Canadian Tourism Commission
Commission canadienne du tourisme

Identifying the Spa Traveler:

A Look at US and Canadian Consumer Attitudes and Motivators for Spa Vacations (2006)

Presented in Partnership by the Canadian Tourism Commission and International SPA Association

PREPARED FOR
CANADIAN TOURISM COMMISSION &
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About the Canadian Tourism Commission

The Canadian Tourism Commission (CTC) is a federal Crown Corporation. Industry-led, market-driven, and research-based, the mission of the Canadian Tourism Commission is to increase awareness of and interest in Canada as a premiere four-season tourism destination. Together with its public and private sector partners, the Commission undertakes macroeconomic, market, industry and product research, product and industry development, and advertising and promotional activities in markets across the globe.

For more information about the Canadian Tourism Commission, please call, write or e-mail:
Suite 1400, Four Bentall Centre
1055 Dunsmuir Street, PO Box 49230
Vancouver, British Columbia, Canada, V7X 1L5
Telephone: 1-604-638-8300
E-mail: ctx_feedback@ctc-cct.ca
Web site: **www.canadatourism.com**

About the International SPA Association

The International SPA Association (ISPA) is recognized worldwide as the leading professional organization and voice of the spa industry. Founded in 1991, ISPA's membership is comprised of more than 2,500 health and wellness facilities and providers from 73 countries. ISPA strives to advance the professionalism of the spa industry by providing invaluable educational and networking opportunities, to promote the value of the spa experience to society, and to be the authoritative voice of the spa industry.

For more information about the International SPA Association, please call, write or e-mail:
2365 Harrodsburg Road, Suite A325, Lexington, KY 40504, USA
Telephone: 1-888-651-4772 or 1-859-226-4326
Web site: www.experienceispa.com E-mail: ispa@ispastaff.com

Spas are entities devoted to enhancing overall well-being through a variety of professional services that encourage the renewal of mind, body and spirit.

Disclaimer

This report has been produced for the CTC and ISPA by The Hartman Group of Seattle, Washington, USA. Although the information in this report has been obtained from sources that The Hartman Group believes to be reliable, its accuracy and completeness cannot be guaranteed. This report is based on survey responses of spa establishments during the survey period of September 2005. This report is for information purposes only. All opinions and estimates included in this report constitute the views of survey respondents combined with our judgment as of this date and are subject to revision.

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The Canadian Tourism Commission (CTC) and the International SPA Association (ISPA) have partnered to complete a comprehensive analysis of both Canadian and American spa-goers, including their spa travel attitudes and motivators. In addition, this landmark partnership will result in information that will provide travel and spa related businesses with market intelligence to make informed business decisions. It also garners new market intelligence on spa-goers and their spa vacation characteristics to support potential future market development initiatives from federal or state/provincial tourism marketing agencies.

This report focuses on Canadian and American **spa travelers**. Later in 2006, ISPA will release a comprehensive qualitative and quantitative research report on American and Canadian **spa-goers and non spa-goers**, an insightful profile of today's spa consumers, who they are, their motivations for going to the spa and their expectations from spas and the spa experience.

The Canadian Tourism Commission gratefully acknowledges and appreciates its valued partnership with ISPA. Our thanks go to Kate Mearns, ISPA Chairman, as well as the ISPA Board of Directors for their collaboration, support, and commitment to this partnership and to the research effort.

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Pat Corbett, The Hills Health Ranch, British Columbia
Jack Morrison, Elmcrest College of Applied Health Sciences and Spa Management and The Leading Spas of Canada, Ontario/British Columbia
Donna Holtom, Holtz Spa, Ontario
Claire Levasseur, Spas Relais Santé, Quebec
Marie Picton, The Elmwood Spa and Premier Spas of Ontario
Louise Brossoit, Amerispa Inc., Quebec
Jocelyna Dubuc, Spa Eastman, Quebec

Juanita Keel-Ryan, Newfoundland Department of Tourism, Culture and Recreation
Dr. Wendy Smeltzer, Institut de Santé, Alberta
Diane Sparrow, Inn on the Forks, Manitoba
Paul Madden, Spa at the Monastery and Suites, Newfoundland

Taskforce Secretariat: Frank Verschuren, Canadian Tourism Commission, Vancouver, British Columbia.

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Executive Summary

This report presents findings on U.S. and Canadian spa travelers, which have been defined as consumers who visit spas while traveling away from home.

Topics addressed in this report include:

- The characteristics of the spa traveler
- How spa travelers plan their spa vacations
- When spa travelers take their spa vacations
- Where spa travelers take their spa vacations
- What spa travelers do on their spa vacations

Over and above the specific results, which are summarized below, a key finding of this research is that spa travelers often have one objective for their spa visits when traveling and another when at home. This is primarily true of spa-goers who generally approach spa activities as an important, if not key, component to their long-term health and wellness. A spa vacation, in contrast, is often planned with a desire to relax self-imposed standards and indulge. Much like the fitness enthusiast who allows herself the guilty pleasure of indulging in a calorie laden sweet, a dedicated spa-goer may take a spa vacation with little concern for her usual spa regimen. What might normally be a time for self-improvement or serious mind and body renewal, becomes an opportunity for escape and pampering.

Ordinarily, spa-goers fall into three distinct segments depending on their level of participation in the larger World of Spas. At the heart of this world is a core contingent or segment of spa-goers who feel that learning about and going to spas is important to their lifestyle and at the other extreme is a periphery segment of spa-goers who enjoy going to spas but otherwise show little interest in them. Between these two segments is a mid-level spa-goer segment that is interested in learning about spas but lacks the commitment and passion of the core spa-goers.

These three segments usually represent qualitatively different orientations to participation in the spa world, but they appear more alike in their approach to spa vacations because core and mid-level spa-goers tend to set aside their more serious objectives when on vacation and periphery spa-goers become more adventurous and more willing to pay for treatments they can only justify as part of a vacation.

This shift in emphasis produces a convergence of some general attitudes and behaviors among spa travelers that normally distinguish the three segments. It seems this is especially true for Canadian spa travelers. For example, core spa travelers from the U.S. plan around the type of experience they wish to have more than exactly where they wish to go (the opposite being true of periphery spa travelers). In Canada, by contrast, the core spa traveler differs only mildly from the periphery spa traveler and, if anything, places greater weight on the destination than on the desired experience. Similarly, we find that core spa travelers from Canada are much more interested in traditional tourist concerns, such as cultural education or stories to tell when they return home, than their American counterparts, who are more likely to want experiences that renew or revive their mind, body and soul. Thus, we find that at least some values of core spa travelers weaken when they go on a spa vacation.

The summary of specific findings that follows is organized by chapter, as they appear in the body of the report.

Overview of the Spa-Going Consumer Population

One out of four adults (25% of Canadian and 26% of U.S. consumers 18 and older) has been to a spa. At the time of the study, 58% of the Canadians and 57% of the Americans who had been to a spa indicated going to a spa in the past 12 months. These active spa-goers represent 3.7 million Canadian consumers and 32.2 million U.S. consumers. Most of these spa-goers visited day spas (52% in the U.S. and 59% in Canada said they went to a day spa on their last spa visit), which is not surprising, but just over a quarter (28% of Canadians and 27% of Americans) last went to a resort or hotel spa. Thus, while day spas continue to dominate the market, other spas also generate a great deal of trade.

Just as day spas capture a larger share of individual visits, massage (specifically full body massage) remains the most popular spa treatment (84% of U.S. and 69% of Canadian spa-goers received a full body massage). After massage, the most requested treatments are facials, manicures and pedicures. Less commonly used services include hydrotherapy treatments, lifestyle classes and mind-body experiences, such as guided meditation and Reiki.

A significant portion of spa-goers has only recently joined the fold. At the time of the survey, 15% of U.S. spa-goers say they had been going to spas for less than a year. An even larger percentage of Canadian spa-goers (26%) indicated they started going to spas within the past year. This influx of new spa-goers has created fresh opportunities for spas, especially those serving Canadian consumers.

Profile of Spa Travelers versus Other Spa-Goers

Spa travelers are more likely to be veteran spa-goers than those who only visit the spas close to them. They not only have been going to spas longer, on average, they tend to try a much wider variety of spa treatments. Spa travelers are also more likely to have tried different kinds of spa treatments than other spa-goers. In contrast, spa-goers who have not visited a spa while traveling are more likely to have just started going to spas and are less experimental, sticking to mainstream, largely cosmetic services such as facials, manicures and so on. This suggests that visiting spas while traveling is not necessarily a gateway activity (i.e., is not how consumers are typically introduced to the world of spas). Rather it is what experienced spa-goers do on vacation.

Spa travelers do not travel to spas because there are no spas where they live. Indeed, they live in essentially the same regions of Canada and the U.S. as other spa-goers. But spa travelers are almost twice as likely as other spa-goers to be core spa-goers, the most knowledgeable (and critical) spa-goers. It could be that a perceived, whether real or not, shortage of quality spas near their home leads them to seek out spas through travel. Just as plausible an explanation, however, is that core spa-goers simply enjoy going to spas more than mid-level or periphery spa-goers and this includes visiting spas while on vacation.

Interestingly, men are more likely to be spa travelers than we would expect given the number who participate in the spa world. Only about a quarter of all spa-goers in the U.S. and Canada are men, yet over one third are spa travelers. In addition, the frequency of spa visits while traveling is higher for male spa travelers than it is for their female counterparts. So, even though fewer men than women become spa-goers, the ones that do, appear to participate somewhat more strongly than the women.

Overview of Spa Use While Traveling

U.S. spa-goers are more likely to visit a spa while traveling than are their Canadian counterparts. Nearly two thirds (63% or 20.4 million) of U.S. spa-goers visited a spa while on an out-of-town, overnight trip in the past year, but only half (49% or 1.8 million) of Canadians did so. And while such trips include planned spa visits as well as those in which going to a spa was not part of the original travel plans, it seems U.S. spa travelers may also take more spa vacations (i.e., planned spa visits). Two out of three U.S. spa travelers have taken at least 2 spa vacation trips in the past 2 years, but fewer Canadians (59%) have done so.

When they do go on a spa vacation, the vast majority of spa travelers go to a resort or hotel spa. Nearly three quarters (73%) of Canadian spa travelers and 81% of U.S. travelers went to a resort/hotel spa when taking a spa vacation. And once they reach their destination, the favorite spa treatment is clear: large majorities (86%-88%) of spa travelers in both countries aspire to get a massage while on a spa vacation. But it isn't all about spa services. A spa vacation appears to be an excellent opportunity to go shopping, to take in some cultural attractions, and sample culinary delights. In short, a spa vacation is about seeking pleasure, whether in the spa or out and about.

