



SpaFinder 2012

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SPA TREND REPORT

Top 10 Global Spa Trends Forecast



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As SpaFinder celebrates its 25th anniversary, we also mark another significant milestone: the publication of our 9th annual Spa Trend Report. We think this year's forecast is especially exciting, as the industry exits recession mode and begins a new era of pushing the envelope with fresh, new ideas that deliver more wows, more fun and quite serious wellness innovation. There seems to be something really new in the air – and we like what we are seeing!

Susie Ellis, president, SpaFinder, Inc., and founding board member of The Global Spa Summit

SpaFinder's annual spa trend forecast is based on analyses from *SpaFinder Research* and its team of experts that visit hundreds of spas and wellness businesses around the world every year, as well as interviews conducted with leading industry analysts, and data and feedback collected from SpaFinder's partnerships with over 15,000 spas, yoga, Pilates and fitness studios, wellness practitioners and salons worldwide.

Developed under the direction of Susie Ellis, past *Spa Trend Reports* have been credited with forecasting numerous industry "mega-trends" that have taken hold across the world. For example, spas are still ramping up their "green"/eco initiatives, sleep health programs continue to evolve, wellness tourism is booming and spa brands are a more powerful trend than ever.

As we look into our crystal ball for 2012, two distinct, overarching themes emerge. One is an industry innovating diverse, new *sensory* experiences and treatments. The second is how spas are re-imagining and extending their connection to customers, moving beyond the sporadic visit, to new programs and concepts aimed at forging long-term relationships, such as coaching and online gaming. Please also enjoy our bonus trend, "Employee Wellness" (pg. 52), which represents a serious, "next wave" opportunity for spa businesses everywhere.



To learn more about SpaFinder's 2012 Trends Report,
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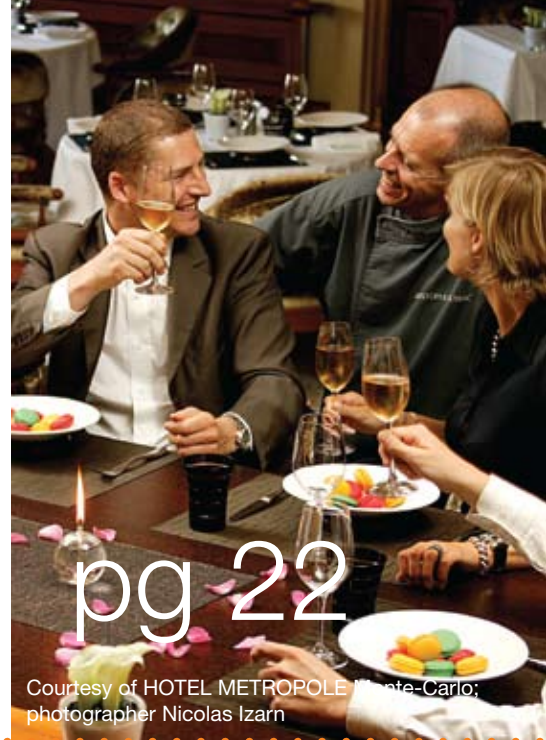
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Courtesy of Mandarin Oriental, Las Vegas



pg 42

Courtesy of KLAFS



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Courtesy of HOTEL METROPOLE Monte-Carlo; photographer Nicolas Izarn

Top Ten 2012 Global Spa Trends:

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SWEET FEET RELIEF

1

FEET FOCUS

Healthy Feet Treatments

Spas and wellness centers are now putting a big focus on feet: from “foot fitness” classes to new 100-percent foot-focused med-spas to podiatrist-overseen “medi-pedis” to treatments specifically targeting high-heel pain. And while the ancient Chinese practice of reflexology revolves around using foot acupressure to impact the organs of the body, the fact that reflexology centers are becoming as common as nail salons may have more to do with people simply seeking pain relief via foot massages, rather than some sudden conversion to Traditional Chinese Medicine.

The human foot is a delicate, complex structure of 33 joints and 26 bones, wrapped in a web of 126 muscles, ligaments and nerves. The most utilized part of our bodies, the average person spends four hours (pounding out 8,000 to 10,000 steps) on their feet every day. We exert a force equivalent to several hundred tons every day on our poor southern extremities.

So what do we encase our body’s precious shock absorbers in these days? The fashion gods have women wearing the sky-highest heels in history, and women worldwide are bombarded with images of Lady Gaga or Victoria Beckham teetering around in insane six inch-plus “killer heels.” Two in five American women now wear high heels every day, and 43 percent claim they won’t give them up, despite the misery.¹ Other foot-bruising fashions: fashionable and unsupportive ballet flats and flip-flops, and the running world’s mania for the new, nearly barefoot

“foot gloves.” Also significantly adding to the world’s collective foot trauma is the global obesity and diabetes pandemic, and a global population aging at unprecedented rates.

The upshot of all this sexy footwear and anti-foot behavior? An epidemic of not-so-sexy conditions like plantar fasciitis, bunions, hammertoes, corns, metatarsalgia, flat feet, Achilles tendonitis, neuromas, Hagland’s deformity, or “pump bump,” and arthritis, etc. Medical experts argue that high heels share the blame for the fact that four in five American women now suffer foot problems²— and also for the arthritis surge underway in the UK, with 60 percent of cases now occurring in feet.³ The pain can be so agonizing that some women are actually having Botox, silicone and Restylane injected into the bottoms of their feet, to counteract the damage their high heels have done!



On the rise: Multi-treatment, foot-focused spa packages specifically zeroing in on high-heel agony.

Examples:

- Consider the new, extremely comprehensive “Healthy Feet” program at Canyon Ranch SpaClub in Las Vegas (U.S.), overseen by a well-known doctor of podiatry. The program’s tagline: “If it will make feet feel better, it’s available here...” The dedicated “Healthy Feet” facility offers computerized gait analysis and orthotics assessment, along with a whole slate of foot-focused treatments performed in zero-gravity chairs, with names like “Foot Rescue!” and “Healthy in Heels.”
- One striking example of the new “foot fitness” bootcamps is New York City’s Yamuna (U.S.), with classes that assess people’s walk, improve their posture and offer a host of therapies designed to “get people’s shoes out of their feet.” (Yamuna also offers “Foot Waker” kits, Stiletto Classes and special exercise balls to prevent and combat high-heel trauma.)
- Spokesperson for Miraval, Dr. Andrew Weil, has collaborated with Orthaheel, whose tagline is “Well-being with every step.” Together, they are introducing a new spring collection for his Weil Integrative Footwear.
- Podiatrist-overseen “medi-pedi” examples are numerous, from celebrity foot doc Margaret Dabbs’ London locations (UK), including her Sole Spa at the Liberty store, to Hand and Foot Spas’ three London locations (UK) to Kachina Natura Spa (Ireland). Famed French foot doctor Bastien Gonzalez’ signature “Le Soin de Pieds” pedicures are served up to well-heeled clients in London, Dubai, etc., and are now incorporated as the “Pedi:Mani:Cure” treatments at One&Only spa resorts, from Reethi Rah (Maldives) to Palmilla (Mexico).
- New “100-percent-feet-only” med-spas include Stride Wellbeing in northern California (U.S.), which integrates full podiatric medical services and surgeries with a rich menu of foot-relief spa treatments. (Stride’s program revolves around its STRIDE Annual Foot Exam, or SAFE.)
- Multi-treatment, foot-focused spa packages specifically zeroing in on high-heel agony (i.e., special feet/calf massages, stretching, etc.) include New York’s Mohonk Mountain House’s (U.S.) “High Heeler” treatment. Spa Montage locations in California and Utah (U.S.) offer special high-heel pedicures using special oils and gels to reduce stiletto swelling.
- Unique specialty pedicures, treatments and foot spas are also on the rise, from Mandarin Oriental, Las Vegas’s (U.S.) 1930s- and Shanghai-themed “Chinese foot spa” to Dragonfly spas’ (20-plus Chinese locations) four-hand foot massages to “medi-pedis” specifically for men at the Mandarin Barber in Hong Kong, performed by a third-generation Shanghai medi-pedi master, Samuel So, using ten razor-sharp metal blades.
- **Look for:** almost every spa skincare line to include specialty foot products, and for companies that specialize in pain-relief, like Biofreeze, or foot-care specialists like the more than 100-year-old powerhouse Gehwol of Germany to continue to make big strides into the new feet-focused spa arena. (Gehwol products are used in hundreds of global spas, including Canyon Ranch’s new “Healthy Feet” program.)

¹ American Podiatric Medical Association Data, 2011

² The American Orthopedic Foot and Ankle Society, 2010

³ The Society of Chiropodists and Podiatrists, 2011

SPAS STEP INTO THE COLD



2

COLD AND ICE ARE HOT

Think: Icy Therapies & Cold Design Experiences

Spas have traditionally been all about hot: saunas, steam rooms, Jacuzzis, hot rock massages, etc. “Hot” is the spa world’s age-old weapon to help people relax, sweat, detoxify and draw blood to the surface. But now spas are bravely stepping out into the cold. We’ll see more icy therapies and cold design experiences in 2012, along with more hot/cold contrast treatments. Perhaps no trend better exemplifies the spa industry’s trajectory away from “mere pampering” than this one!

And, as noted in our 2011 trend, “The Science of Spa,” approaches with some medical evidence backing them will have greater traction in the future. Cold/ice applications are shown to reduce pain and inflammation in muscles and joints, and they certainly release endorphins, which are shown to affect pain, mood, etc. Contrast/hot-cold therapy treatments, which have been around for more than 2,000 years (the Romans ended their spa circuit with a trip to the “frigidarium”), will continue their resurgence. The Europeans have embraced the concept’s health benefits via Kneipp therapy since the mid-18th century; this therapy involves a circuit through alternating hot-cold water foot baths. If “cold” actually has a long (but less storied) spa history, it’s now getting re-imagined in bracing new ways.

Look for: more pure cold-rock massages and contrasting hot/cold versions at places like the Hand & Stone day spa franchises (Canada), or at the GlenApp Castle (Scotland), as well as more cold jade and spoon usage and more ice masks in facials. At every ESPA around the world, you can now scoop ice crystals out of fabulous ice fountains for bracing rubdowns after saunas. More hotel and resort spas will add ice/snow rooms, or “igloos,” making that transition from hot to cold less dreadful than the old cold “plunges.” Spa-goers to Qua Baths & Spa at Caesars Palace Las Vegas’s (U.S.) “arctic ice room” can experience falling snow; at the Dolder Grand (Switzerland), they can have a snowball fight in the “snow room”; and at the Aqua spa at the Belfry (UK), they can cool down in the “igloo,” or induce a giant

wakeup call with ice hoses and showers. Spas like the Ritz-Carlton in Vail, Colorado (U.S.), report that many more spa-goers are taking group rolls in the snow after their Jacuzzi and sauna time.

And get ready for the launch of leading spa designer Thermarium's innovative cold experience that will hit the spa world in February: the first-ever "snow shower." Tap its "cool," digital touchscreen, and you can choose between "light snowfall," "moderate snowfall" or "blizzard."



Courtesy of Sparkling Hill Resort and Wellness Centre (Canada)

SPA-GOERS CAN BRAVE THE ICE CHAMBER TREND AT PLACES LIKE THE NEW SPARKLING HILL RESORT AND SPA (CANADA) OR CHAMPNEYS TRING (UK).

The most stone-cold radical of these new experiences? "Cryotherapy," where people (wearing just a bathing suit and socks, gloves and mouth/ear protection to prevent frostbite), enter a chamber cooled to the mind-numbing temperature of -120° C (or -184° F). A human can only last two to three minutes in a cryotherapy room or pod (portable ones are even available now), but it's all the rage with elite athletes to help them recover from workout inflammation and pain. (One Welsh rugby player dubbed it "the evil sauna.") The Olympic rehabilitation center in Poland has a cryotherapy chamber used by

sports teams from around the world.

