological changes, a greater emphasis was placed on narrowing the statistics to those activities that relate only to the spa.

While the estimates for studies undertaken prior to 2006 were adjusted to facilitate comparability and identification of industry trends, the pre-2005 estimates shown for the key statistics should nonetheless be treated with a degree of caution.

About the ISPA Foundation

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 ISPA Foundation's mission is 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 individuals and companies who have given generously and supported the annual ISPA Foundation Auction to make these research projects and the work of the Foundation possible.

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