Spa Vacation Planning

Spa travelers, not surprisingly, get involved in the planning of their spa vacations. Almost all spa travelers, whether U.S. (90%) or Canadian (85%), helped plan at least one of the spa vacations they took in the past 2 years. The two predominant factors (other than budget) that spa travelers in both countries consider first when planning a spa vacation are (1) a desired destination and (2) the idea of a certain type of spa experience. And with one notable exception, spa travelers from both countries also relied on roughly the same information sources to make those plans.

The lone exception is that Canadian spa travelers are generally more likely than Americans to use a travel agent. Among American spa travelers, we find that the core predictably tends to spurn travel agents, preferring instead to gather information from multiple sources and to plan their trips on their own. In Canada, core spa travelers seem to gravitate toward information sources geared specifically toward *spa* travel, while periphery spa travelers lean toward more general travel information. Thus, as Canadian spa travelers move toward the core of the spa world, they tend to become more selective in the kinds of information they use for planning, whereas in the U.S., core spa travelers are more apt to broaden the range of materials used.

Spa travelers' extensive use of Web sites to plan spa vacations has made the Internet a powerful tool for reaching spa travelers. But currently, the tendency is to purchase vacation-related arrangements (accommodations, rental cars, airline tickets) online rather than to order spa-specific services. This need not be the case. A quarter of U.S. spa travelers purchased their spa vacation as part of a package and even more Canadian spa travelers (41%) did so. The Internet offers the potential for spa-goers to customize a spa package to suit their own personal needs in a cost effective manner, but for spa owners it requires adopting a creative, solution-oriented approach to Web site design and a willingness to service individualized packages.

Spa Vacations: Where, When and Why

Where and when spa travelers take their spa vacations show similar patterns across the two countries. Generally, spa travelers prefer not to travel very far. Most travel to spas in the same region in which they live. Certain areas, however, do attract spa travelers regardless of where they live. The South West region of the U.S. and British Columbia in Canada seem to have particularly strong appeal to spa travelers in their own country as well as ones across the border. Beyond Canada and the U.S., spa travelers still seem to prefer North America to areas that are more distant.

There is no especially strong seasonality to spa vacations. While Americans seem a little reluctant to go on spa vacations during the winter months, Canadian spa travelers appear largely indifferent to the seasons. Winter spa vacations can take the traveler south toward warmer places if weather is a factor, so it would seem U.S. spa travelers have no good reason to avoid spa vacations in the winter. U.S. spas able and willing to reach out to spa travelers in the U.S. have an opportunity to close the gap between the two countries.

Spa travelers in both countries agree on the five most important conditions to consider when choosing a spa vacation destination; at least ⅔ of each group feels that lodging accommodations, personalized services, cost/value, affordable destinations, and type of spa treatment are at least "quite important." On the other hand, child-related services (babysitting services, kids' programs) and outdoor activities (golf, tennis, ski) seem not to be in the consideration set of most spa travelers, raising doubts about the viability of the recent trend in the spa industry linking golf/spa and ski/spa as sought-after combinations.

Other observations on spa travelers include:

- Despite shopping's position as a favorite leisure activity on spa vacations, shopping opportunities are not a major determinant of *where* spa travelers choose to visit. Presumably, spa travelers assume good shopping options are available wherever their spa vacations take them.
- On average, U.S. and Canadian spa travelers take off a similar number of days for spa vacations; close to half of American (44%) and Canadian (46%) travelers took (or expected to take) at least a week off in 2005.
- As for benefits sought when on a spa vacation, spa travelers in both countries rank the same top six benefits in the same order of importance: to relax and relieve stress; to get a break from day-to-day environment; to be pampered; to healthfully renew/relieve one's mind, body and soul; to have a

life with no fixed schedule; and to enrich one's relationship with spouse/partner/children.

- In analyzing the importance of benefits in the different spa segments, especially striking are differences across countries. Predictably, core spa travelers from the U.S. are more likely than other American spa travelers to seek to enrich their lives at spas as opposed to getting a break from daily life or being pampered (benefits favored by their mid-level and periphery counterparts). In Canada, however, core spa travelers present a different picture. They are more likely than mid-level or periphery spa travelers to seek pampering, physical challenge, intellectual stimulation, cultural education and stories to share back home. At least on this dimension (benefits sought), core spa travelers from Canada appear to have less of the typical core segment traits (taking spa trips frequently, valuing spa visits highly, being knowledgeable about treatments), and are more focused on the traveling component (seeking new adventures and mental/physical challenges).
- The highest ranked concerns of spa travelers (regardless of country) while on vacation are the quality of treatment and services, the costs of services and the hygiene of the spa facility and staff

Methodology

The data for this report were collected in 2005 via an online survey and a telephone omnibus survey. The online survey targeted only active spa-goers (i.e., consumers who received services at a spa sometime in the past 12 months) while the telephone omnibus surveyed the general population of each country. A total of 4064 adult consumers (2063 from the U.S. and 2001 from Canada) were contacted through the omnibus survey to determine overall spa use, after which a second sample of 1909 Canadian spa-goers and 1707 U.S. spa-goers was surveyed with an online questionnaire. An extended questionnaire was developed for spa travelers (spa-goers who visited a spa while traveling) to ask about their spa vacations. Nearly half (49%) of the Canadian sample of spa-goers and almost two thirds (63%) of the U.S. sample of spa-goers were identified as spa travelers. However, not all spa travelers took a spa vacation. A portion of spa travelers made a visit to a spa while traveling for reasons other than a spa vacation. For example, the spa visit may have been made while on a business trip. The extended questionnaire was restricted to spa travelers who had taken a spa vacation in the past two years. In the Canadian sample, 463 spa travelers indicated taking a spa vacation, and in the U.S. sample, 485 spa travelers indicated taking a spa vacation.

Chapter I
Introduction

This report presents findings on U.S. and Canadian spa travelers, which have been defined as consumers who visit spas while traveling away from home. The research reported here is part of a larger investigation of spa-goers conducted via an online survey in December 2005.[1] This larger study surveyed 1909 Canadian and 1707 U.S. spa-goers about their attitudes toward and use of spas.[2] Because the online survey was designed for active spa-goers only, it does not provide an estimate of spa use in the general population. Consequently, a telephone based survey of 2063 U.S. and 2001 Canadian households was also conducted in order to estimate overall spa use. The combination of these two methodologies, telephone interviewing and online surveying, provides a robust picture of spa travelers from Canada and the U.S.

Only consumers who have been to a spa in the past year are included in the study sample. To qualify as a spa-goer, moreover, respondents had to have gone to a spa *and* received at least one spa treatment other than (or in addition to) a manicure or pedicure. This latter restriction excludes incidental visits that give only a limited view of the consumer experience at spas. The study subjects therefore represent a range of spa experiences beyond a simple manicure or pedicure.

To study spa travelers, the research reported here focuses on the attitudes and behaviors of those who go to spas as part of a planned spa vacation. Although many consumers do make unplanned visits to a spa while traveling, excluding these unplanned spa visits ensures the attitudes and behaviors reported will reflect the intentions of travelers as they relate to the spas visited.

Spa-goers who do not visit spas when traveling provide a useful point of comparison for the spa traveler. This comparison of the spa traveler and other spa-goers, which appears in Chapter III, highlights the characteristics of spa travelers that distinguish them from other spa-goers.

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[1] See Appendix I for information on the study methodology, which included an omnibus telephone survey of consumers.
[2] For the purposes of this study, spa-goers are defined as consumers who have received services in a spa in the past 12 months. Complete details of how spa-goers were identified are given in *Identifying* the Spa Going Population in Appendix I.

Topics addressed in this report include:

- The characteristics of the spa traveler
- How spa travelers plan their spa vacations
- When spa travelers take their spa vacations
- Where spa travelers take their spa vacations
- What spa travelers do on their spa vacations

The ensuing chapters present findings separately for U.S. and Canadian spa-goers. Both samples were drawn independently; however, both samples received the same survey within the same time period.[3] Thus, the results for the two countries are fully comparable. We find that most of the results are virtually the same for both countries, though there are some differences. These differences are noted where useful. Because of the general commonality between the two countries, the bulk of the presentation will focus on describing patterns irrespective of country. That is, discussion of the findings will proceed as if results were not gathered separately for the two countries unless specific differences between them warrant drawing attention.

Finally, we note that an important component of the larger research on spa-goers was to understand their attitudes and behavior in relation to the “World of Spas.” The world of spas is a shorthand way of referring to all of the individuals and businesses that use, maintain, manage, support or otherwise deal with spas.[4] It defines three spa-goer segments (core, mid-level and periphery) that describe how actively involved consumers are in the spa world. At the core, we find consumers who spend more time and energy learning about and visiting spas than any other consumers. Their personal goals and interest in going to spas is fundamentally different from the average consumer who visits a spa. On the periphery, we find consumers with only passing interest in spas. These consumers have little interest in becoming very knowledgeable about the various types of spa treatments and do not view their visits to spas as an integral part of their lives. The mid-level lies between these two extremes and comprises the majority of spa-goers. These mid-level consumers may share some attitudes and interests with core spa-goers, but have yet to make going to spas a major lifestyle choice

Report Chapters: Content Summaries

Overview of the Spa-Going Consumer Population

As background information on the general spa-goer, this chapter provides a summary of the level of participation in spa activities among consumers in the U.S. and Canada. An aggregate picture of spa use is provided by an omnibus telephone survey of 4064 consumers (2063 U.S. and 2001 Canadian residents), while further

[3] For further details on the sampling design, see *Sampling Frame* in Appendix I.

details on frequency of visits and services used are taken from the online survey of 3616 consumers (1707 U.S. and 1909 Canadian residents).

Profile of Spa Travelers versus Other Spa-Goers

Most of the report focuses on the spa traveler as a spa *vacationer*. This chapter provides a profile of the spa traveler in comparison to the spa-goer who does not visit spas while traveling. In other words, it describes characteristics of the spa-goer that distinguish between those who never go to spas when traveling and those who do.

Overview of Spa Use While Traveling

This chapter presents a top-line view of spa use by consumers traveling away from home. It shows the extent of spa use when the consumer is traveling and it examines the types of spas and services these consumers use. This demonstrates the importance of the market for spa services among traveling consumers.

Spa Vacation Planning

Although most visits are planned, a significant portion of the traveling consumer population goes to spas that were not originally included in their travel plans. This chapter examines what goes into the planning of a spa vacation. It includes the information sources used and the issues that consumers consider when making their plans.