The medical evidence on cryotherapy is seemingly mixed, and certainly more studies are needed. One study reveals that runners who used cryotherapy showed significantly fewer blood markers for inflammation, while another study reported that while athletes felt considerably less sore, it didn't lower their creatine kinase — the hallmark of muscle damage. But popular wellness advocate/celebrity Dr. Oz recently gave cryotherapy an enthusiastic "thumbs up" on his TV show, arguing it has a direct positive effect on pain and inflammation.

Spa-goers can brave the ice chamber trend at places like the new Sparkling Hill Resort and Spa (Canada) or Champneys Tring (UK). The first dedicated "cold therapy clinic" — the 4,300-square-foot U.S. Cryotherapy Center — just opened in California (U.S.), with its new, full-body cold therapy experience poised to franchise to numerous other U.S. locations. While spas report that serious athletes jumped on the cryotherapy craze first, now more women are testing its reputed benefits on skin, mood, weight loss, etc. The calorie-burning benefits of ice therapy are getting buzz: A new book, *4 Hours to the Perfect Body*, advocates ice therapy/immersion because it forces one's body to burn a dramatically larger number of calories while doing the hard work of keeping your body warm.

Saunas, another spa staple, are taking a definite turn toward the cooler: the rise of the infrared variety, which emits infrared radiant heat that is directly absorbed into the body, without needing to indirectly heat the air or steam, provides cooler, but deeper penetration. Proponents note that they're an efficient way to alleviate pain and stiffness and to quickly sweat off 600-800 calories with no adverse effects. A recent SpaFinder survey found that roughly one in five spas now offers infrared saunas.



Courtesy of Thermarium Bäder-Bau GmbH (Austria)

Contrast/hot-cold therapy treatments have been around for more than 2,000 years: The Romans ended their spa circuit with a trip to the “frigidarium.”



COACH, HELP ME PLEASE

3

WELLNESS & BEAUTY COACHING

Helping People Make Long-Term Changes

“Health coaching,” “wellness coaching,” even “eyebrow coaching” — coaching is a concept gathering steam at spas, with new approaches ranging from the very serious...to the simply engaging and fun.

First, the serious. While “coaching” seems to be a term that can get wantonly slapped onto any professional or personal goal, the concept is especially applicable and packed with potential for the spa sector. Integrative medicine leader Dr. Ken Pelletier recently noted that the spa industry is actually in a better position (than the medical establishment) to deliver preventative “healthcare,” i.e., to provide an environment and offerings that can actually help people make long-lasting lifestyle changes — the number-one medically proven path to disease prevention and optimal health. But to fill those large (and potentially profitable) shoes, more spas must “switch” their model from delivering isolated treatments and establish more personal, post-visit connections with clients that could actually help sustain the changes — i.e., “coaching.”

“Wellness coaching” and “health coaching” are, therefore, very serious trends (rather than faddish new marketing terms), and some very high-level

institutions are validating that position. Harvard Medical School (www.harvardcoaching.org) now underwrites an annual conference on coaching’s role in healthcare, while supporting the Institute of Coaching. And one of the many research initiatives being analyzed by the International Coaching Research Forum is developing coaching as a global, academic profession. There are already efforts underway to clearly define the parameters of coaching and help distinguish it (which is future-focused) from other professional services like counseling (which delve into a person’s past). Corporations are digesting the power and ROI of coaching: Those ramping up investments in corporate wellness programs, to reduce their crushing healthcare costs, are reporting that wellness coaching is the most effective model to get people to adhere, long-term, to healthy regimes.

Destination spas are taking the lead with both at-the-spa “coaching” models and post-stay coaching



Courtesy of Miraval Resort & Spa (U.S.)

More “coaches” of diverse stripes, and more coaching language (i.e., “fitness coach,” not “trainer,” etc.), will invade both day and resort spas, as these sectors realize the model’s unique power in keeping customers ultra-close, engaged and spending.

connections. For instance, Arizona's Mii amo (U.S.) spa resort recently integrated coaching, and its "guided journey packages" include follow-up with a guest's onsite coach. Miraval Resort & Spa's (U.S.) "Integrative Wellness Program" offers ongoing, back-home wellness consultations, and San Francisco's Cavallo Point (U.S.) offers diverse forms of "Life Enhancement Coaching," where guests can opt for unlimited follow-up sessions. The Deerfield Spa in Pennsylvania, one of the original destination spas in the U.S, reports that its most popular specialty program is its "Expert-in-Residence: Love Your Life with Certified Master Life Coach, Dawn Morningstar." Canyon Ranch health resorts' (two U.S. locations) "Follow Up at Home" program involves 30- to 50-minute phone, email and Skype sessions with a whole host of practitioners: doctors, nutritionists, "life management therapists," even Traditional Chinese Medicine experts and spiritual counselors. And Rancho La Puerta (Mexico) has teamed up with technology company, SelfOptima (creators of the www.spaevidence.com website), to adopt its brand-new "Wello" guest engagement platform (featuring health assessments, progress charting, ways to stay in touch with the spa's experts and peer social networking) — all designed to keep people connected to both the spa, after departure, and to their health regime.

More "coaches" of diverse stripes, and more coaching language (i.e., "fitness coach," not "trainer," etc.), will invade both day and resort spas, as these sectors realize the model's unique power in keeping customers ultra-close, engaged and spending. One Wellness at the Solara Resort and Spa (Canada) has a deep pool of health and wellness practitioners, a long-standing connection to professional sports and training and has new "Pathway to Engagement" and "Life Strategy Coaching" components in its program.

And coaching is now hitting the beauty arena, too. Spa skincare brand Skin Authority represents an early pioneer of the concept of after-spa follow-up with online aestheticians. French beauty brand Clarins recently opened its new Parisian flagship, Spa My Blend, and its therapists are now called "beauty

coaches," who "provide support for people to reveal their own essential beauty." (The brand's spa also has "pool coaches" for customized aquatic activities, and fitness specialists known as "body coaches.")

New technologies are driving, and will quicken, the trend: email, Skype, texting and apps already make long-distance coaching connections easier and more effective. And a whole raft of high-tech gadgets now makes it possible for people to monitor and share their vital signs, as well as every calorie consumed and burned, with a spa doctor or coach.

Prediction: The big, breakthrough opportunities still lie ahead, as professional "coaching networks" are just getting organized. When this becomes widespread, every type of spa would then be able to enlist coaches, train them in its unique philosophies and have them serve as the critical link between the on-site spa experience and its clients' long-term wellness success. Companies like Wellpeople.com (U.S.) already offer certified on-site or virtual wellness coaches for spas, hospitals and businesses. Australian-based The Cosgrove Group, which has offered wellness coaching-certification programs at home and in Europe for a few years, just launched in the U.S., and expects to certify 1,000 American wellness coaches this year. This is all very new (right about where the fitness industry was 30 years ago) and efforts to establish "certification" models will continue to develop.

Look for: greater specialization in coaching approaches (i.e., "states of change," "mindfulness," "wellness wheel," etc.), and for ever-expanding coaching categories, i.e., "nutrition coaches," "sleep coaches," etc. New models like group coaching and shorter-term, follow-up coaching will emerge, so that a coaching program of some variety could be within the reach of day spas, hotel/resort spas and more destination spas — and to more people, given the greater range of price-points.

The coaching trend is a serious and welcome one for the global spa industry, and could ultimately prove the key to making the spa that true "third place" (like Starbucks) for so many more people.



GAME-CHANGING WELLNESS

4

ONLINE WELLNESS GAMING

Play Your Way to Health & Wellness

The sheer number of people, of every age, all over the globe, that spend vast amounts of time playing online games is staggering. Half a billion people worldwide play online games at least an hour a day. The average young person spends 10,000 hours gaming by age 21, as much time as they spend in school from age 12 on.⁴

Gaming is not just about zapping virtual enemies or for Farmville residents anymore. With everything-themed games now, millions of people worldwide have played dozens of spa-focused games, including Sallie Spa, Sara's Super Spa or Spa Mania. And French beauty powerhouse Clarins just took the spa-themed game to a new level with its "Spa Life" on Facebook, where players compete to manage an ever-rising flow of clients in search of treatments, and where they can redeem points for Clarins products.

But the big, powerful, serious, truly game-changing "gaming and wellness" connection lies ahead, as more medical experts agree that gaming could actually be the key to changing the world's health, given the unique power that its core mechanisms (especially social dynamics) have on sustaining wellness goals. Countless medical studies show that the old directives from doctor to patient dramatically fail to keep people on track. But, as so many experts point out, the "gamification" of adhering to regimens (whether fitness, diet, stress reduction, even beauty), with core game elements like voluntary participation, rules, points, levels of achievement, challenges/goals, rewards and a social feedback system, may be the

best weapons ever invented for keeping people in the health "game." When you add the social gaming layer (peer/network pressure), research shows people are radically more likely to adhere. Add the new gadgets that make monitoring bio-information, and connecting the results online, easier (every vital sign, every calorie eaten or burned, every step taken can get uploaded), and the game can suddenly get very precise and real.

While hundreds of fitness/health games (like the Wii "Fit" or Nintendo's "Let's Yoga!" etc.) have been around for years, wellness gaming concepts are suddenly getting far more serious and complex. Improving health behavior is a massive \$2.5-trillion opportunity (and stakeholders include hospitals and doctors, insurance and pharmaceutical companies worldwide)⁵— so the medical establishment is now getting involved.

The leader in this movement is the U.S.-based "Games for Health" project which brings medical professionals and game developers together to study how cutting-edge games (i.e., exer-gaming, physical therapy, biofeedback, nutrition, emotional health, games, etc.) can improve people's health and governments' healthcare policies.

World-renowned medical institutions like the Mayo Clinic (U.S.) are now holding conferences like “Games as Life-Changers.” And insurance giants are increasingly betting on gaming: Aetna just partnered with wellness game developer MindBloom to launch “Life Game,” designed to make it fun, rewarding and social for members to achieve wellbeing goals, whether drinking more water or planting a tree. Life Game wants to “gamify” everything from spiritual to relationship wellness, and serves up personalized content like daily imagery and audio to help people meditate.

“SuperBetter” is a new game from Social Chocolate, a digital “serious games” company recently launched by gaming guru, Jane McGonigal. Its stated goal is “to turn everyday folks into superheroes for health,” and it revolves around a social platform that allows people to recruit their friends, family and physicians as allies in their quest for better health.

New sites like HealthyWage.com allow dieters to bet their money (and profit nicely) if they lose weight. Nike+ and FitBit (and a whole host of other GPS- and bio-based fitness tracking apps) allow exercisers worldwide to do things like archive their workouts and compete in challenges they throw down to their online network. “Skimble,” a mobile fitness platform that schedules short workouts into a busy day, shares people’s progress socially on Facebook, Twitter, etc. “OptimizeMe” lets users dish out/accept physical challenges like run five miles or do 50 push-ups. Soon-to-launch, tween-focused “Zamzee” uses hip-worn sensors to reward kids for all physical activity, awarding “points” that can be redeemed for shopping, etc.

Corporations (given their crippling healthcare costs) will continue to ramp up the games, partnering with new companies like Keas that get employees to eat better and exercise through a live and virtual gaming mix; their on-site fitness challenges are praised

for delivering tangible, effective motivation for a community of people that already work together.

Spas, fitness and wellness centers are ground zero for kick starting healthy lifestyle changes — so the opportunities for integrating gaming/game mechanisms are uniquely logical and powerful. Mind-body guru Deepak Chopra has a brand-new meditation game, “Leela,” that uses 43 interactive exercises, focusing on the body’s seven energy centers, to help people relieve stress. Chopra spent three years designing “Leela,” and has explained that it was the addictive nature of video games that attracted him, allowing his philosophies to reach and engage far more people. Destination spa Canyon Ranch (U.S.) now offers an entire suite of iPad apps called “360 Well-Being” (with fitness, meditation and healthy cooking videos, etc.). Were they to add layers like challenges, phases of achievement, rewards and a social network, that “app” would easily be transformed into a “game.”

