



THE AMERICAS: UNITED STATES

What is making news in your country when it comes to spa and wellness?

What's making news in America is less about spas than about what's sending people to spas:

- 1 in 25 Americans regularly use sleeping pills
- 88% of women (78% of men) report the toll of stress in their daily lives (CDC)
- Some two-thirds of the U.S. population suffers from unhealthy levels of weight (CDC)
- 70 % of Americans are on at least one prescription drug (Mayo)
- 13 % of Americans are on antidepressants (Mayo)
- Nearly 30% of adults in U.S. surveys reported an average of less than 6 hours of sleep per night when 7 to 9 is the medically recommended requirement (CDC)

Although spa spending by consumers is growing in the USA (the International Spa Association's survey of 1,000 destination and day spas in the USA. showed a 4.7 percent increase in revenue last year at \$14 billion), we are also seeing more employers taking the lead in incorporating spa and wellness programs into their HR models. Studies show companies that do take this approach can expect to see a 6% turnover rate compared to the national average of 38% annually.

On the tourism front, spa and wellness is making news in recent announcements by hotels such as MGM Grand in Las Vegas, which opened up "wellness rooms" last year with such amenities as light therapy, a Vitamin C shower, specially filtered air and aromatherapy to help guests relax and detox. Similarly, Crystal Cruises recently announced the advent of hypoallergenic cabins. And some spas are capitalizing on a newsy trend in cutting edge culinary approaches: farm to table spa treatments and facials, with more locations offering fresh herbs and flowers from their own gardens for treatments.

What is happening in your country when it comes to wellness tourism and/or medical tourism?

Medical spas in the USA are on the rise. The number of medical spas — hybrids of medical clinics and day spas — in the USA is up fourfold since 2007, from around 800 in 2007 to 4,500 today, according to the International Medical Spa Association. Reasons? For one, technology continues to improve, allowing for better results from less invasive cosmetic procedures. Second, as physicians get squeezed by insurance companies and hospitals, they are signing on with medical spas -- a practice that also gives more and convenient access to clients who might not brave a cosmetic surgery office appointment but would consider a treatment introduced in such a relaxing environmental as a spa.

Regarding medical tourism in the USA, surprisingly, many hospitals are taking a lesson from India and Thailand and offering competitive pricing on non-insured treatments that allow patients to stay in the USA rather than travel abroad. For instance, a hospital in rural Oklahoma might charge a fraction of what a major surgical procedure would cost in New York or California and consumers are taking note. Clearly the domestic choice offers benefits: among them the laws and standards in place that govern hospitals, and the assurance of a working legal system for patients.

Please give us one sentence to describe the latest developments in your country for each of these spa categories:

What is happening with hotel spas?

Innovation, creativity, offering a variety of unusual – often locally themed – treatments that help the hotel and hotel spa stand apart from local competition.

What is happening with destination spas?

Because the average spa guest is likely an employee with lots of stress and little vacation, destination spas are adding deeper treatments, focused programs that intensify a stay with specific life-changing take-aways that will keep a guest coming back year after year for tune-ups.

What is happening with hot springs spas?

Hot spring spas have had a tough time over these past years but have figured out they can move and widen their marketing dollar by banding together (these spas are often clustered in areas with geothermal aquifers) and hiring experts to get the word out for them.

What has been the general attitude about investing in the spa/wellness arena in 2013?

Demand for spa services is driven by personal income and demographic trends, and in the US we are seeing some significant recovery of late. Similarly, we have seen a rise in spa customers and spa profits in 2012. The profitability of individual companies depends on efficient resource use and effective marketing. Larger companies have some economies of scale in marketing and purchasing. Small companies compete by offering unique services, catering to a local market, and delivering a superior customer experience.

We are seeing a proliferation of Massage Envy locations, which has proved to be a successful model amid a financially stressed middle class and “working poor” American population. We are also seeing a continued trend in “Groupon” marketing by spas to fill the uneven nature of the daily yield and attract new clients. While such practices are more common at day spas we also see them at hotel spas.

Looking back at the past four decades of spa and wellness, what would you consider “a defining moment?”

When Yoga, Ayurvedic and other wellness practices from India hit the menus in the early 1990s. Spas moved from being “fat farms” and garish studios proffering nail treatments, facials and steam rooms, to places to connect with self, acquire focus and find internal wellbeing via specialized guidance and specially trained practitioners.

SUBMITTED BY:

JoAnn Kurtz-Ahlers

President

Kurtz-Ahlers & Assoc., L.L.C.

28072 Las Brisas del Mar

San Juan Capistrano, CA 92675

949-487-0522 Office

404-915-8728 Mobile

<http://www.kurtzahlers.com>