Spa Vacations: Where, When and Why

This chapter covers the particulars of spa vacations, where consumers have gone, where they would like to go, what time of year they go, and what they look for in their spa experiences. These dimensions help define the parameters of the typical spa vacation and are what spas need to know in order to meet the needs of the traveling spa-goer.

General Attitudes and Behaviors

Earlier chapters examine the spa traveler as a spa-goer; that is, what the spa-goer wants and does when visiting spas on vacation. This chapter profiles the spa-goer as a consumer. It examines use of various media, including newspapers, radio, TV and the Internet, as well as attitudes reflecting general lifestyle orientations.

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[4] See Appendix II for an explanation of the marketing implications of a world perspective.

Chapter II
Overview of the Spa-Going Consumer Population

To set the stage for the analysis, we begin by examining general attitudes and behaviors related to spa use. These include attitudes toward spa venues, the benefits of spas, the various treatments offered by spas, and other points of view. Behaviors examined include types of spas visited, frequency of spa trips, treatments experienced, and other general behaviors.

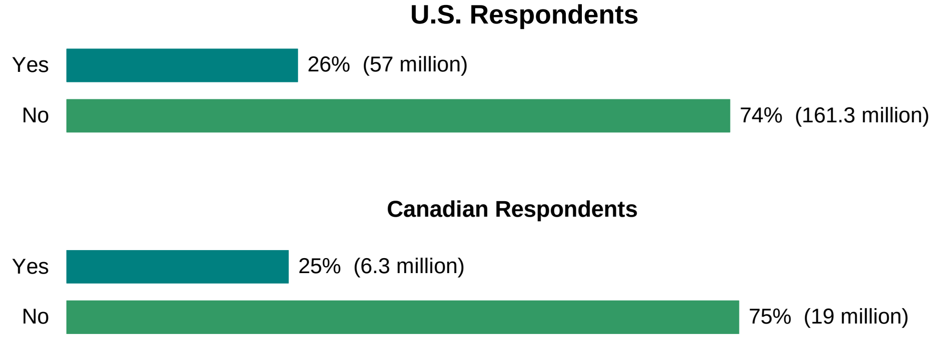
Spa Visits

Prevalence of Spa-Goers

In both the U.S. and Canada, about one quarter of adult consumers has visited a spa.[5] Based upon results from the omnibus telephone survey, we estimate that 26% of Americans and 25% of Canadians have ever been to a spa (Figure 1).[6] These sample percentages translate into roughly 57 million U.S. adults (aged 18 and older) and 6.3 million Canadian adults.

[5] For this estimate, a "spa" is defined as "an establishment that offers at least two of the following three kinds of services: full body massage, skincare treatments, such as facials, and body treatments, such as hydrotherapy or body wraps and scrubs."
[6] The omnibus telephone surveys of consumers in both the U.S. and Canada were conducted in September 2005. The U.S. omnibus survey contained a national sample of 2063 adult Americans. The Canadian omnibus survey contained a national sample of 2001 adult Canadians. All subsequent findings (regarding spa-goers) in the current report are based on an online survey designed specifically for this study (for additional information on our online survey, see Appendix I).

Figure 1
Have You Ever Visited a Spa?



Note: Estimated number of adult consumers shown in parentheses.
Sources: U.S. results based on 2000 respondents; Canadian results based on 2000 respondents.

At the time of this study, 58% of the Canadians and 57% of the Americans who had ever been to a spa indicated going to one in the past 12 months. These active spa-goers represent 3.7 million Canadian consumers and 32.2 million U.S. consumers.

Spa Types Visited

This study presents seven primary types of spas commonly used in North America. Survey respondents were provided the following descriptions:

Day Spa

A day spa offers a variety of spa services, including facial and body treatments on a day-use-only basis. Overnight accommodations are not provided.

Resort/Hotel Spa

A resort/hotel spa offers spa, fitness and wellness services, as well as spa cuisine menu choices and overnight accommodations within a resort or hotel.

Destination Spa

A destination spa is not part of another resort or hotel. The destination spa's primary purpose is guiding individual spa-goers to healthy lifestyles. Historically an extended stay, this transformation can be accomplished by a comprehensive program that includes spa services, physical fitness activities, wellness education, healthful cuisine and special interest programming.

Medical Spa

A spa in which full-time, on-site licensed health care professionals provide comprehensive medical and wellness care in an environment that integrates spa services, as well as traditional, complimentary and/or alternative therapies and treatments. The facility operates within the scope of practice of its staff, which can include both aesthetic/cosmetic and prevention/wellness procedures and services.

Club Spa

A facility whose primary purpose is fitness and that offers a variety of professional administered spa services on a day-use basis. A hotel, gym or fitness club that has a sauna, steam or whirlpool bath is **not** a spa unless it explicitly offers spa products and services as an added benefit.

Mineral Springs Spa

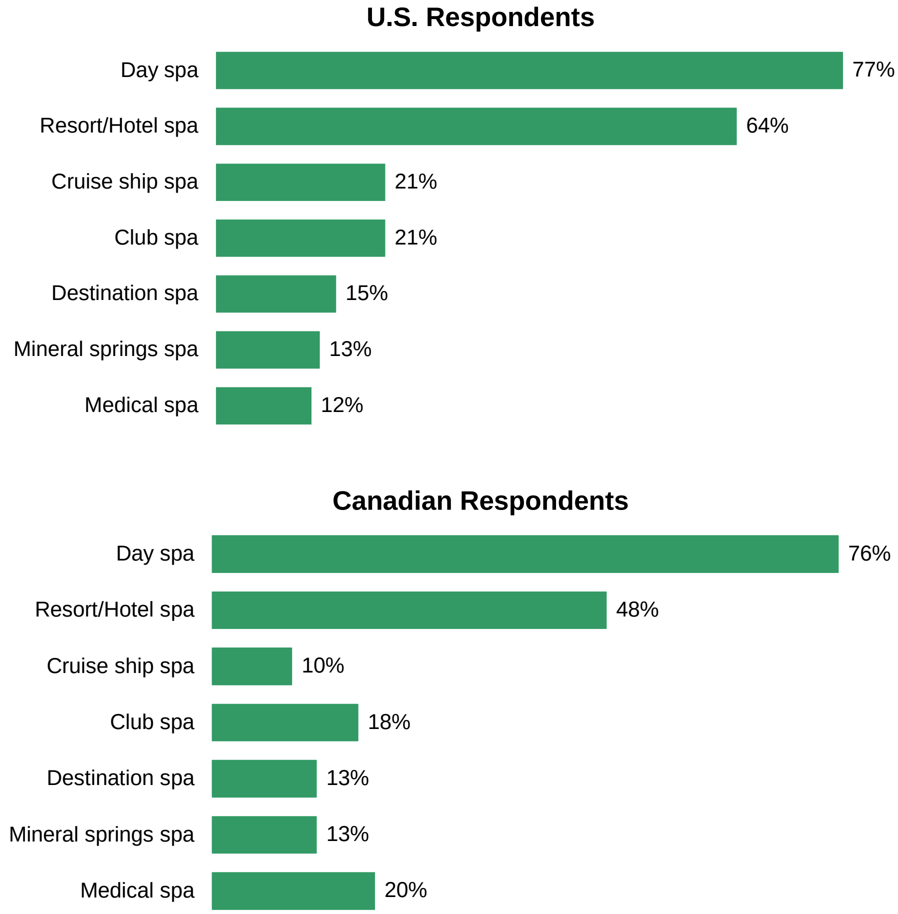
A spa offering an on-site source of natural mineral, thermal or seawater used in hydrotherapy treatments.

Cruise Ship Spa

A spa aboard a cruise ship providing professionally administered spa services, fitness and wellness components and spa cuisine menu choices.

Of these seven different spa types, day spas are the most popular in both the U.S. and Canada, while resort/hotel spas also enjoy considerable use by consumers. Over ¾ of spa-goers in both the U.S. and Canada reported visiting a day spa in the past year (Figure 2). The second most popular spa type in both countries is clearly the resort/hotel spa, though it is more popular among Americans (64% of spa-goers visited one in the past year) than Canadians (48%). Among the remaining spa types, cruise ship spas are more popular among Americans (21% vs. 10% of Canadian spa-goers), while medical spas have a larger following among Canadians (20% of spa-goers) than in the U.S. (12%).

Figure 2
In the Past 12 Months…Have You Visited the Following Places?



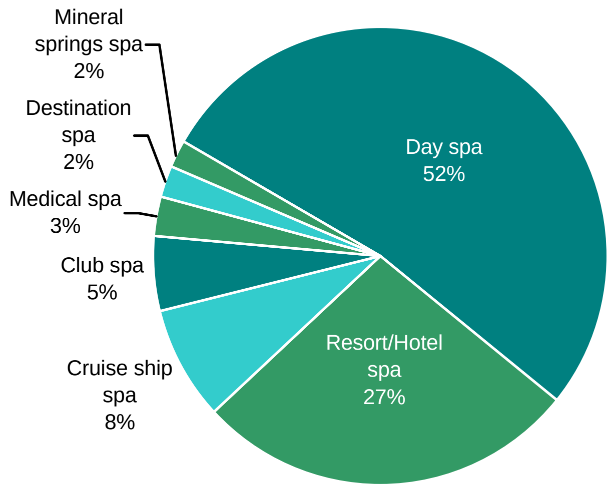
Sources: U.S. results based on 1707 respondents; Canadian results based on 1909 respondents.

Spa Types Visited Most Recently

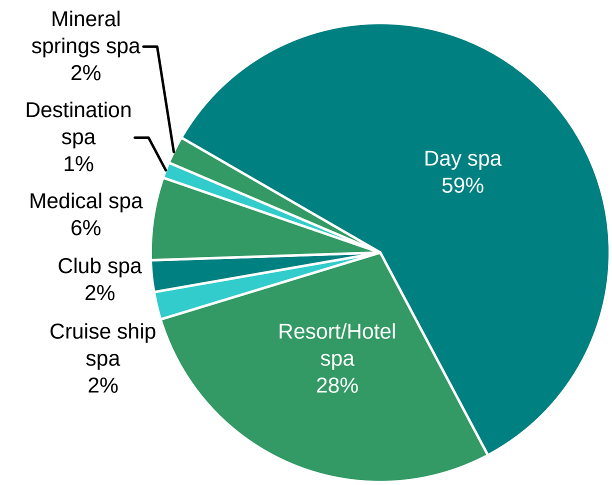
Day spas are clearly the most popular type of spa last visited by respondents in both the U.S. and Canada. (Patterns of spa types visited are very similar for the two countries.) Just over half (52%) of the survey's American respondents and 59% of its Canadian respondents reported day spas as the spa type they most recently visited (Figure 3). The second most popular spa type is clearly resort/hotel spas, visited most recently by just over ¼ of both American and Canadian spa-goers. Among the remaining spa types, Americans tend to favor cruise ship spas (with 8% visiting most recently), while Canadians prefer medical spas (6%).