Wellness gaming is projected to generate \$2 billion in revenues by 2015,⁶ and the challenge for the spa/wellness industries will be to create truly engaging games (whether online or off) that creatively connect their clients to the spa’s programming, experts and special community, whether they use/customize third-party gaming platforms or unleash their own. Spas have a strong advantage in wellness gaming because they forge powerful, real connections with — and between — guests, far more real than the generic, purely virtual, wellness gaming communities.

Gaming delivers unimagined client engagement and connection. And that’s why the spa world will ultimately jump further into the wellness game.

⁴ Reality is Broken, Jane McGonigle, 2010

⁵ Cited in: Can Games Fix American Healthcare? Shaun Quigley, 10/2011.

⁶ RealNetworks Data, 2009

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1

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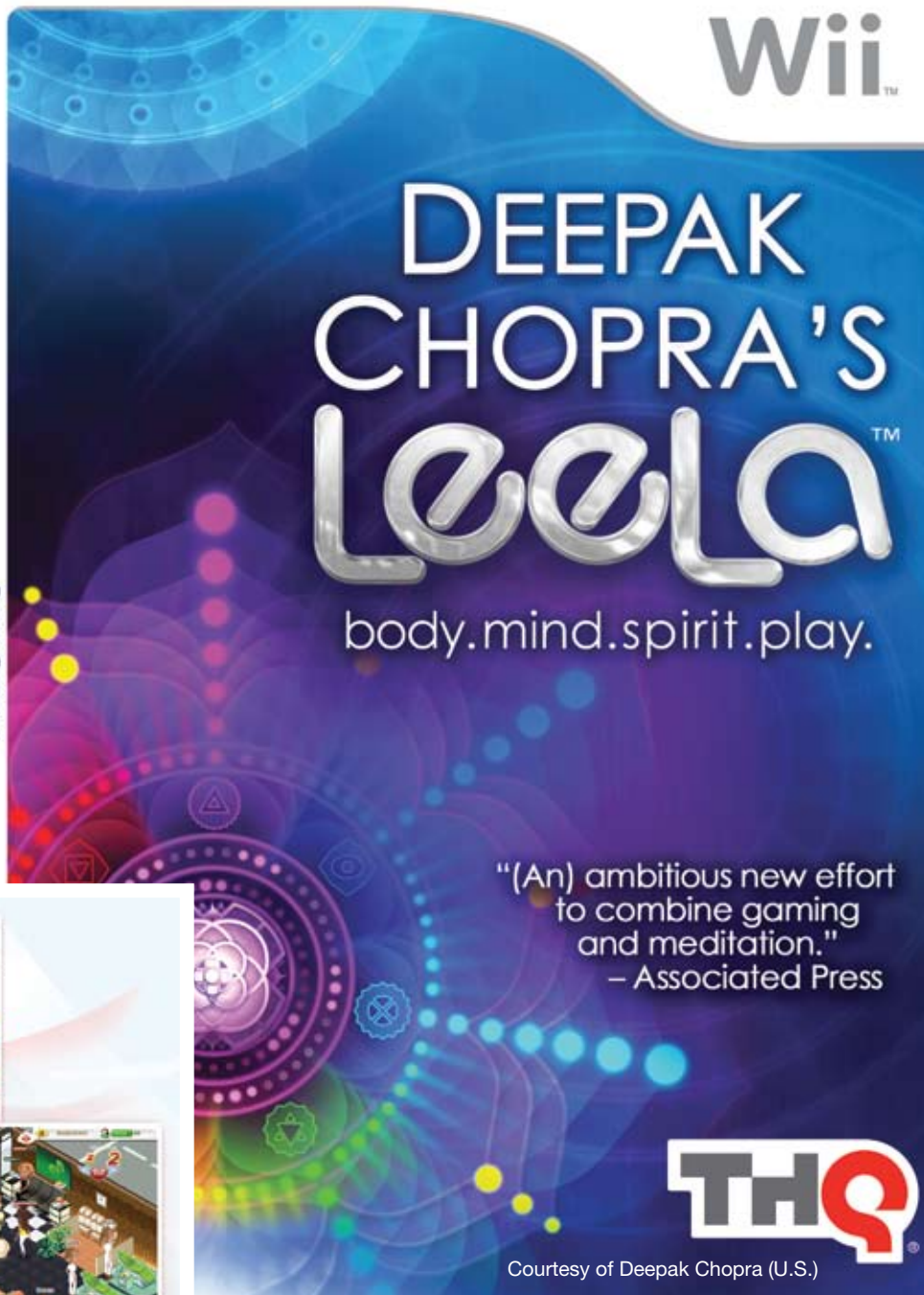
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 – Associated Press



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Courtesy of Clarins (France)

The big, powerful, serious, truly game-changing “gaming and wellness” connection lies ahead, as more medical experts agree that gaming could actually be the key to changing the world’s health.



HEALTHY HEDONISM

5

PAIRING FINE DINING & SPA-ING

The Ultimate Connoisseur Experience

Many hotels and resorts do very fine food AND very fine spa, but historically their star offerings have been dissociated, both in terms of marketing and as a consideration by guests. That is changing dramatically. Fine dining and spa-ing are being aggressively paired — packaged — curated — marketed — and savored together as never before. Creative culinary-plus-spa experiences and packages are a trend because they're massively appealing: a logical, sensory, "lifestyle" combo for romantics, pleasure-seekers and true connoisseurs (as well as that growing crossover demographic of people that are both rabid "foodies" and spa/wellness devotees).

So many hotels and resorts now boast award-winning celebrity chefs and award-winning spas, and the trend is about "tasting" and appreciating both. One example: The Hotel Metropole of Monte Carlo's (Monaco) restaurant Joël Robuchon (featuring a chef with more Michelin stars than any other in the world) can be combined with the hotel's incredible ESPA spa (one of Condé Nast Traveler's top 25 spas in the world). When five-star food and wine gets intertwined with five-star spa, it represents the ultimate romantic or special celebration experience.

The trend is unabashedly about healthy hedonism, or, as David Romanelli (the Los Angeles yogi famous

for his experiences where yoga is paired with food, wine and chocolate), put it, it's all about combining "moments of sensory ecstasy..." But it also has practical appeal: In this economy, people seek shorter stays, and these "culi-spa" weekends are typically packed with a full social and sense-immersing itinerary.

In pursuit of truly engaging foodie/spa junkie combos, some spas are offering guests a chance to harvest and help cook food, attend cooking and wine pairing classes, make outings to local wineries and restaurants, etc. — all wrapped up with daily spa treatments. Consider it a very sophisticated re-



Courtesy of HOTEL METROPOLE Monte-Carlo; photographer Nicolas Izarn (Monaco)

In 2012, more travelers worldwide will choose their destinations based on their unique, sensory-sating dine/wine/spa propositions.

imagining of the once-tacky “all-inclusive” vacation: i.e., Grand Velas Resorts (Mexico) describes its culinary/spa getaways as “Beyond all-inclusive, beyond all compare.”

These foodie/spa packages are now so numerous, they’re impossible to summarize. Culinary weeks/weekends revolving around choosing, preparing and feasting on healthy food include Gwinganna Lifestyle Retreat’s (Australia) “Feast” and “Nourish” nutrition education/cooking/spa getaways and San Francisco’s Cavallo Point’s (U.S.) cooking/spa retreats, designed around group expeditions to local farmer’s markets.

More spas like the Four Seasons Doha (Qatar), with its “Après Spa Café,” will unveil in-spa dining experiences or special spa cafés. The Guerlain Spa at the Waldorf=Astoria New York (U.S.) just launched “in-spa lunches,” which are served pre- or post-treatment, in the grand-scale lounge. (Spa-goers can order on iPads located throughout the spa.)

At some spas the spa/wine/food “pairings” are explicitly “curated” to enhance each other. Consider Napa Valley, California’s Auberge du Soleil (U.S.): Each vinotherapy spa treatment is paired with a tasting of a local wine selected by the property’s

“So many hotels and resorts now boast award-winning celebrity chefs and award-winning spas, and the trend is about “tasting” and appreciating both...When five-star food and wine gets intertwined with five-star spa, it represents the ultimate romantic or special celebration experience.”

Many spas are also flying in (in tandem) famous chefs and wellness gurus from around the world to headline their special gastro-wellness weeks. Just one example: Cascina Papaveri’s (Italy) “Plates and Pilates” retreats, pairing a famous chef and Pilates instructor, so “foodies and the fitness-minded can be immersed.” Three daily Pilates classes are topped off with meals sourced from the villa’s garden and from group excursions made to local farms. (Guests even do communal truffle hunting in the nearby hills.)

“Foodies” can be distinguished from “gourmets” in their quest for local, authentic gastro-explorations, and countless spas are hitting that angle, including: One&Only Palmilla’s “Mexican Culinary Festivals,” which invite local chefs and offer regional wine/tequila tastings, along with outings to super-authentic, local eateries.

sommelier, who explains the logic behind the pairing and why it’s the right “blend of sensory experiences.” At the Ritz-Carlton Denver (U.S.), male clients sample local artisanal beers while they help make their own “beer-based” spa treatments.

Finally, more spas will continue to accommodate their guests’ unique food demands, from Fivelements’ (Indonesia) raw food cooking classes and menu to Hawaii’s Grand Hyatt Kauai Resort’s (U.S.) gluten-free dining across its six restaurants.

In 2012, more travelers worldwide will choose their destinations based on their unique, sensory-sating dine/wine/spa propositions.

A photograph of a spa treatment room. In the foreground, a massage table is covered with a white sheet and a blue towel. In the background, a wall-mounted display case contains numerous small, colorful perfume bottles arranged on shelves. The lighting is soft and focused on the display case.

ENGAGING THE SENSES

VIBRATION, SOUND, MUSIC, LIGHT & COLOR

6

Spas Are Picking Up “Good Vibrations”

Spas have used sound, music, color and light in the past, but typically as ambient, afterthought accessories. Now they’re often becoming the main event, and this new wave of approaches, each essentially rooted in vibrations and frequencies, is being unleashed to help us relax far more quickly, “clear energy blocks” and relieve pain, etc. New sound, music, color, light (and physically vibrating/rhythmic) experiences are either being deployed individually — or in heady, immersive combinations engaging multiple senses — often in startling new ways.

Spas have traditionally spoken to our sense of touch (via massage, etc.), and to a lesser degree, our sense of smell (aromatherapy). Now more spas will impact our eyes, ears and bodies with an explosion of “good vibrations.” We already know how deeply these forces impact us: how sounds of nature can help relax us; how drumming sounds can energize us; how walking into rooms of different colors can alter our mood; how stepping into bright sunshine enlivens us; how rocking calms us down...

New technology (often in the form of devices, chairs and “pods”) is driving these innovations, as is our need for solutions that radically disengage us

from our increasingly anxious, stressed-out minds. In addition, new scientific evidence about how frequencies and vibrations affect us both physically and emotionally is bolstering the trend. Some of the new approaches are based on “vibrational medicine,” the concept that various systems (and organs) in our bodies vibrate at different frequencies, and disruptions can affect our health and wellbeing. While the science supporting these individual approaches is strengthening, the new multi-sensory spa concoctions are just that —very new. Less is known about the net results of these sound/music/light/color cocktails, but there’s no doubt it will be fun to find out.



Courtesy of sha. (Austria)

One of the most sense-blending spa experiences comes from Viennese artist, sha., whose award-winning “AlphaSphere” encases spa-goers in blue light, sound and vibrations, while their bodies sway to the rhythms of their own breathing.