Figure 3
What Type of Spa Did You Visit Last?

U.S. Respondents



Canadian Respondents

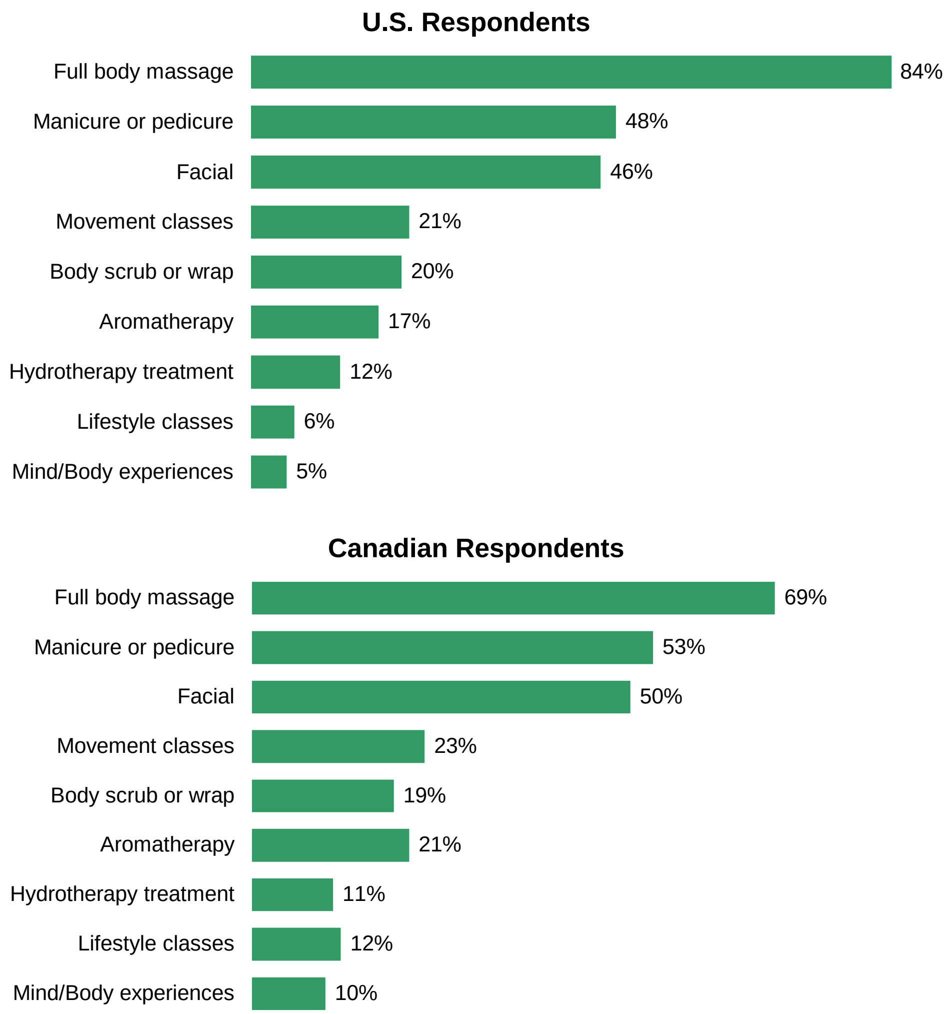


Note: Percentages may total to less than 100% due to rounding.
Sources: U.S. results based on 1707 respondents; Canadian results based on 1909 respondents.

Spa Services Experienced

Full body massage is clearly the most popular service offered by spas. An overwhelming majority (84%) of American spa-goers and over ⅔ (69%) of Canadian spa-goers have experienced a full body massage in the past year (Figure 4). The popularity of other spa treatments is strikingly similar in both countries. Manicures (or pedicures) and facials have been experienced by just under half of American spa-goers and by just over half of their Canadian counterparts. As for differences, Canadians are about twice as likely to have experienced lifestyle classes and mind/body experiences (each reported by 10%-12% of Canadian spa-goers) than are American spa-goers.

Figure 4
Which Services Have You Experienced in the Past Year?



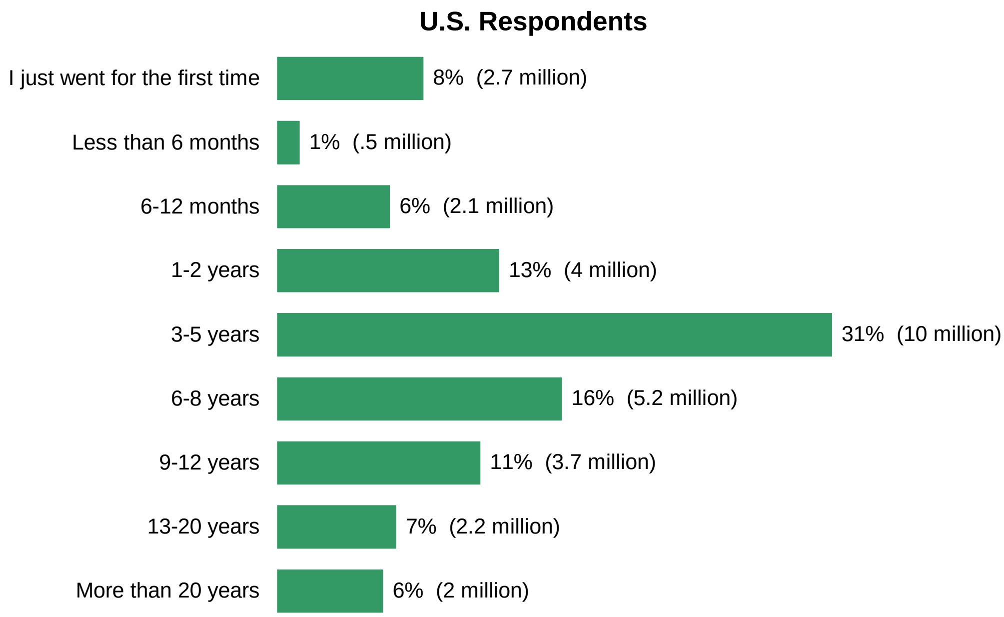
Note: Respondents were provided with the following examples for selected treatments/services:
Movement classes – yoga, Pilates;
Lifestyle classes – nutritional counseling, journaling and cooking classes;
Mind/Body experiences – guided meditation, Reiki, Chakra alignment.
Sources: U.S. results based on 1707 respondents; Canadian results based on 1909 respondents.

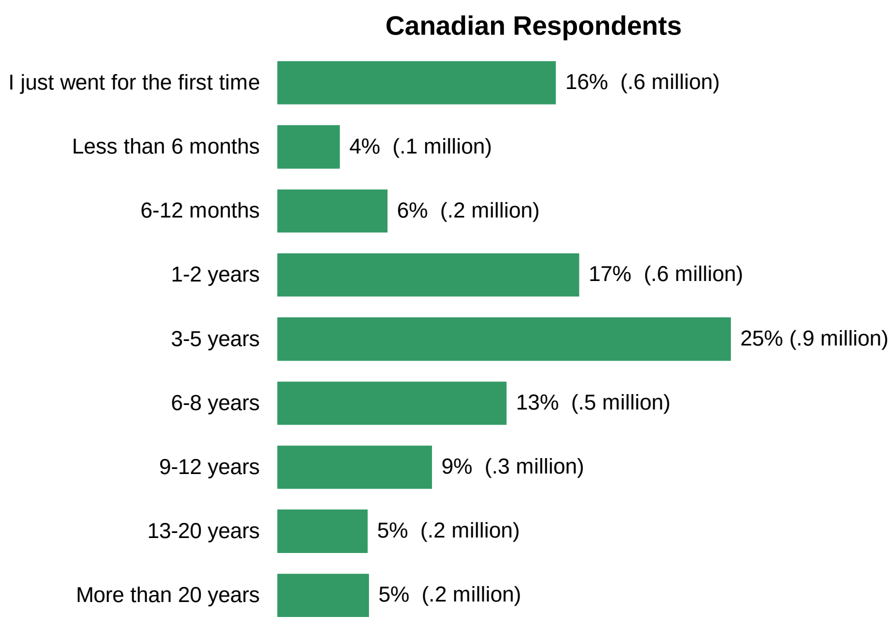
Tenure of Spa Use

American spa-goers on average have been going to spas longer than their Canadian counterparts (Figure 5). While 71% of American spa-goers (23 million spa-goers) have been going to spas for at least 3 years, only 57% of Canadian spa-goers (2.1 million spa-goers) make that claim. And while only 15% of American spa-goers are in their first year of going to spas, a full ¼ (26%) of Canadian spa-goers are in their first year.

It is significant that respondents were given a choice between indicating that they went to a spa for the first time versus indicating how long they have been going to spas. The question wording does not place any time restrictions on the choice "I just went for the first time" except to place it in the past year. However, they were offered the choices "less than 6 months" and "6-12 months" as alternatives. Thus, respondents could choose a short time period or claim they had just started. By selecting a particular time period, respondents are indicating that they have been going to spas for more than "the first time." In other words, they see themselves as being spa-goers. Those who indicate they "just went for the first time," on the other hand, still consider themselves in a trial period and have yet to view their visits as the beginning of participation in the spa world. Until these new participants begin to think of themselves as spa-goers (i.e., as moving beyond the trial visit), their long-term participation remains in question.

Figure 5
How Long Have You Been Visiting Spas?





Note: Percentages may total to less than 100% due to rounding. Estimated number of active spa-goers shown in parentheses.
Sources: U.S. results based on 1707 respondents; Canadian results based on 1909 respondents.

Chapter III
Profile of Spa Travelers versus Other Spa-Goers

Spa travelers are spa-goers who visit spas while traveling, and they differ in many ways from other spa-goers.[7] In this chapter, we summarize the main differences between spa travelers and other spa-goers with respect to their attitudes toward spas, spa behaviors and demographics. Table 1 lists the significant behavioral differences between these two groups of spa-goers. It shows that those who go to spas while traveling have been going to spas in general much longer than those who do not. The spa-goer who has not been to a spa while traveling is also more likely to have just started going to spas, which suggests that visiting spas while traveling is not a gateway activity (i.e., is not how they're typically introduced to the world of spas).

Spa Behaviors

Spa travelers are more likely to have tried different kinds of spa treatments than other spa-goers. Aside from the most and least commonly requested treatments, spa travelers are always more likely to have tried a spa treatment, in some instances, twice as likely. Some forms of massage, for example, are much more popular with spa travelers than with other spa-goers. Similarly, spa travelers are much more likely than other spa-goers to try hydrotherapy treatments.

The general picture that emerges from this comparison is that consumers who go to spas while traveling are more likely to be veteran spa-goers than those who only visit spas nearby. They not only have been going to spas longer, on average, they tend to try a much wider variety of spa treatments, including treatments less commonly experienced, such as Thai massage or Vichy showers.

[7] While most of these spa visits are included in the spa-goer's travel plans, not all spa visits while traveling are planned. Some spa travelers merely take advantage of spa facilities at their travel destination after arriving. Making any spa visit while traveling, whether or not it was planned, defines a spa traveler.

Table 1
Behavioral Differences between Spa-Goers Who Visit Spas While Traveling and Those Who Do Not

	U.S. Respondent		Canadian Respondent	
	Other spa-goer	Spa traveler	Other spa-goer	Spa traveler
How long have you been visiting spas?				
I just went for the first time	10%	7%	20%	11%
Less than 6 months	1%	2%	4%	3%
6-12 months	11%	4%	5%	7%
1-2 years	16%	11%	17%	17%
3-5 years	34%	30%	26%	25%
6-8 years	12%	18%	12%	13%
9-12 years	7%	14%	8%	10%
13-20 years	6%	7%	4%	7%
More than 20 years	4%	7%	3%	8%
What spa treatments have you tried?				
Swedish massage	71%	72%	50%	57%
Facial	65%	66%	69%	69%
Manicure	70%	64%	64%	61%
Pedicure	68%	61%	58%	59%
Deep tissue massage	46%	59%	39%	44%
Sauna/Steam bath	43%	58%	44%	58%
Body scrub or wrap	32%	46%	27%	47%
Aromatherapy	27%	46%	35%	48%
Movement classes	19%	26%	20%	28%
Hot stone massage	14%	27%	15%	22%
Hydrotherapy treatment	9%	22%	12%	26%
Couples massage	9%	21%	5%	15%
Shiatsu massage	10%	19%	12%	22%
Energy work	8%	13%	20%	25%
Lifestyle classes	6%	12%	13%	21%
Guided meditation	7%	8%	9%	15%
Thai massage	4%	10%	3%	13%
Vichy Shower	5%	8%	3%	7%
Tai Chi	4%	6%	9%	12%
Lymph drainage	2%	4%	4%	8%
Ayurvedic treatment	2%	3%	2%	5%
Watsu	<1%	1%	<1%	1%

Note: Shading indicates statistically significant differences
Sources: U.S. results based on 1707 (627 other spa-goer, 1080 spa traveler) respondents; Canadian results based on 1909 (982 other spa-goer, 927 spa traveler) respondents.

Spa Attitudes

Not surprisingly, spa travelers also stand out in terms of their attitudes toward the spa experience. If we look at what interferes with making spa visits, we see that the main stumbling block separating the two groups of spa-goers is lack of time. Spa travelers are much more likely to view time as a limiting factor.

Interestingly, spa travelers from Canada are more likely to indicate inconvenient location and the inability to make appointments at convenient times as barriers. This would seem to suggest that at least some Canadian spa-goers are traveling in order to go to spas because they have difficulty finding spas nearby or making appointments at the ones they can find. However, spa travelers are no more likely than other spa-goers to live in any particular area of Canada or the U.S. Perhaps, the sheer lack of spas is not at issue. Rather, the *perceived* availability of quality spas might lead some of these Canadian spa-goers to go to greater lengths to satisfy their spa needs. More generally, spa travelers are almost twice as likely as other spa-goers to be core spa-goers, the most knowledgeable and committed spa-goers.[8] Experience and heavy involvement in the spa world can raise consumer expectations of what a *quality* spa experience means and, in the case of Canada, give rise to spa traveling. Of course, all else being equal, a devoted spa-goer would be more likely to visit a spa while traveling than a spa-goer with less dedication.

These raised expectations are revealed by some of the differences expressed by the two groups of spa-goers in both countries when indicating their preferences for various aspects of the spa experience. For example, spa travelers are more likely than other spa-goers to go to spas to reduce stress. Spa travelers also want their spa visits to enhance their overall wellness more than other spa-goers do. These preferences are further borne out in the amenities demanded. Thus, spa travelers are more likely to favor spas that offer secluded waiting lounges and the ability to continue relaxation after treatments as part of their stress reduction, and to want fitness equipment/activities and spa cuisine to support their wellness regime.

[8] The notion of core spa-goers is discussed further in Identifying the Spa-Goer Segments in Appendix I.

Table 2
Attitudinal Differences between Spa-Goers Who Visit Spas While Traveling and Those Who Do Not

	U.S. Respondent		Canadian Respondent	
	Other spa-goer	Spa traveler	Other spa-goer	Spa traveler
Why don't you go to spas more often?				
They're too expensive	74%	66%	72%	68%
I don't have enough time	38s%	56%	46%	54%
It's too indulgent	18%	18%	16%	14%
Inconvenient location	16%	18%	16%	26%
I never know exactly what to expect when I visit a new spa	12%	20%	15%	17%
I'm not interested in going more often	14%	13%	15%	14%
Inconvenient appointment times	12%	12%	13%	21%
What benefits motivate you most often?				
Relieve stress	50%	46%	39%	45%
Reduce stress	43%	48%	35%	41%
Soothe sore joints/muscles	31%	43%	35%	36%
Feel better about myself	33%	30%	41%	43%
Mental/emotional health	28%	28%	26%	29%
Improve my appearance	22%	22%	30%	31%
Overall wellness	14%	22%	27%	30%
What amenities are essential to your enjoyment?				
Atmosphere/Ambiance in the spa	81%	83%	84%	87%
Ability to stay after the treatment and continue to relax	50%	55%	49%	58%
Attractiveness of spa locale	57%	50%	54%	54%
Changing room amenities	49%	49%	52%	51%
Convenient parking	55%	42%	58%	51%
Reputation of specific spa	41%	42%	49%	49%
Secluded waiting lounge	37%	41%	39%	44%
Eco-friendly	24%	20%	33%	38%
Fitness equipment/activities	16%	24%	23%	31%
Availability of spa cuisine	7%	13%	15%	22%

Note: Shading indicates statistically significant differences
Sources: U.S. results based on 1707 (627 other spa-goer, 1080 spa traveler) respondents; Canadian results based on 1909 (982 other spa-goer, 927 spa traveler) respondents.

Table 2 (continued)
Attitudinal Differences between Spa-Goers Who Visit Spas While Traveling and Those Who Do Not

	U.S. Respondent		Canadian Respondent	
	Other spa-goer	Spa traveler	Other spa-goer	Spa traveler
Opinion of Spa Treatment Costs				
I can see spending the money on spa treatments occasionally, but they're too expensive for me to purchase regularly.	*73%*	*68%*	*74%*	*64%*
The basic spa treatments are worth the money, but the more elaborate treatments seem overpriced.	*19%*	*30%*	*34%*	*33%*
Spa treatments are worth the money. You usually get what you pay for.	*12%*	*22%*	*19%*	*24%*
Before I tried them, I thought of spa treatments as overpriced luxuries, but now that I've tried some, I think they're well worth the money.	*13%*	*21%*	*15%*	*26%*
Spa treatments tend to be overpriced, usually not worth the money paid.	*15%*	*14%*	*12%*	*12%*

Note: Shading indicates statistically significant differences
Sources: U.S. results based on 1707 (627 other spa-goer, 1080 spa traveler) respondents; Canadian results based on 1909 (982 other spa-goer, 927 spa traveler) respondents.

Finally, we note that spa travelers tend to see more value in spa treatments than the other spa-goers. There seems some reluctance on the part of U.S. spa travelers to embrace "the more elaborate treatments," but this response does not indicate which treatments they consider "elaborate." Perhaps, these consumers equate "elaborate" with "frivolous" or "inessential" because a larger percentage of them than of other spa-goers also admit they once "thought of spa treatments as overpriced luxuries." The fact that they now believe "they're well worth the money" suggests their sense of elaborate treatments are ones they still consider "overpriced luxuries." In general, then, the spa traveler is more likely than other spa-goers to feel spa treatments deliver full value.

Demographics

Significantly, travel reduces the gender gap between going and not going to spas. Like spa-goers, the majority of spa travelers are women, but spa travelers are about 50% more likely to be male than other spa-goers are. It seems reasonable to assume more men than women would visit spas when traveling due to business or that some would accompany partners to a spa while on vacation that they would not at home, but such explanations cannot account for so large a difference. We find, on the contrary, that these men are also more likely than the women to have gone on multiple spa vacations; that is, vacations with a planned spa visit. Another explanation is that men who do participate in the spa world, being in the minority to begin with, do so with greater involvement. Supporting this interpretation is the fact that men who go to spas are about twice as likely as women who go to spas to be core spa-goers.

There do not appear to be any strong patterns related to marital status or age. In Canada, spa travelers are younger than other spa-goers, but the same relationship is not evident among U.S. spa-goers. The differences observed for Canadian spa-goers, therefore, reflect something other than strictly age differences.

Table 3
Demographic Differences between Spa-Goers Who Visit Spas While Traveling and Those Who Do Not

	U.S. Respondent		Canadian Respondent	
	Other spa-goer	Spa traveler	Other spa-goer	Spa traveler
Gender				
Female	*77%*	*64%*	*77%*	*64%*
Male	*23%*	*36%*	*23%*	*36%*
Age				
18 - 34	*33%*	*28%*	*28%*	*31%*
35 - 44	*21%*	*23%*	*22%*	*27%*
45 and over	*46%*	*49%*	*50%*	*41%*
Marital Status				
Married	*61%*	*60%*	*51%*	*51%*
Single	*19%*	*19%*	*16%*	*20%*
In a committed relationship	*13%*	*12%*	*16%*	*16%*
Separated/Divorced	*6%*	*6%*	*12%*	*10%*
Widowed	*1%*	*3%*	*5%*	*2%*
Households with Children, Aged 13-19, that Go to Spas				
(among those with females 13-19)	*52%**	*70%***	*48%***	*64%***
(among those with males 13-19)	*7%**	*45%***	*21%***	*40%***

*Extremely small sample (<70)
**Small sample (<150)

Note: Shading indicates statistically significant differences
Sources: U.S. results based on 1707 (627 other spa-goer, 1080 traveler) respondents; Canadian results based on 1909 (982 other spa-goer, 927 traveler) respondents.