Sound and music: Music in treatment rooms is expanding to many channels, including options like white noise — and spa professionals report a strikingly wide variety of preferences. A breakthrough that’s re-inventing the idea of passively listening to the old “massage music”: a new software innovation out of Italy, MUUSA, that creates real-time treatment music (with tones, beats and sounds like wind rustling and rivers flowing), directly generated by the therapist’s hand movements and the client’s bodily responses. Clients then depart with a CD of the “wellbeing music-art” they created in tandem. Taking it one step further are those who incorporate live music. Canada’s Spa Eastman offers “Harp Therapy,” where the melodic and therapeutic sound of the live harp accompanies the treatment and makes it adaptable to the emotional state of the massage recipient. At Toskanaworld locations in Germany where “Liquid Sound” is the norm, live concerts are interspersed on special occasions.

More music therapy examples: Vermont’s Stowe Mountain Lodge (U.S.) has unveiled a new “Zen Sound Therapy” program, while Fonteverde (Italy) reports that its pioneering “Music of the Brain” program is still popular. The medical evidence strongly backs music therapy: Natural Standard, a research collaboration that reviews global scientific evidence, gives it a straight “A” for its ability to enhance mood and reduce anxiety. We’re seeing more spas like the Lodge at Woodloch in Pennsylvania (U.S.) or comfortzone’s Soul Space spa in Florence, Italy, implement ancient Tibetan sound massage, using “singing bowls” designed to balance the body/mind through vibrations. Tuning forks are increasingly being used in facials and with acupuncture. Sometimes the trend is about sound, and other times its absence: at MAVIDA Balance Hotel & Spa in the Austrian Alps, the salt water “floatarium” lets people float weightlessly in a totally soundproof room.

Color and light: Color is reflected light that hits our retinas through vibrating wavelengths (which is then interpreted by our brains) — so color is both a physical sensation and a vibration. Chromatherapy is based on the principle of using colors to generate electrical impulses, or “fields of energy,” said to activate biochemical and hormonal processes that either sedate or stimulate us. Research has shown that color has measurable psychological and physiological effects: Warm colors, like red, act as stimulants (and have been shown to elevate heart rates and arouse feelings of excitement), while cool colors, like blue, have a calming effect. Color therapy is gaining momentum as more spas incorporate Ayurvedic medicine, an approach that conceives of the body in terms of seven chakras, each associated with a specific organ, and each, in turn, associated with a color. In Ayurvedic thinking, physical imbalances can be improved via color therapy.

More hydrotherapy experiences are incorporating color/color sequencing, and more massage therapists are adjusting color and light to maximize treatments. New York City’s Yelo Spa (U.S.), the pioneer of the napping pod, highlights sunsets and sunrises simulated via color and light to help regulate circadian rhythms. At Barcelona’s Spaciomm at Hotel Omm (Spain), relaxation rooms feature rocking gravitational beds with chromo-therapy. At Arizona’s Mii amo spa resort (U.S.), Qua Baths and Spa at Caesars Palace Las Vegas and in many UK spas, “Aura-Soma Color Reading” is now available. This unique experience has a spa guest select four bottles from a vast display of colored liquids, and a practitioner guides him or her through the significance of his or her color choices and combinations.

Light therapy may have the most science to back it: High-intensity light is shown to improve skin, mood and sleep disorders, and its impact on treating seasonal affective disorder is well known. LED light

therapy for aging and damaged skin is one of the hottest skincare treatments, and more spas like Acqualina by ESPA in Miami (U.S.) and Mandarin Orientals around the world use red and blue LED technologies to repair/renew skin cells.

Multi-sensory experiences: The blended, multi-sensory “good vibrations” approaches are perhaps the most exciting aspect of the trend. We’re seeing an explosion of new spa products like saunas, steam capsules, lounge chairs, massage tables, tubs and experiential “pods” that interweave light, color, sound and music/rhythm together. These high-tech experiences are designed to release people from “self” and stress quickly and intensely, and their oft-stated goal is to plunge people into new experiences of space, time and consciousness. For some spa-goers, they may deliver unprecedented bliss, while for others, the dazzle could feel like sensory overload.

The fusion of sound, music and water is one approach. For instance, Kohler’s new “VibraAcoustic” baths (at many spas worldwide) broadcast sound waves through the water, all choreographed to music and chromatherapy. In Germany, the Toscana Therme Spa brand has introduced “Aqua Wellness and Liquid Sound,” or “bathing in light and music,” designed by a well-known multimedia artist. Spa-goers float weightlessly in warm salt water and are gently cradled and manipulated by therapists, as the underwater music transforms the pool into a concert hall. At the spa’s Bad Sulza location these effects are often combined with laser light shows and electro-acoustic music.

And then there are the futuristic massage tables and experience pods. Major spa designers like Gharieni, Klafs, Schletterer or Thermarium are all rolling out variations of multi-sensory devices. We are seeing spa tables that can incorporate “vibromotors,” “musical massage” (with tables shaking to musical frequencies) and “oscillating waves” combining

music and chromotherapy. Arizona’s Miraval Resort & Spa (U.S.) recently introduced its instantly popular “Taiz Sensorium,” a unique therapy that integrates vibrational medicine, music therapy, gentle human touch and aromatic oils to “fully engage the full spectrum of senses.”

One of the most high-concept, mind-melting, sense-blending spa experiences comes from Viennese artist, sha., whose award-winning “AlphaSphere” (at spas like Berlin’s Mandala Hotel ONO Spa or Bulgaria’s Kempinski Hotel’s Zalez spa), encases spa-goers in blue light, sound and vibrations, while their bodies sway to the rhythms of their own breathing. Klafs’s new “WOLKE 7 CLOUD 9” designed with sha.’s input is a pure “ritual of the senses.” A spa-goer reclines in a canopied, warm cradle-pod and experiences image and color “clouds,” featuring incredible cloud scenery and color transitions based on the real sky. Immersive sound “clouds” are formed out of the rhythms of the swinging cradle and the user’s own breathing, creating the three-dimensional “music,” all while soft vibrations caress the entire body. The result? “An all-encompassing body/mind effect that begins to work almost immediately.”

Spas are definitely picking up good vibrations — and it can’t help but give people some real excitations.



Courtesy of Miraval Resort & Spa (U.S.)

The blended, multi-sensory “good vibrations” approaches are perhaps the most exciting aspect of the trend.



GUERLAIN — SPA —

GLAMOUR TAKES CENTER STAGE

7

THE GLAM FACTOR

Glambition

The headlines in the spa industry these last few years have been all about wellness. But now beauty and grooming is seriously booming...being driven by a new trend we call “glambition.” The intensity, frequency (and often sheer whimsicality) with which people are getting “glammed up,” groomed, bedizened and beautified is exploding worldwide.

And, given economic realities, i.e., the sharpening wealth polarities making headlines worldwide, this “ambition-to-be-glamorous” trend is taking two paths. One path: Not only are whole new breeds of “glamour” and grooming services emerging, they are now super accessible and affordable. The industry is working overtime to invent ways for the not-super-rich beauty-seeker to quickly change up his or her looks and hair (in ways that are often downright fierce), and get more high-impact little beauty “fixes” and frills, more cheaply and more often. And for the lucky “fewer” that have never been so flush, we’re seeing new, ultra-high-end spa/beauty experiences emerge that distinctly channel classic, retro glamour — ushering in a triumphant return for some unabashedly old school pampering.

Fueling the trend: Given the long economic downturn, the “lipstick effect” is certainly in effect, but the smaller beauty splurges have now expanded way

beyond “that touch of red lipstick.”

But what’s really fueling the global “glambition” and grooming upsurge (for both the 99 percent and the 1 percent) is the sheer impact and saturation of celebrity culture and imagery, making “red carpet” levels of beauty and maintenance suddenly de rigueur for the rest of us. Just a few years ago a good haircut and nice skin (and maybe a blow dry for special occasions) passed as “groomed.” But the beauty “bar” has been intensely ratcheted up. What was once the exclusive province (or duty) of starlets — the weekly blow outs, the professionally done makeup, brows, lashes, waxing, tanning, nails, the Botox or fillers — is now “the standard.” The endless dissection (on TV, in magazines and blogs) of every celebrity look, and precisely how they achieved it (down to those little crystals braided in their hair), is not only really quickening beauty trends, it’s making the world very “glambitious” to go out and get it, too!

À la carte, quickie grooming and beauty: And get it they can: These glamming and grooming services are increasingly available at low price points, everywhere — and the rituals are now for everyday, not just special occasions. A key “Glambition” trend is the global proliferation of new spa/salon niches serving up all types of à la carte beauty, from eyes to toes, and everything in between.

Examples: The blow-dry bar phenomenon is heating up at chains like Drybar (rapidly expanding across the U.S.), with its rock-and-roll, party atmosphere and monthly “Bar Tabs,” packaging frequent blow outs and massages on the cheap. Or at fast-growing Blow Dry Bar (10 Australian locations), which ups the glamour with free champagne and antique chandeliers. Typically \$35 or less, these blow-dry bars make it possible to always look “done,” the new mandate.

Hershesons hair spas, with five locations in London (UK), illustrate the celebrity-ambition trend. Walk in, choose from a dozen coifs like “Brigitte Bardot” or “Kate Moss,” and for £24, the hair spa will recreate the look. From elaborate “bows” made of hair, to the new “Pop-Up Pony Bar,” the hair spa is dedicated to affordable, super-trendy hair transformations.

Professional makeup application salons are rising, like Los Angeles-born Blushington Makeup Beauty Lounge (U.S.; adjacent to Drybars), with a similar set-menu model: i.e., choose from “Pure & Simple” to “Simply Glowing,” where a full face costs only \$35.

Lash and brow mania took flight last year, and eyes-only places like Blink (across the UK and now in Henri Bendel in New York, are solely dedicated to glamming up the peepers, with lash tints, brow shaping, false eyelashes, etc.

Wax-only salons like European Wax Center or Uni K. Wax (national, U.S.) are spawning.

Quickie beauty-fix services (a 2011 trend) are speeding up the niche spa movement. Hong Kong’s Fast Beauty serves up express facials, waxing, threading and massages, while Groom at Selfridge’s (UK) offers 30-minute, two-therapist beauty combos like “Zoom Groom,” a facial and mini mani/pedi.

More services like “Glamourpuss Makeover Photography” (UK) will launch, specializing in beauty makeover headshots because regular people want star-quality photos for their “close-up” on Facebook.

These spa/salon niche brands are building devoted followings of glamour girls (and, yes, guys, too, particularly with waxing), aided by aggressive loyalty programs embracing social media. Expect a sharply renewed focus on men, the gentleman’s shave and barbershops within the spa (as well as new barbershop-spas), serving up new Mad Men-inspired club atmospheres and imbibing.

Blingy, edgy, creative beauty: A distinct beauty trend is that what’s considered beautiful or cool is moving beyond conventional “long blonde hair” and demure Barbie-doll prettiness, with looks becoming far more blingy, theatrical, playful, self-expressive and edgy. Now that the beauty market has widened to capture teens and even younger girls, it is a healthy development. There is no longer just “one way” for young women and girls to look, who are now inspired by artier, more unconventional models like a Lady Gaga or the gothy vampires of Twilight.

Not blending in — artsier self-expression — is the new “glambition” for tweens and younger women, even if they still lust after all the trimmings. And that edgier look is impacting the whole spa/beauty market and all ages. The goal is lots of call-attention-to-yourself impact, but not for a whole lot of bucks, whether it is outrageous metallic, mesh, lacey, snakeskin and dagger-like pointy nails, or the serious hair flair trend, with tresses done up with



Courtesy of DryBar (U.S.)



Courtesy of Spa Martier (U.S.)



Courtesy of Spa Martier (U.S.)



Courtesy of Blushington (U.S.)