Table 3 (continued)
Demographic Differences between Spa-Goers Who Visit Spas While Traveling and Those Who Do Not

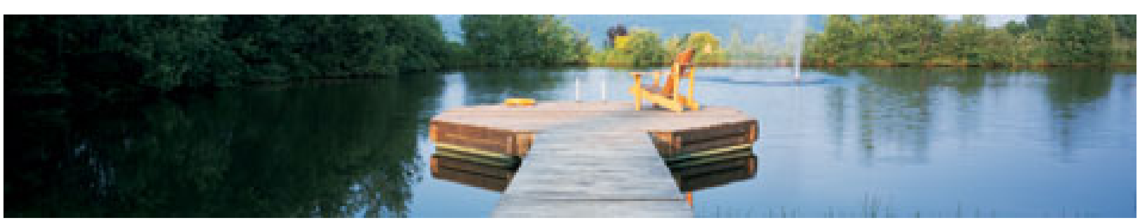
	U.S. Respondent		Canadian Respondent	
	Other spa-goer	Traveler	Other spa-goer	Traveler
Education				
No high school degree	<1%	<1%	2%	2%
High school graduate	3%	3%	18%	9%
Some college	23%	11%	24%	20%
College graduate	35%	43%	36%	41%
Some graduate school	10%	10%	6%	9%
Post graduate degree	29%	33%	13%	20%
Annual household income (in currency of respondent's country)				
Under $25K	5%	2%	10%	7%
$25K-$34K	12%	2%	11%	10%
$35K-$49K	6%	6%	17%	13%
$50K-$74K	17%	19%	23%	19%
$75K-$99K	22%	23%	18%	19%
$100K-$149K	25%	28%	14%	20%
$150-$199K	9%	10%	4%	7%
$200K +	5%	9%	2%	5%

Note: Shading indicates statistically significant differences
Sources: U.S. results based on 1707 (627 other spa-goer, 1080 spa traveler) respondents; Canadian results based on 1909 (982 other spa-goer, 927 spa traveler) respondents.

Socioeconomic status, as represented by education and household income, shows an expected effect. Spa travelers have higher educational attainment and household incomes than other spa-goers.[9] There's little doubt that the ability to travel is a function of disposable income. If the only difference between two households is their total income, the better-off household will find it easier to pay for anything, whether for groceries or an expensive vacation. What is important in this particular case, however, is not the ability to travel per se, unless the reason spa-goers do not visit spas while traveling is because they rarely travel.[10] For income to be a relevant factor here, it has to have an influence on *spa* travel and not just travel (for any purpose). The key element is whether or not that travel includes a spa visit.[11]

[9] As it turns out, the differences by education are largely an artifact of the connection between education and income. In other words, because education and income tend to rise and fall together, the fact that spa travelers have higher incomes than other spa-goers means they will automatically have higher education. However, statistically removing the income differences between spa travelers and other spa-goers, also makes the education differences disappear. But statistically removing the education differences does not eliminate the income differences. Therefore, we conclude that it is income rather than education that distinguishes spa travelers from other spa-goers.
[10] It this were the case, then spa travel would merely be an instance of travel by spa-goers, a case of spa-goers simply taking their practices with them when they travel. The preceding comparisons between spa travelers and other spa-goers indicate that this is clearly not the case.
[11] This also is not a question of being able to afford a spa visit, since all respondents in the study are active spa-goers. That is, they all can afford at least an occasional spa visit. The only difference is that spa travelers include spa visits when traveling while other spa-goers do not.

As a purely descriptive matter, these income differences are quite real, but the relationship between income and spa travel is more subtle than simply the ability to pay. Note that the differences between the spa travelers and other spa-goers become apparent at household incomes of $100,000 and over.[12] These spa travelers are quite well to do and, with median household incomes of the general U.S. population at $44,000 (USD) and Canadian population at $55,000 (CAD), may not represent the biggest or most easily reached target. Thus, marketing along income lines may prove a difficult strategy to pursue successfully, especially when half of all spa travelers have household incomes below $100,000 and do not (at these income levels) differ greatly from other spa-goers.[13]



[12] Unless noted otherwise, the income values expressed here are in the currency of the respondent's country.

[13] At the opposite end of the income scale the relationship is not as clearcut. The results for U.S. spa-goers would seem to suggest there is a budget constraint to spa travel. The Canadian experience, however, gives little indication of this. Again, the effect is not merely a matter of disposable income, but of what income represents.

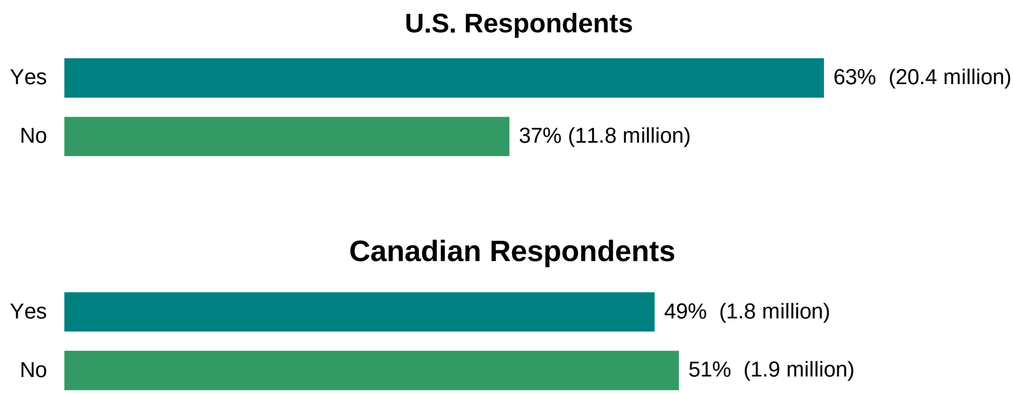
Chapter IV
Overview of Spa Use While Traveling

Spa Visits While Traveling

Prevalence of Spa Travel

U.S. spa-goers are more likely to visit a spa while traveling than are their Canadian counterparts (Figure 6). While nearly ⅔ (63% or 20.4 million) of U.S. spa-goers visited a spa while on an out-of-town, overnight trip in the past year, not quite half (49% or 1.8 million) of Canadians did so. These trips include planned spa visits as well as those in which going to a spa was not part of the original travel plans. The difference between the two countries is quite striking and suggests that Canadian spa-goers are much less likely to think of going to a spa when traveling than their U.S. counterparts.

Figure 6
During the Past 12 Months, Have You Ever Visited a Spa While On an Out-of-town, Overnight Vacation or Business Trip (Even If You Hadn't Intended to Visit One When Planning Your Trip)?

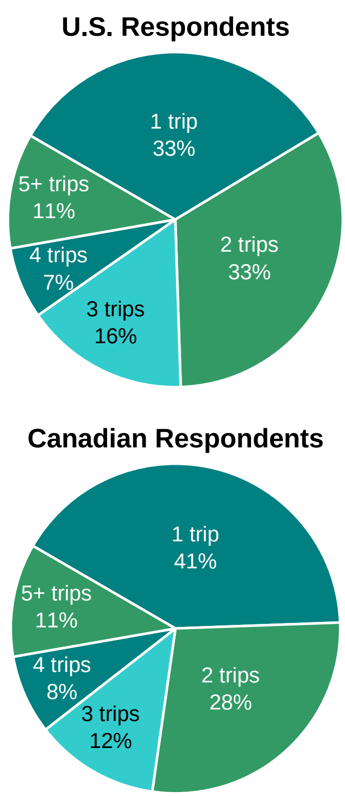


Note: Estimated number of active spa-goers shown in parentheses.
Sources: U.S. results based on 1707 respondents; Canadian results based on 1909 respondents.

Incidence of Spa Vacations

U.S. and Canadian spa travelers differ somewhat in the frequency of their spa vacations. While ⅔ (67%) of U.S. spa travelers have taken at least 2 spa vacation trips in the past 2 years, fewer (59% of) Canadians have done so (Figure 7).[14] This is significant when we consider the large difference between the two countries in the percentage of spa travelers (shown in Figure 6). Not only are American spa-goers more likely to visit a spa while traveling, they tend to go on spa vacations more frequently than Canadian spa-goers. It appears, therefore, that U.S. spa-goers are more receptive than Canadian spa-goers are to the marketing of spa facilities when traveling.

Figure 7
How Many Out-of-town, Overnight Spa Vacation Trips Have You Taken in the Past 2 Years?



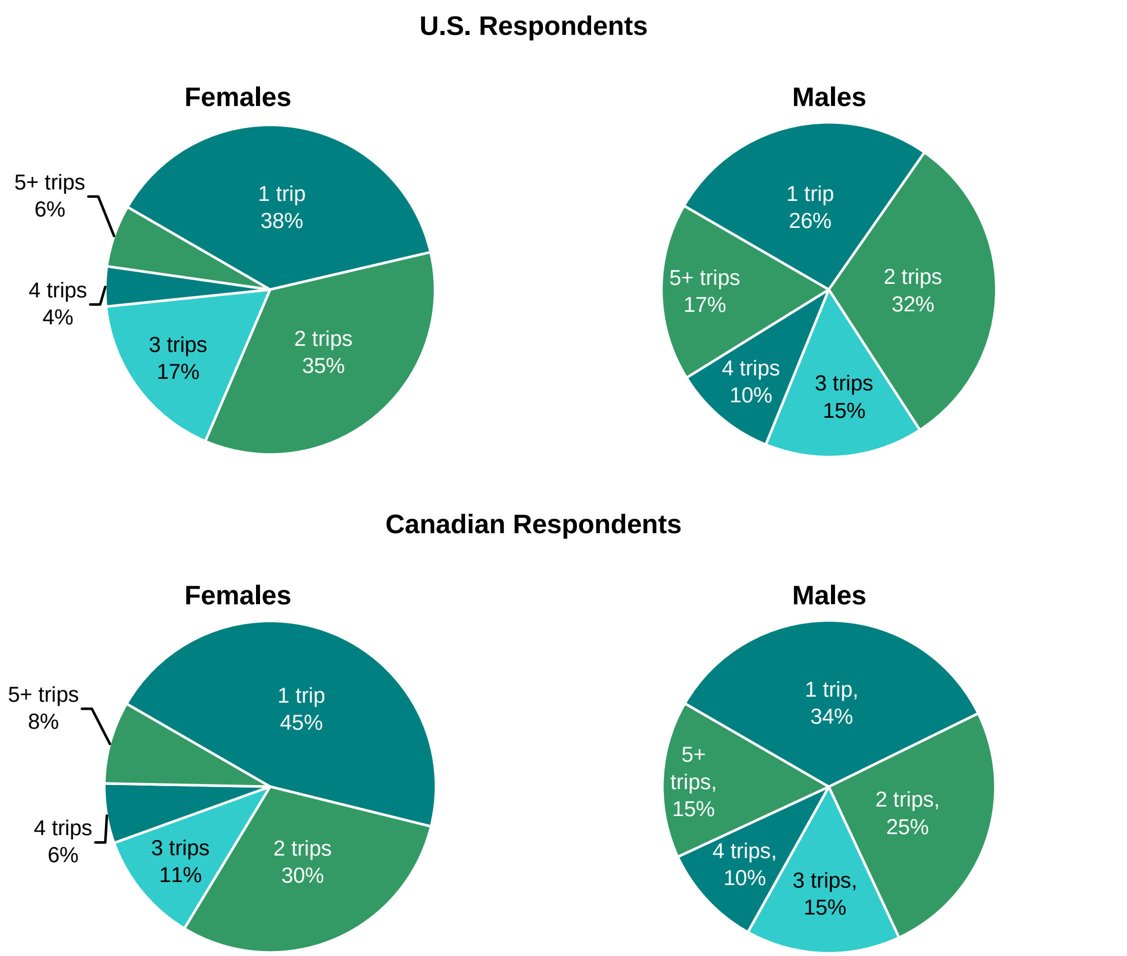
Sources: U.S. results based on 485 respondents; Canadian results based on 463 respondents. Respondents are spa travelers who have taken a spa vacation in the past two years.

[14] Results presented in the remainder of this report are based on analyses restricted to respondents who indicated taking a spa vacation trip in the past 2 years. This restriction reduces the study sample to fewer than 500 U.S. and 500 Canadian spa vacationers. See Appendix I for additional information on the methodology used to identify spa travelers and spa vacationers.

Looking at the number of spa vacation trips across gender, in both countries it becomes clear that males take more trips than do females (Figure 8). Among spa travelers, 42% of American males took at least 3 spa vacations in the past 2 years, compared to 27% of American females. Similarly, 40% of Canadian males went on at least 3 spa vacations in the past 2 years, compared to 25% of Canadian females.

So, even though the majority of spa travelers are women, the men who take spa vacations take them more often than women do. As suggested earlier in the report (see *Demographics* section in Chapter III), men who participate in the spa world show greater intensity of involvement. Male spa-goers, for example, are about twice as likely as female spa-goers to be *core* spa-goers.

Figure 8
How Many Out-of-town, Overnight Spa Vacation Trips Have You Taken in the Past 2 Years? (By Gender)



Note: Percentages may total to more/less than 100% due to rounding
Sources: U.S. results based on 290 female and 195 male respondents; Canadian results based on 278 female and 185 male respondents.

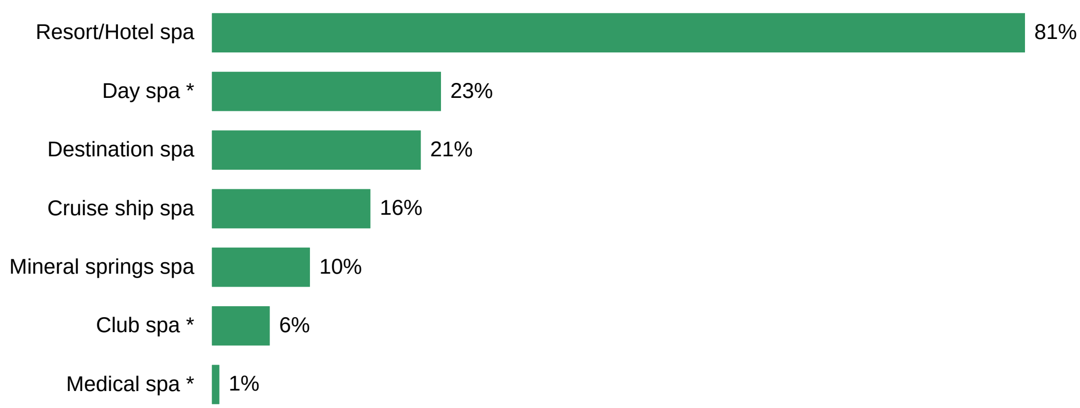
Spa Types, Treatments and Leisure Activities

Favored Spa Facility Types

Resort/hotel spas are far and away the type of spa facility most favored by spa travelers; 81% of U.S. spa travelers and 73% of Canadian travelers visited a resort/hotel spa in the past two years (Figure 9). The next most popular facility type, especially among Canadians, is a day spa affiliated with, near or recommended by the place where they are staying.

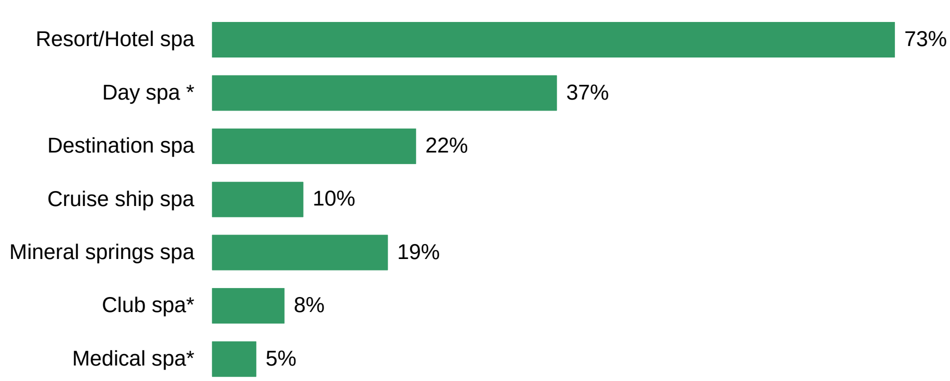
Figure 9
What Types of Spa Facility Did You Visit on Your Spa Vacation Trips?

U.S. Respondents



* affiliated with, near or recommended by the place where you were staying

Canadian Respondents



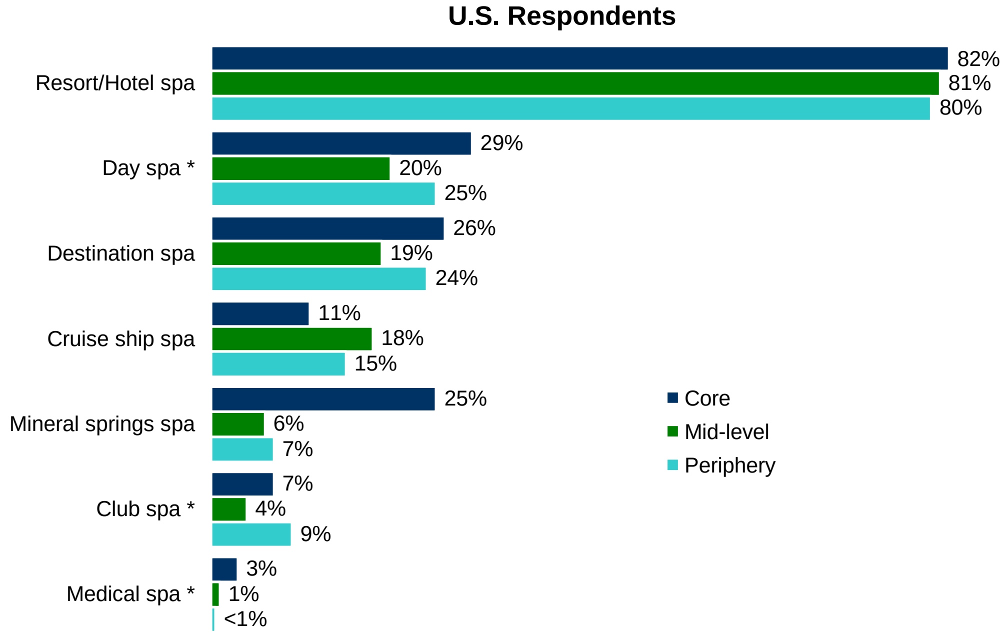
* affiliated with, near or recommended by the place where you were staying

Sources: U.S. results based on 484 respondents; Canadian results based on 460 respondents.

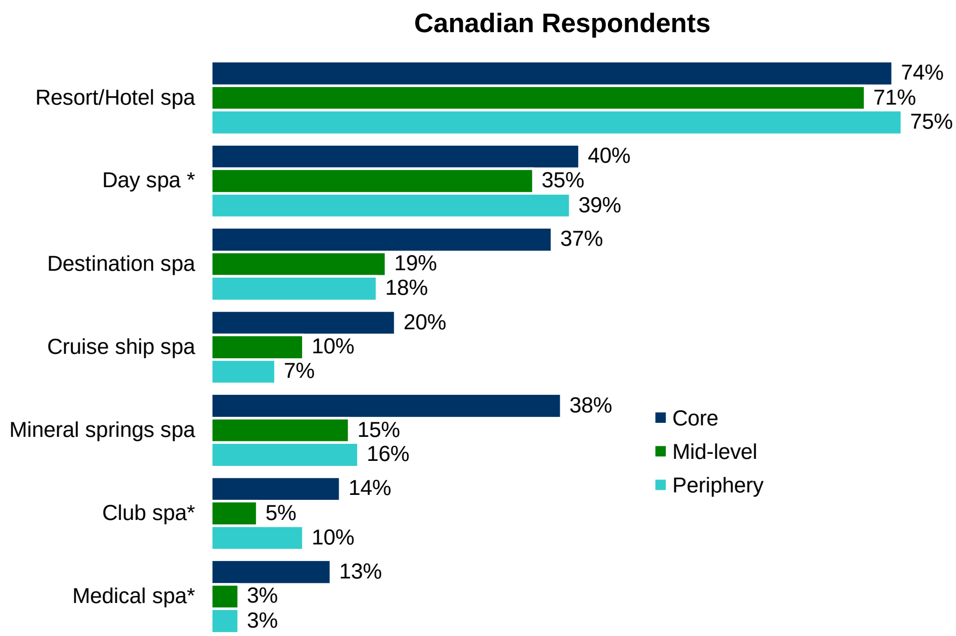
Figure 10 reveals several notable differences in choice of spa type across spa world segments. For American spa travelers, mineral springs spas are much more popular among core spa travelers than other segments.[15] As for Canadians, several spa types are more popular among core spa travelers than they are among other segments, especially destination, cruise ship, mineral springs, and medical spas. There is a clear differentiation between these segments in their use of more specialized spas. While growth of these types of spas may seem promising, it seems unlikely that they will achieve mainstream (i.e., mid-level to periphery) appeal any time soon. The purpose of going to spas for periphery and most mid-level spa-goers (to escape and to indulge) is such that few will venture out to spa experiences that serve very different objectives.