Not only are whole new breeds of “glamour” and grooming services emerging, they are now super accessible and affordable.



Spa beauty and grooming will boom in 2012, and continue to be endlessly re-imagined to satisfy the “glambitious” at both the lower and higher end.

ornate braids, feathers, ribbons, crystals or colorful extensions.

The “tale of nails” best illustrates the funkiness transpiring more widely. Beyond the long-lasting (purse-friendly) new gel and airbrush manicures, technicians have devised endlessly outrageous, flashy looks, like those featuring adornments, including genuine Swarovski crystals, holograms, glitter, gradation and mixed media art at more places like New York City’s Spa Martier (U.S.).

High-end, retro spa glamour: While the beauty market unleashes new, affordable opportunities to get glamorous, the higher-end spa market is trending even more high-end. It is a sign of the times, as the wealthy are even more so in places like the U.S., and new upper classes are exploding in markets like China, Russia and India. But the high-end spa/beauty trend isn’t just generic “luxe”; it has a distinct look-and-feel that conjures classic, very retro, concepts of glamour — think “Old Hollywood” glamour, or the stately, perfumed spa palaces of an early Elizabeth Arden or Marcella Borghese. The “look” of spa has lately been dominated by a “medical” or “hyper-modern” or “wellness” vibe, a trend that emerged to clearly signpost that the industry had moved beyond expensive “hope in a jar,” and was about serious medical results. But now that it is a given that high-end spas deliver medically effective approaches and hardcore wellness, it seems to be affording the return of a sheer luxury, glamour and pampering layer back into the spa experience. The pendulum is swinging back to old school spa glamour.

Just a few examples: At the Waldorf=Astoria, French beauty pioneer Guerlain has just taken the wraps off its new haute-luxury spa experience, based upon its original vision for a French woman to be “shining for an evening.” Channeling 1950s glamour, the spa features touches like a social “grand salon” instead



Courtesy of Spa Martier (U.S.)

of relaxation rooms, French jazz music and a “final touch” concept that offers complimentary makeup application and clothes pressing, so you leave looking more dapper than when you arrived.

Or consider the just-opened Trump International Hotel & Tower in Toronto (Canada) that takes champagne and caviar as its motif, while positioning the spa experience as total immersion in old Hollywood glamour.

Spa beauty and grooming will boom in 2012, and continue to be endlessly re-imagined to satisfy the “glambitious” at both the lower and higher end. And the powerful, new “glambitions” of people in emerging markets are key. For instance, Chinese women weren’t even allowed to wear makeup until 1982, and that beauty market is now worth roughly \$21 billion. And consider: Brazil, Russia, China and India alone will contribute over half of the total \$43 billion growth for the global beauty industry by 2014.⁷

⁷ Euromonitor Data, 2011

THE SCIENCE OF SPA



In 2011, SpaFinder named “The Science of Spa” a top trend, forecasting a new era where more questions about the proven, medical effectiveness of spa therapies would get asked, leading to new visibility for the growing archive of clinical evidence that exists for approaches like massage, meditation or acupuncture.

With the launch of the new website SpaEvidence.com this year — the world’s first portal to the aggregated medical studies that exists for 21 common spa/wellness approaches — that trend was literally embodied. Launched by the Global Spa Summit in mid-2011 (an advocacy group for the worldwide spa/wellness industries), and shaped by doctors with an expertise in integrative medicine, SpaEvidence gives the world easy access to the “evidence-based medicine” databases that doctors use, so they can search thousands of studies evaluating which spa modalities are proven to work, and for which exact conditions.

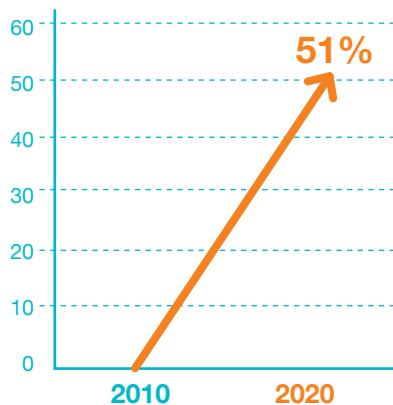
SpaEvidence represented a big, courageous step towards transparency for the spa industry, as the site presents the clinical evidence behind therapies, whether it is positive, inconclusive or negative. And it forged new, common ground between the medical

and spa worlds by embracing the rigors of evidence-based medicine.

For 2012, we name a trend after this breakthrough website because the “fact” of its appearance so neatly encapsulates a macro shift that is quickening: the continued breakdown of the once separate silos of traditional medicine and complementary/spa therapies. And the erosion of these silos, the “Spa Evidence” trend, will take diverse forms in the year ahead...some ongoing, some new.

In 2012, more hospitals than ever before will incorporate — and more doctors will prescribe — spa and wellness approaches, not only because more new research shows that mind-body treatments can be especially effective for chronic pain, heart disease, sleep disorders and depression/anxiety, etc., but because the sheer global costs of not focusing on prevention have passed the tipping point. (Spending

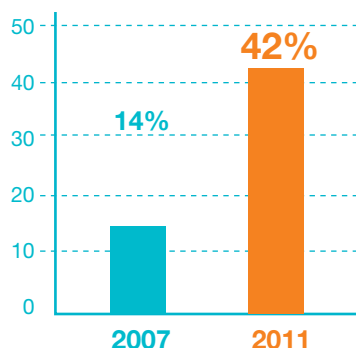
Healthcare Spending across OECD & BRIC Nations (Brazil, Russia, India & China) will Skyrocket 51% between 2010 and 2020



PriceWaterHouseCooper's (PwC) Health Research Institute Data, 2010

on healthcare amongst OECD and BRIC nations will grow 50 percent-plus from 2010 to 2020.⁸) Consider changes underway in the prevention-challenged U.S. healthcare system: A new study⁹ reveals that the number of hospitals offering alternative/spa services has tripled since 2000 (from 14 percent of hospitals, to 42 percent today). Roughly two in three of these

The % of U.S. Hospitals Offering Spa/Alternative Medicine Approaches Has Tripled Since 2000



American Hospital Association/Samueli Institute Report, 2011

hospitals now provide massage, three in five offer acupuncture and music/art therapy and one in five provide reiki. Hospitals report footing the bill 44

percent of the time, and at Pritikin (one of the premier weight-loss/heart-health American spa resorts), qualified people now get their trip covered by Medicare. Another new study¹⁰ finds that of the 41 million Americans that use mind-body therapies like yoga or tai chi, 6.4 million are now doing them because they were prescribed by their medical provider.

More hard evidence of Spa Evidence: The National Institutes of Health has nearly doubled its grants for complementary and alternative medicine from 2007-2011. And Medicare, the U.S. government's health insurance program for all people over 65, has just announced it will cover screening and counseling for obesity, which, as Dr. Patrick Conway, the program's spokesperson, noted, was a result of it "systematically reviewing the best possible medical evidence to identify those preventative services that can keep (people) as healthy as long as possible."

A striking new example of hospitals blending medicine/spa: fashion icon Donna Karan's Urban Zen Integrative Therapy program, expanding across major U.S. hospitals like UCLA Medical Center. Frustrated by the lack of "eastern healing" approaches during her husband's cancer treatment, Karan designed the program to train medical professionals in yoga therapy, reiki, essential oil therapy, nutrition and contemplative care.

Other manifestations of the trend: more global spa/wellness businesses broadcasting the medical evidence that exists for what they do (in marketing messages, client communications, etc.); more incorporating SpaEvidence.com into their own site; and more adopting the language of evidence-based medicine. Big spa players like Rancho La Puerta (Mexico), Fairmont's Willow Stream Spas (across Asia, Europe, North America, etc.) and SpaFinder.com (global) have adopted a custom version of



“Seventy-one percent of people report they would be more likely to visit spas if they had access to scientific studies demonstrating treatments deliver measurable health benefits.”

- SRI International, Spas & the Global Wellness Market Report, 2010

SpaEvidence.com; spas from Gwinganna Lifestyle Retreat (Australia) to Quantum Spa (South Africa) prominently link to the site; and many spas like Jumeirah Resorts’ Talise spas from Dubai to Shanghai have adopted the language of “evidence-based medicine” to describe their offerings.

As more people digest the medical evidence for alternative/spa therapies (and the realities that some evidence is strong, some negative, and that many more studies need to happen), the conversations — “no alternative therapies work” or “no traditional medicine is good” — will continue to become less shrill and divisive. In fact, distinct, new conversations are emerging, well expressed by Dr. Jay Parkinson, named one of the ten most creative people in healthcare¹¹: “The companies that realize the future of health is about life and happiness rather than sickness, death and medical solutions, are the ones that will lead in the next decade.”

There are now new medical studies, like the one just released by University College, London, showing that happy people reduce their risk of premature death by as much as 35 percent¹² And the conversations around concepts like “happiness,” the quality of a

lived life, true wellbeing (both physical and mental) and the value of pleasure are really heating up. More governments are measuring “happiness” along with GNP; the UK and France performed national “happiness indexing” studies in 2011. More “happiness movements” are afoot like the UK’s “Action for Happiness,” which organizes to promote “the pillars of happiness”: physical/mental wellbeing, relationships and giving. Books like renowned psychologist Dr. Martin Seligman’s *Flourish: A Visionary New Understanding of Happiness and Well-Being* are generating buzz for exploring how true “health” is much more than the absence of illness and is comprised of both subjective and biological “assets.” Once seemingly intangible concepts like “happiness” are becoming a field of scientific inquiry because the medical research backs the approach.

As the medical evidence for prevention, more truly holistic concepts of wellbeing — and now, even “happiness” — escalates, it’s a huge opportunity for the spa industry.

[8] PricewaterhouseCoopers Health Research Institute Data, 2010
 [9] American Hospital Assn./Samueli Institute Report, 2011
 [10] Archives of Internal Medicine, 2011
 [11] Named by Fast Company Magazine
 [12] Published: Proceedings of the National Academy of Sciences, 2011

AND BRING THE KIDS



9

SPAS BECOME A FAMILY AFFAIR

The Kinder-Spa Kraze

Spas have traditionally been retreats for grownups to relax and revitalize...far away from children. But there is a rapidly growing traveler demand to be able to bring teens, tweens and even tots along for the spa ride. Now that spas are broadly associated with wellness (rather than fussy “grown-up” pampering), far more families, and many concerned about the growing childhood obesity epidemic, want to get their spa-on together. SpaFinder identified the trend of more children at spas way back in 2004, but this is no longer about the occasional kid. It’s totally mainstream: Whole families are spa-ing together, and more spas are finding creative ways to welcome the entire clan.

Far more resorts will reevaluate age restrictions in fitness/spa areas, and heartily welcome tweens (and younger) into the spa/salon. And they will continue their endless rollout of full-blown teen-and-younger day programming, which incorporates fitness and even some spa services. I.e., more resorts are offering what could be dubbed all-day “wellness babysitting,” something parents can feel overjoyed about, especially as they’re relieved from duty for hours.

Kid-specific spas are on the rise, whether it’s the “Scoops Kids Spas” at ten Great Wolf (North American) resort locations, Florida’s “Nickelodeon Suites” and Keylime Cove (U.S.), or numerous day spas like Connecticut’s “Sundae Spa” (U.S.). These new kiddie spas typically offer whimsical, extremely sweet-sounding treatments like “ice cream pedicures served up on oversized banana split pedicure thrones,” or “Starfish Sparkle” manicures found at Keylime or “Mini Me Massages” offered at Vermont’s Stowe Mountain Lodge’s “Chillax KidSpa” (U.S.).

Little Lamb's Kiddie Spa & Clinic (Philippines) offers a unique spin: combining full pediatric medical services (from immunizations to well-baby programs) with a host of wellness, beauty and salon services geared across the 0-19 set. Klafs in Germany's new three-story, child-friendly spa concept introduces Disneyesque sensory experiences like thunder, rain and lightning effects, as well as a tree sauna, a cooling water grotto, adventure showers and a waterfall. In general, many of the new kid-spa menus would please both a Dr. Oz and a Paris Hilton.

Spa parties (so deeply entrenched now for the bridal/bachelorette set) are profitably being re-imagined for the under-18 demographic, whether it is mobile spa parties (complete with kid-friendly products, mani/pedi stations and fun food), or the rise of dedicated "Kids Fantasy Suites" at resorts (the actual name of the offering at Omni Houston Galleria). If spas' beauty and wellness menus (whether make-up application, facials, yoga or massage) used to target the "sweet 16s," now they're increasingly being directed at the single-digit kid. And it's not only a female-phenom: Karma Resorts (Indonesia), which has launched family, teen and kid spa offerings across all of its resorts, promotes its "father and son chill-out massages." Kids are gobbling up what were once grownup-only beauty treatments and wellness rituals at incredibly young ages, and their parents are all for it. And there is no doubt that this phenomenon will foster entire new generations of people with sophisticated spa, wellness and beauty habits.

Other examples: Jiwa Spa at Conrad Bali's "Mum and Me" packages, introducing a young person to spa treatments, where the child chooses from a footbath, foot mask, back massage or chocolate bath — all served up with healthy snacks.

At Grand Wailea Resort Hotel & Spa in Maui (U.S.), guests can now book the "Family Spa Suite" (and

"Malama ka 'Ohana" package), with treatments like chocolate-coconut scrubs, the "Wave Massage" with warm lava stones at the Keiki Spa (ages 6-12), or mud body wraps at its Teen Spa (ages 13-17).

Schloss Elmau Luxury Spa & Cultural Hideaway's (Germany) separate "Family Spa" sports a 24-hour indoor swimming pool, six saunas and an indoor/outdoor gym. Children can spend time in the "Nature Spa" alone or with parents, and can join the "Kid's Club" offering sports and adventure day programs.

Hong Kong's Bodywize Day Spa introduces young people to yoga with "Kidasana!" — using story, music and puppets to bring out the "child's inner yogi." The spa also offers a "Namasteens" yoga program and hosts teen parties in its "Secret Butterfly Garden."

In the Caribbean, Jamby Bay, A Rosewood Resort, has introduced the new Rose Buds Junior Spa Menu at its SENSE spa. Guests (starting from age four) can select from a Beach Bliss Mani or Pedi, a Mini Massage or Facial and a "Chillax" treatment involving aromatherapy washcloths and cool cucumbers.

Aulani, Disney's new Hawaiian resort, may provide a glimpse of what is to come, with its Laniwai Spa welcoming and accommodating families in novel ways. In special family spa suites, youngsters can have massages with their parents, and babies can also accompany parents to treatments, where mom and dad (one at a time) learn the art of baby massage from a professional. The dedicated teen spa, "Painted Sky," has its own private entrance and offers traditional spa/salon treatments, as well as extras like yogurt and perfume bars, "after hours" events, weekly wellness programming and "Painted Sky" fitness. Youngsters can get their hair and nails bedazzled or get dressed up like a hula dancer in the main salon. And the main adult areas welcome those aged 14-plus if they are with an adult.



Courtesy of KLAFS (Germany)

Far more resorts will reevaluate age restrictions in fitness/spa areas, and heartily welcome tweens (and younger) into the spa/salon.

A large, woven basket structure, possibly a traditional Thai basket, is the central focus of the image. It is illuminated from below with a warm, golden light, creating a soft glow. The basket is set against a backdrop of dense, dark foliage and trees. The overall atmosphere is serene and mysterious. The text 'IN SEARCH OF THE 'AHA' MOMENT' is overlaid in white, bold, sans-serif font across the lower half of the image.

IN SEARCH OF THE 'AHA' MOMENT

10

SPAS GO FOR THE “WOW”

Big or Little, the “Wows” Have It

For many years, most people probably thought that one hotel or day spa sure seems a whole lot like any other: the same beige, Zen look, the same menu of treatments and homogenized experiences. But now spas are really piling on the “wow” factors, serving up both big and small wows (and true surprises) in a quest for individuation.

“Wows” and efforts towards greater differentiation are rising now, as a countertrend to the strong spa branding/franchising trend we identified for 2011. And given the fact that, if once upon a time, conformity helped the budding spa-goer know what to expect when stepping into the spa realm, now spa-goers are far more seasoned, and they crave truly new “aha” experiences.

The big new wows include eye-popping design and futuristic, blow-your-mind amenities. But, given this economy, many of the wows are smaller, less expensive and very smart. Most spas are attempting to engage and delight spa-goers without a ton of investment by adding unique little touches, a few strategic “wow” amenities and more unique treatments/experiences. So, with the much-discussed economic realities of our 99 percent and 1 percent world, there are “wows” for most any budget. If spas over the last couple of decades had become hushed shrines of deadly seriousness, more spas are now

lightening it up — and that trend includes whole new spa models like “amusement park spas” that are fun and social, where laughter is becoming one of the best medicines they serve up.

Big wows: One big wow is the jaw-dropping design heating up at resort spas, often in wow, exotic global locations...

Take a look at the bold design elements at the Atomic Spa Suisse, or “bubble spa,” in the Boscolo Milano hotel (Italy), where wild, LED-illuminated mirror bubbles rise to the top of the interiors of the treatment rooms, sauna and baths, like a frothing glass of champagne. This hyper-unique design scheme certainly defies “spa minimalism.”

At the Coqoon Spa at Indigo Pearl in Phuket (Thailand), the design literally thrusts spa-goers into nature. At its center is “The Nest,” a luxurious wicker tree house hanging from the branches of an ancient banyan tree, while the individual spa “coqoons” have

private pools, rain showers, saunas, etc. nestled within the rainforest.

St. Regis Bangkok's (Thailand) high-design Elemis Spa provides a little mid-air pre-pampering, with its floating, nest-like relaxation pods.

Ritz-Carlton Hong Kong's spa by ESPA is the world's highest spa (on the hotel's 116th floor), where incredible design elements include an infinity pool that makes you feel as if you're in an airplane, peering down on the city — and a stunning indoor pool with a ceiling-mounted LED screen.

Sparkling Hill Resort & Spa (Canada) touts itself as the first building in the world with “crystal architecture,” and is comprised of 3.5 million Swarovski crystals.

Bota Bota Spa-Sur-L'Eau (in the old port of Montreal) is a floating, five-deck modern spa constructed on an old barge, featuring a cool water circuit and cocktail lounge.

Other big wows: Spa resorts bringing in celebrities, for the “spa-parazzi factor”: Six Senses brought in Richard Branson, and Arizona's Miraval Resort & Spa (U.S.) has a partnership with Dr. Andrew Weil.

And more spas are unveiling **highly thematic design/experiences**, like the Banyan Tree Spa at the Marina Bay Sands Hotel's (Singapore) new 4,000-square-foot tropical garden spa, where everything from the art on the walls to the botanical treatments revolve around the brand's “Tree of Life” concept. Or Germany's Schloss Elmau, which uniquely blends spa and high culture: Guests experience a full schedule of classical music and jazz concerts in the spa resort's very own concert hall, hear from great artists and authors and can snuggle up with the many wonderful books that fill the spa lounges.

“Amusement park” spas: A whole new concept is taking shape in spa-land, and we're calling it the rise of the “amusement park” spa, popping up across Asia, Europe and North America. These dynamic, fun, all-ages playgrounds are full of sensory rides and typically offer larger-than-life all-day water and spa experiences for the entire family. (See trend 9: “Spas Become a Family Affair.”) This new species of spa speaks to the facts that not only do many more people want to have a whole lot more fun when spa-ing, but that the affordable daycation (in this economy) has massive appeal. These new spa-parks often embrace a Disney-internationalism or “it's a small world” vibe, piling on dozens of experiences like “Icelandic geyser baths,” “Caribbean lagoons” and “Amazon waterfalls.”

In North America, there's Spa Castle (New York City born, but just expanded to two more U.S. locations). Five stories high and 100,000 square feet, spa-goers buy tickets like a theme park, there's a food court and a vast number of internationally themed sauna, steam bath and swimming/hydro experiences.

Across Canada, the Nordic-based Scandinave day spa resorts, which offer fun circuits of saunas, steam rooms, waterfalls, plunges, etc., are a big name gaining popularity.

Yunessun is a hot springs spa resort and water amusement park located in a scenic part of Japan.

Kalev Spa Water Park in Estonia was developed by top sportsmen and includes numerous pools and water attractions like “tube slides” and “bubble baths,” along with a big menu of theme saunas.

Many of these spa-parks are explicitly geared towards kids or accommodating parents and kids: Sealala Spa & Water Park in South Korea is kid-focused, while GyulaCastle Spa in Hungary (within Almas Castle's park) has a Wellness and Sauna Centre for adults and a huge aqua playground for the kids.



Courtesy of AWAY® Spa at W Retreat & Spa Bali - Seminyak (Indonesia)

The big new wows include eye-popping design and futuristic, blow-your-mind amenities.



Courtesy of ATOMIC SPA SUISSSE at the Boscolo Milano (Italy)

At the **ATOMIC SPA SUISSSE**, or “bubble spa,” in the Boscolo Milano hotel (Italy), wild, LED-illuminated mirror bubbles rise to the top of the interiors of the treatment rooms, sauna and baths, like a frothing glass of champagne.

You can feel the “small world” spin at Center Parcs (four locations in the UK), which features “around-the-world-themed” spa rooms inspired by the Far East, India, Greece and Ancient Rome and its “subtropical swimming paradise.” You can really feel it at Schwaben Quellen (Stuttgart, Germany), with its dozens of global spa- and water-themed experiences like “Himalayan salt rooms,” “Canadian log cabin sauna” and “Temple of the Maya” lounging room.

Smaller wows (that still pack a punch): Many of the wows are smaller, less-pricey touches, with spas innovating ways to capture people’s (and the media’s attention) without having to be on the cover of Architectural Digest. (Think of the “wow” when Bliss spas opened, with the brand’s brownie buffet in relaxations areas.) The smaller wows are about giving spa-goers that “something more” they didn’t expect, even if it’s serving them lunch, a glass of wine or a tea ritual, or warming their bathrobe. It’s about engaging them.

It’s happening with individual wow amenities:

Consider the JW Marriott Grand Rapids (U.S.), which only had one massage room, so recently brought in an innovative mobile spa cart system, “Suite Spa®,” that brings massages, facials, wraps, pedicures and even hot stone therapies directly into guest rooms. That “SpaSuite” cart is now rapidly franchising to more hotel properties.

Destination spa Mii amo (U.S.) now features a “WaveMotion” massage table — that rotates, rocks and tilts, so people feel like they’re floating.

The amazing new ESPA Life spa at London’s Corinthia Hotel (UK) is a major “big” wow — and an example of the many individual, smaller wows within is the stunning all-glass amphitheater sauna.

For those who want to satisfy their “inner cowboy,” there is the newly opened destination spa Travaasa Austin (U.S.), which offers mechanical bull fitness

class, a novel way not only to get your exercise but to reduce stress with a lot of laughter.

The new spa brands are, of course, not devoid of wows: Hilton’s global spa brand eforea is emphasizing Vichy showers.

With thousands of yoga studios around the world, the Salt Yoga Studio at the Mantra Samui Boutique Resort (Thailand) stands out for its wall of Himalayan Salt (See 2011 trend: “Salt Rooms and Salt Caves”), so people can get their salt therapy while they do their yoga.

The unique treatment wows, some with a ramped-up focus on sheer fun and whimsy, are too endless to detail. Expect more creative offerings on spa menus like “Rockupuncture” (Gwinganna Lifestyle Retreat, Australia), which combines acupuncture with a hot rock treatment. And more guest engagement wows like Los Angeles’s Hotel Palomar’s (U.S.) “Walk this Way” program, which rewards guests who walk 10,000 steps a day (they use pedometers) with a 50 percent discount on their next stay.

Hitting the fun angle squarely: Cosquillearte, a new “tickle spa” in Spain, and more spas worldwide featuring “laughter yoga,” whether it’s Ecotulum Resort & Spa in Mexico or Peritiwi Resort in Bali.

Look for far more hyper-individuality, and more liberal doses of that *je ne sais quoi* from spas in years ahead. Given the realities of 72,000-plus spas globally, both brand-new and established spas will continue to push the “wow” envelope to get the world’s attention.



GOOD FOR BUSINESSES... AND VERY GOOD FOR THE SPA BUSINESS

EMPLOYEE WELLNESS PROGRAMS AND SPAS

With healthcare costs spiraling out of control worldwide, the global movement towards “employee wellness” or “corporate wellness” programs is now gathering unprecedented steam. The private sector has digested the avalanche of data about how NOT focusing on preventable chronic diseases is impacting its bottom-line, and the new storm of studies about the high ROI that programs devoted to creating healthier, happier, more productive employees are delivering. As the *Harvard Business Review* put it, employee wellness is suddenly no longer a niche activity, or thoughtful “extra” for a few high-minded mega-corporations — it’s becoming a “strategic imperative”¹ for businesses both big *and* small.

Employee wellness programs can span medical screenings, health education, coaching, subsidized gym memberships and spa visits, weight-loss and quit-smoking programs, on-site fitness programs, healthy food initiatives, online health tools and company-wide contests and challenges. And spas, whose sweet spot is stress management, are increasingly embracing this emerging opportunity: partnering with businesses to provide in-house massage, fitness, yoga, meditation or stress-reduction classes — rolling out discounts/memberships tailored for local businesses — hosting more healthy corporate retreats — and becoming

a core incentive (that trip to the spa or spa gift card) that more companies are dangling as the “carrot” to keep employees on track. And, as the medical evidence mounts that stress plays a killer role in chronic diseases like heart disease, cancer, etc. — and as a burned-out global workforce is forced to work ever more hours — spas’ stress-reduction specialization will increasingly become a key integer in employee wellness programs...in 2012 and beyond. A recent survey analyzing 1,200 organizations across 47 countries found that *reducing stress is now the #1 driver of wellness programs worldwide.*²

The Math: The Cost of Chronic, Preventable Diseases

The data around skyrocketing global healthcare costs, and the costs of unhealthy employees on private enterprises, could fill libraries. The realities in the U.S. are especially chronic: Seventy-five percent of the \$2.6-trillion U.S. healthcare spend goes to treating preventable chronic conditions,³ but less than four cents of every dollar is spent on prevention. Hence, employer-provided insurance plans are up 30%-plus in just the last five years, and will double in the next ten. The average Fortune 500 company now spends 75%-100% of its after-tax profits on employee healthcare!

But it's a GLOBAL crisis: As people worldwide become more sedentary, smoke more and eat more junk food, lifestyle-related health issues are exploding everywhere, including emerging economies like China, India and Mexico. While the U.S. is the fattest nation (more than one-third are obese), China and India are now growing fatter, faster. The World Health Organization estimates heart disease, stroke and diabetes will cost China \$558 billion in a decade, and by 2025, 57% of the Indian population will have diabetes.⁴ Twenty years ago, less than 10% of Mexicans were obese, while now 68% are. The result? The healthcare spend among OECD countries and BRIC nations will grow 51% by 2020 (or \$71 trillion). So, whether companies get hit *directly* in private-payer nations like the U.S. or Switzerland — or *indirectly* with government-run medical programs funded by taxes (i.e., Japan or Germany) — or lose productivity in nations where most people have no health coverage (China, India, etc.) — companies, governments and insurers are now doing the math, and realizing that employee wellness investments are a no-brainer.

Proven ROI

It's the "science" behind employee wellness, the data that keeps pouring in that shows they deliver high ROI, that's driving adoption. Hundreds of studies exist proving successfully run programs transform health behavior, reduce a company's healthcare costs and boost productivity and employee retention/morale. An overview of this archive reveals that ROI typically ranges from 2:1 to 10:1, with the bell curving between 3:1 and 6:1. And this ROI evidence is increasingly getting broadcast in influential publications like the *Harvard Business Review*, which got the business world's attention in a report rounding up existing research and presenting case studies of ten organizations (including SAS Institute, Johnson & Johnson, Chevron, etc.) that documented diverse, powerful results. For example, J&J saving \$250 million on healthcare costs in the last decade, while reducing employee smoking by two-thirds, and high blood pressure by more than half.

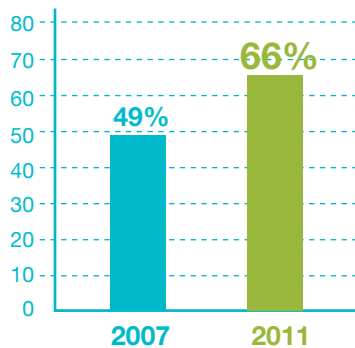
Increased Global Adoption

That's why employee wellness has surged beyond "niche": Sixty-six percent of larger businesses worldwide now have a formal employee wellness strategy (up from 49% in 2007),⁵ and in the U.S. 90% of corporations are now on board.⁶ In the U.K., where companies often supplement NHS-provided universal healthcare with private insurance policies, a new survey shows that nearly 40% of workers now have access to employer-provided health programs, with 32% reporting their organization offers stress management of some kind.⁷ Adoption rates and the core business goals of initiatives differ by nation. The U.S. (late to employee wellness compared with countries like France, Germany, Japan, Singapore and the UK) now has the highest rate of adoption, followed by South Africa and Europe.⁸ And again, while stress reduction remains the #1 driver of

adoption globally, national goals vary: The U.S. is focused on reducing healthcare costs, while Europeans seek better workforce morale and Asian and African nations want to reduce absences.⁹

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Beyond Niche: Percentage of Larger Businesses Worldwide with Formal Employee Wellness Strategies is Surging



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Buck Consultants Global Wellness Survey, 2011

Governments Taking Action

Governments are now taking action and helping businesses mitigate the cost of programs. The U.K. has been busy in 2011, from the launch of a National Wellbeing Index to Dame Carol Black's groundbreaking report that is leading to radical, new approaches to health and work in Britain. (The report found that the workforce's ill health was costing the country £100 billion annually, enough to run the entire National Health Service.) In the U.S., the recent passage of Obama's healthcare reform will give employers much bigger incentives to offer wellness programs: Starting in 2014, companies will be able to offer rewards of up to 30% (potentially 50%) of the total cost of an employee's insurance coverage. That can mean saving thousands of dollars per employee.

Where Spas Fit

Japan may have invented employee wellness back in the 1920s, mandating that workers start every day with calisthenics, but programs at large companies

are now becoming incredibly comprehensive. While summarizing the thousands of large corporate wellness programs is impossible, companies from P&G, Hewlett Packard, Cisco Systems, Heinz, Kraft to Google now routinely offer biometric screening, elaborate on-site fitness centers, online and personal coaching, onsite clinics and nurses, healthy food, work/life and psychological support, weight management and quit smoking programs, etc. And companies are getting very creative, even adding treadmill desks that allow employees to walk while working or taking meetings.

Spa/wellness services like massage, yoga, Pilates, meditation, reflexology, acupuncture and stress management are now ubiquitous in these programs. And there are three main ways spas now "fit" into the employee wellness equation: 1) providing corporate wellness memberships/discounts/programs tailored to local businesses 2) providing on-site treatments and education and 3) generating more corporate retreat/meetings business. And as more spas have moved to a "hybrid" wellness model, offering far more than just massage (i.e., fitness, alternative medicine, nutrition, etc.), they're suddenly in a much stronger position to deliver MORE to businesses.

Examples of the Employee Wellness/Spa Connection

- **Most large companies offer extensive on-site spa/wellness:** PepsiCo features massage, Pilates, spinning and yoga classes; Google campuses are like wellness playgrounds with rock climbing walls, endless pools, healthy gourmet meals and a "Massage Program Manager" in charge of the endless massages going on; and Eileen Fisher headquarters has massage, yoga classes, personal training, Qigong and reflexology on-site, with \$1,000 annual credits for employees to further explore classes on mindfulness meditation, yoga-



Courtesy of PepsiCo

Sixty-six percent of larger businesses worldwide now have a formal employee wellness strategy (up from 49% in 2007), and in the U.S. 90% of corporations are now on board.

teacher training, etc.

- **Smaller companies are key for spas**, as studies show that they typically develop a wellness program by partnering with local vendors like spas. For example, the small U.S. tech company, Undertone, devotes its spend to in-office massage, yoga classes and chefs, who teach employees to cook healthy food.
- More companies like The Book Company (U.S.) hold regular **“Spa Days,”** with employees traveling to an upscale spa for a day of treatments and a healthy lunch.
- **Hundreds of resort and destination spas are rolling out aggressive corporate programs**, typically revolving around corporate membership rates/programs — but also designing on-site wellness programs for businesses, performing executive physicals, etc. More resort spas like Fox Hills (UK), Scotsman Hotel & Spa (Edinburgh), Sundara Inn and Spa (U.S.), or Banyan Tree Private Collection (Asia) are rolling out discounted packages and memberships for businesses on stays and spa services. Destination spas like a Pritikin (U.S.) hit many angles: providing executive health exams, hosting company retreats, helping companies develop their in-house exercise, nutrition and education programs, while sending expert speakers and chefs to company wellness days, etc.
- **Day spas**, whether Massage Envy (700 U.S. locations) or Total Woman Gym & Day Spa (12 California locations), **getting creative** with their corporate wellness programs. Healing Hands (UK) offers a whole slate of employee memberships at different price-points, from basic “Wellbeing” packages, to “Bespoke” levels for directors (including life-coaching and monthly wellbeing consultations). The brand also provides on-site

massage, reiki and reflexology sessions, and yoga, meditation and goal-setting workshops.

- More companies like TheBackRubCompany.com (nationwide U.S.), **a spa business built from the ground up to provide employee wellness**, are appearing: starting with on-site chair massages, it’s grown to offer Zumba, belly dancing, tai chi classes, boot camps and corporate event massage, and has opened three spa/wellness clinics in Arizona.
- More spas like Spa Palazzo at Florida’s Boca Resort (U.S.), Qua Baths & Spa at Caesars Palace Las Vegas (U.S.) or Manhattan’s Setai (U.S.) report a major portion of their clientele are now companies bringing in valued clients to **schmooze/bond at the spa**, in place of the traditional dinner/drinks meeting.
- **Insurance reimbursement and incentives:** European countries like Austria, France and Germany, where insurance often reimburses people for doctor-prescribed trips to health spas, have been the envy of the world. But now, even the U.S. government and insurers are taking steps. For instance, last year, Medicare (the nationalized health plan for people over 65), approved coverage for Pritikin’s cardiac rehabilitation program, now saving people about half on their stay. Private U.S. insurance companies (like Anthem Blue Cross) are now taking a distinctly Groupon-like approach, sending members emails with discounts of 30% off massages, fitness classes, etc.

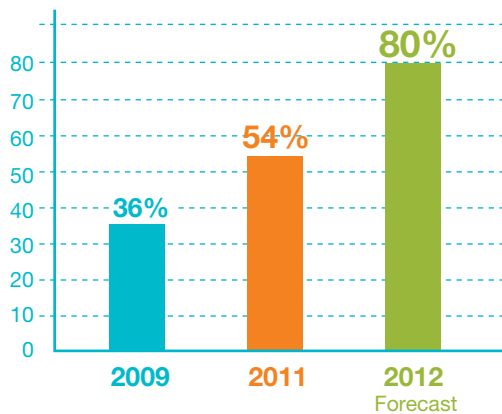
Incentives KEY to Employee Wellness Success — and Spa is a KEY Carrot

A major obstacle to employee wellness success has been getting workers to engage and stay with programs, and a brand-new study shows why: Only

one in five workers will participate without incentives. When companies do dangle incentives, it increases participation by a minimum of 60%.¹⁰ Hence, the use of financial rewards by companies has increased 50% (from 36% in 2009 to 54% in 2011) — and by 2012, four in five companies plan to offer some form of financial incentive.¹¹

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Use of Financial Incentives to Increase Employee Participation in Wellness Programs Jumped 50% from 2009-2011



When employers dangle incentives, participation is increased by a minimum of 60%.

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Towers Watson's Staying@Work Survey, 2011/2012;
Incentive Research Foundation Study, 2011

(Note: if the “carrots” are surging, so are the “sticks”:
Companies are penalizing workers for unhealthy behavior and lack of participation. For example, 40% of U.S. large- and mid-sized businesses will use penalties in 2012, spiking from 8% in 2009.¹² Wal-Mart is forcing workers who smoke to pay \$2,000 more for their health plans each year.)

But the use of “carrots” will still double that of “sticks” in 2012, as companies increasingly use gift cards, free preventative health services, direct savings on insurance premiums, incentive travel, etc. to get people motivated. Additionally, both companies and

insurers are using gaming mechanisms/rewards (See 2012 trend: “Online Wellness Gaming”), to get people excited. Many more companies are unleashing “Biggest Loser”-style contests, or utilizing companies like WALKINGSPREE, that uses pedometers, online portals and social networks to track, inspire and reward healthy behavior across an organization.

Spas will continue to be big beneficiaries in this explosion of corporate wellness incentives, and it makes sense — they’re uniquely BOTH the wellness solution and the attractive perk, representing a very desirable reward for people (unlike a free gym membership, etc.). In 2012, more companies will reward people with spa gift certificates and spa vacations for meeting goals and winning challenges, ushering in a lucrative new relationship between spas and the business world.

A Few Examples

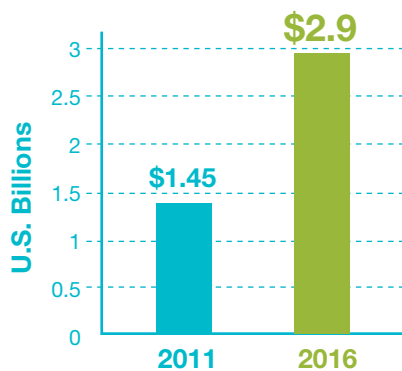
- More companies like Confluence (U.S.) will make hefty spa packages the prizes in their companywide wellness challenges. U.S. destination spas like Canyon Ranch and Miraval are already seeing far more of this.
- More insurers like PruHealth (Prudential, U.K.) will reward their members healthy behavior with points that can be redeemed for extremely discounted spa vacations. PruHealth’s “Vitality Plus” program features Champneys spa resorts as an official partner, with “Platinum” level members earning incredibly discounted stays (£55 a night, with massage, meals, etc.)
- More companies will adopt a similar rewards/points model, like Vitality (U.S.), where employees can earn up to \$5,000 a year in spa, gym and travel discounts (to places like a Ritz-Carlton) for their healthy behavior.

Looking Forward...

The employee wellness revolution is the “next wave” opportunity for the spa industry, because spas are both a natural provider of wellness services to companies both large and small — and a uniquely attractive, logical incentive to keep people on track. And employee wellness is a booming market: Revenues are set to increase roughly 10% a year through 2016, reaching \$2.9 billion¹³ in the U.S. alone.

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Employee Wellness a Booming Market Opportunity – Spiking 50% in U.S. in Next 5 Years



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IBIS World Data, 2011

The business sector’s new love affair with spa/wellness is a bit of an ironic twist. Just a few years ago, the spa industry was reeling from the AIG scandal, when that corporation was criticized for bringing staff on a luxury spa retreat, while they were bleeding money. Now, with spas far more firmly associated with wellness than pampering, and with greater awareness of the medical evidence behind many spa/wellness approaches (See 2012 trend: “Spa Evidence”), the message from companies is no longer “stay away from the spa,” but rather – “we need their approaches to stay competitive.”

The lynchpin for the spa industry will be its expertise in delivering stress-reduction. It’s already known that stress is responsible for 75% of doctor visits, and there is cutting-edge research on the horizon making

this much clearer. Consider for example, the new research (much headed up by Nobel Prize winner, Dr. Elizabeth Blackburn, at UCSF) revealing that stress leads to shorter telomeres (the protective caps on the ends of chromosomes), and that shorter telomeres lead to higher risks for cardiovascular disease, diabetes, some cancers, depression, osteoarthritis, etc. — and that lifestyle changes, including a healthy diet, stress management and exercise, can reverse telomere shortening and extend people’s lives. So, as the “stress science” mounts, employee wellness programs’ focus on attacking stress will only sharpen. (We’re already seeing a number of telomere start-ups launch, dedicated to tracking the effect of stress reduction and exercise on telomere length, which would provide further proof that spa/wellness is empirically worth investing in.)

Every spa on earth, essentially, has an employee wellness opportunity. And while knowing how to best reach businesses — and tailor the right programs for them — may be new terrain for most, the opportunity is too great not to crack this code.

In 2012, more spas will get creative: reaching out to local businesses with discounts or membership programs, offering up therapists for on-site treatments and education, getting on the radar of the spawning vendors that actually implement multi-pronged wellness programs for businesses and encouraging businesses to use spa gift certificates and trips as rewards.

Employee wellness...it's very good for businesses, and could be very good to the spa business.

[1] “What’s the Hard Return on Employee Wellness Programs?” 12/10
[2] Buck Consultants, “WORKING WELL: A Global Survey of Health Promotion and Workplace Wellness Strategies,” 2011
[3] Partnership to Fight Chronic Disease data
[4] World Heart Federation data, 2011
[5] Buck Consultants Global Wellness Survey, 2011
[6] ASI Research, 2011
[7] Department for Work and Pensions survey, 2011
[8], [9] Buck Consultants global data
[10] Incentive Research Foundation study, 2011
[11], [12] Towers Watson’s Staying@Work survey, 2011/2012
[13] IBISWorld data, 2011

COUNTER TRENDS

Finding New Opportunities by Going Against the Flow

Another perspective: the concept of the “counter trend.” Sometimes creative and successful ideas emerge when businesses move against the mainstream, with the caveat that “swimming upstream” against dominant trends requires carefully determining whether the specific market will support more niche approaches.

1. Trend: Healthy Feet Treatments

Counter Trend: An aging population and sky-high heels are bringing much-needed attention to aching feet, but focusing on other “extremities” could prove a unique strategy. Think: increasingly popular head and scalp treatments (i.e., Indian head massage or craniosacral therapy) or a focus on hands (i.e., whitening dark/age spots or the bevy of new nail improvement techniques and looks).

2. Trend: Cold and Ice Are Hot

Counter Trend: Re-emphasizing traditional *and* new warm/hot experiences (and their proven health benefits) might be a real plus, especially for spas in colder climates. Not just traditional saunas and Jacuzzis, but new twists like super-hot Russian banyas, hot rock or hot bamboo massages, and

even the extremely hot Indian Sweat Lodge (when experienced safely) are good counters.

3. Trend: Wellness and Beauty Coaching

Counter Trend: Instead of a one-on-one personal coaching model, consider helping people get healthy and experience spa treatments on a DYOT (do your own thing) model. Examples: more therapist-free treatments like self-applied mud experiences, or even new, automated, self-operating massage or facial machines — making technology the partner via educational/fitness DVDs and online content — or wallet-friendly large fitness/wellness classes or lectures.

4. Trend: Online Wellness Gaming

Counter Trend: Gaming doesn't have to be *online* or involve *any* technology: Real world, offline games and gaming mechanisms are powerful tools in engaging

spa guests and challenging them to start and stick to healthy life transformations, whether “Biggest Loser”-style weight-loss contests, or any breed of in-spa challenges that involve a social or competitive element with rewards.

5. Trend: Pairing Fine Dining and Spa-ing

Counter Trend: Many spa-goers are, of course, specifically seeking to *escape* the temptations of gourmet eating and drinking experiences. Spartan, boot camp-style experiences revolving around very little food and hardcore workouts — detox juice cleanses and fasting, or all-raw-food (or specialty-diet) regimes at a spa — will always be sought-after programs from those fleeing hedonism.

6. Trend: Vibration, Sound, Music, Light and Color Therapies

Counter Trend: While some spas are upping full-sensory experiences, given our over-wired and over-stimulating world, it can be very appealing to dial things *way down* (as noted in our 2009 trend “Stillness”). More silent and reflective experiences, more soundproof rooms and quiet/dark experiences, more experiences (and treatments delivered) in nature will resonate with many spa-goers.

7. Trend: The Glam Factor

Counter Trend: A return to glamour and ramped-up beauty and grooming are booming, but we also live in the cultural moment of the “Occupy” movement, and for many, a heightened rejection of conspicuous consumption and embracing the emerging movement of “one-downmanship” are newly important values. An emphasis on the “totally natural,” simple and less-is-more approaches at the spa can be compelling alternatives.

8. Trend: Spa Evidence: Showing the Science Behind Spa

Counter Trend: Emphasizing the inherent pampering, relaxation or sheer happiness quotient that spa

treatments can deliver — rather than focusing on the medical science behind spa and wellness therapies. An interesting counter may be to *embrace* an atmosphere of total experimentation and be transparent about the current lack of scientific proof for certain approaches on offer.

9. Trend: Spas Become a Family Affair

Counter Trend: Adults-only spas are the obvious countertrend to the kinder-spa, and there will always be those who prefer absolutely no children around. Also, counter to the multigenerational family spa movement are spa businesses with a dedicated, laser-like focus on men-only, women-only or teens/kids-only.

10. Trend: Spas Go for the “Wow”

Counter Trend: Greater individuation and differentiation in spa experiences and design are, in part, trending in reaction to a strong, ongoing trend SpaFinder identified in 2011: the “Spa Brandwagon,” where the many new spa franchise models serve up branded, replicable design, treatments and offerings, to meet many people’s desire for comfortingly knowable and consistent spa experiences.

Trend: Employee Wellness Programs and Spas

Counter Trend: While nobody applauds the fact that too many workplaces still don’t facilitate employee wellness, and actively contribute to their workers’ ill health with bad food, poor air quality and very high stress levels, the attitude that you’re on your own with your health and wellness is still very much a workplace reality. These stressed-out, under-supported employees need spa breaks more than anyone, and spas can help communicate that to them.

BUZZ WORDS

Hot & Getting Hotter

Hot	Getting Hotter!
Aesthetician	Beauty Coach
Sauna Therapy	Cryotherapy
Restaurant Week	Wellness Week
Detox	Digital Detox
Hot	Cold
Sound and Light	Frequencies and Vibrations
Stress	Burn Out
World of Warcraft	Games for Health
Mani-Pedi	Medi-Pedi
Lo-Cal and Spa	Croissant, Champagne and Spa
Health Coaching	Wellness Coaching
Couples Spa Suite	Family Spa Suite
Experience Showers	Snow Showers
Asana	Kidsana
Rehabilitation	Pre-Habilitation
Pilates	Yamuna
Gym Class at School	Wellness Class at School
Laughing Yoga	Tickle Spa
Cholesterol	Telomeres
Corporate Health	Employee Wellness
Green Spas	Green Massage Tables
Genomes	Epigenetics
Attention Deficit Disorder	Nature Deficit Disorder
LOHAS	SoLoMo (Social, Local, Mobile)
Gross National Product	Gross National Happiness

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To learn more about SpaFinder's 2012 Trends Report,
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