[15] Due to small sample sizes, especially for the core segments, these comparisons should be viewed with caution.

Figure 10
What Types of Spa Facility Did You Visit on Your Spa Vacation Trips?
(By Spa Segment)



* affiliated with, near or recommended by the place where you were staying



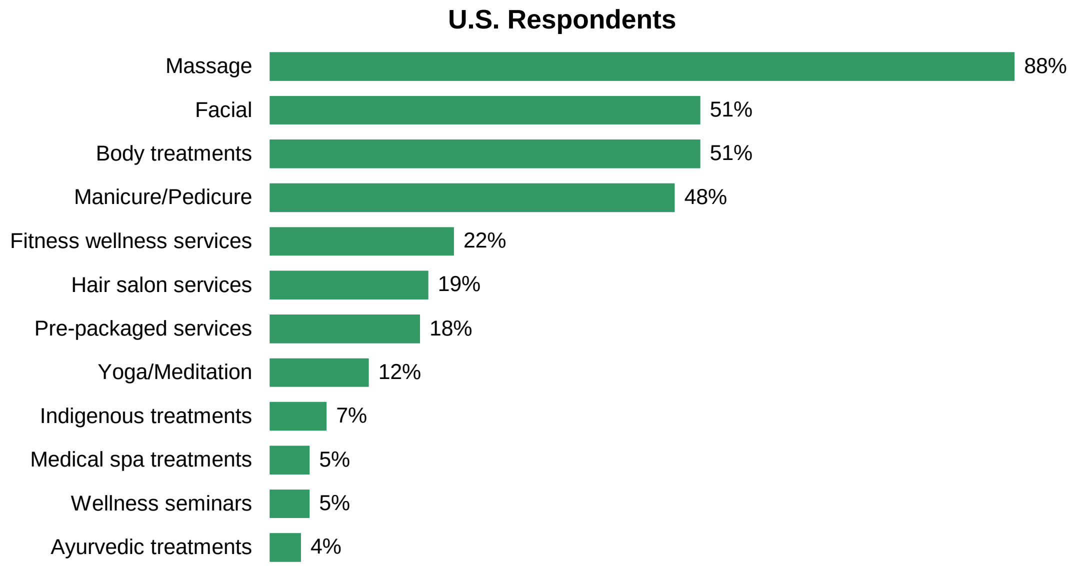
* affiliated with, near or recommended by the place where you were staying

Note: Due to small sample sizes, especially for the core segments, these comparisons should be viewed with caution.
Sources: U.S. results based on 484 (90 core, 246 mid-level and 148 periphery) respondents; Canadian results based on 460 (79 core, 221 mid-level and 160 periphery) respondents.

Spa Treatments on Vacation

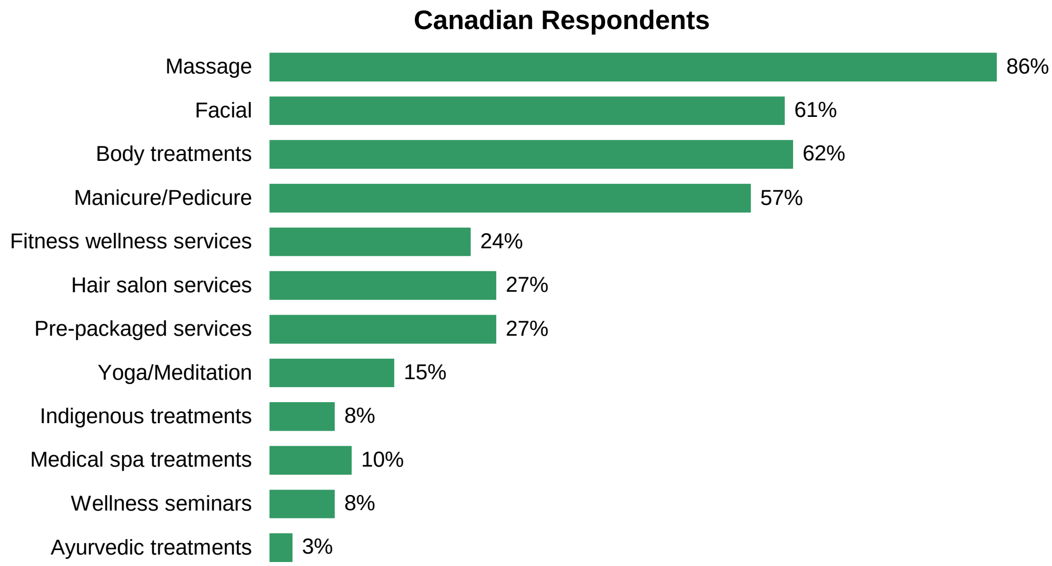
There is considerable agreement between U.S. and Canadian spa travelers over which treatments they usually seek while on a spa vacation (Figure 11). Large majorities (86%-88%) of both groups aspire to get a massage. Facials, manicures/pedicures and body treatments are also sought by smaller, but still substantial, percentages in both groups. But Canadian spa travelers are relatively more likely than Americans to seek hair salon and pre-packaged services, as well as medical spa treatments.

Figure 11
Which Spa Treatments Do You Usually Seek/Purchase When on a Spa Vacation?



Source: U.S. results based on 480 respondents.

Figure 11 (continued)
Which Spa Treatments Do You Usually Seek/Purchase When on a Spa Vacation?



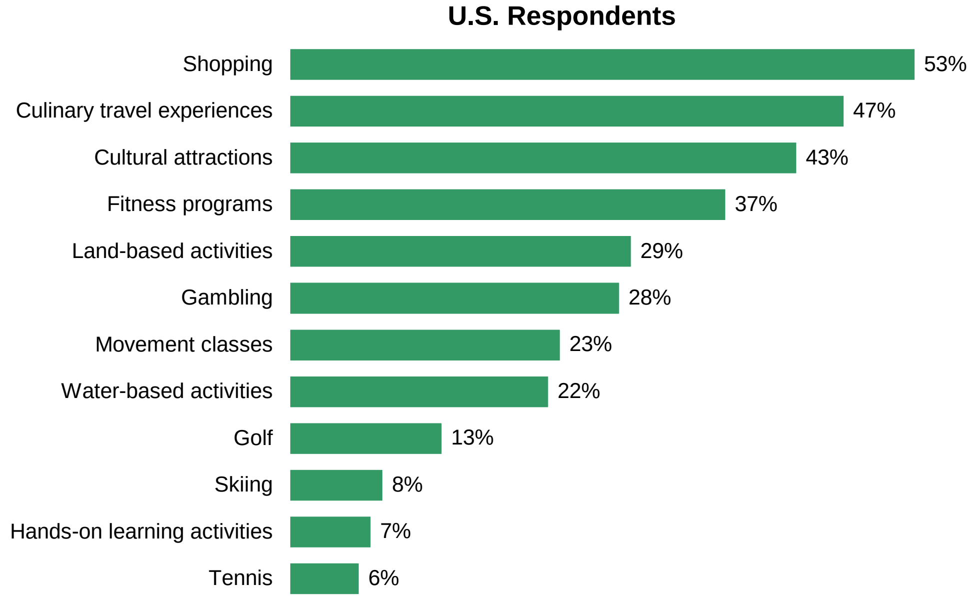
Source: Canadian results based on 456 respondents.

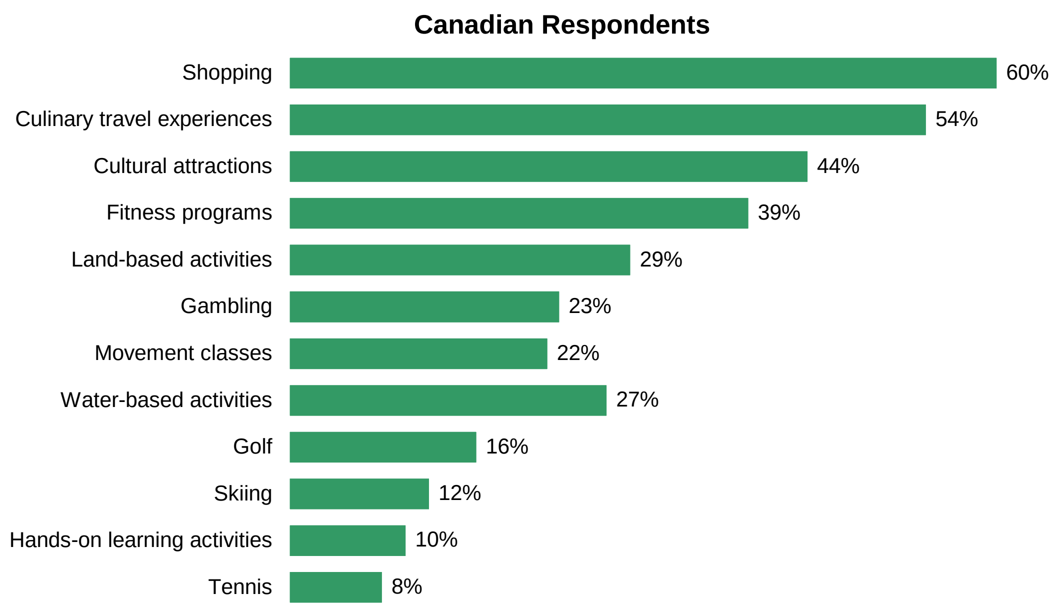
Participation in Leisure Activities

Consumers who take spa vacations show similar patterns in the leisure activities they engage in during these vacations (Figure 12). At least half of both U.S. and Canadian spa travelers shop while on spa vacations, followed in frequency by engaging in culinary travel experiences[16] and taking in cultural attractions. Meanwhile, U.S. spa travelers are somewhat more likely than their Canadian counterparts to gamble while on their vacation. Canadian spa travelers, in contrast, are more likely than Americans to engage in water-based activities such as sailing and kayaking. A spa vacation appears to be an excellent opportunity to go shopping, to take in some cultural attractions, and sample culinary delights. In short, a spa vacation is about seeking pleasure, whether in the spa or out and about.

[16] For example, fine dining, winery and culinary school visits.

Figure 12
Which Leisure Travel Activities Did You Participate in on Your Most Recent Spa Vacation?





Note: Respondents were provided with the following examples for selected travel activities:
Culinary travel experiences – fine dining, winery visits, culinary school;
Cultural Attractions – museums, performing arts, festivals/events, aboriginal experiences;
Fitness programs – workout equipment, aerobic conditioning;
Land-based activities – hiking, cycling;
Movement classes – yoga, Pilates;
Water-based activities – sailing, kayaking:
Hands-on learning activities – foreign language, dance.

Sources: U.S. results based on 484 respondents; Canadian results based on 461 respondents.

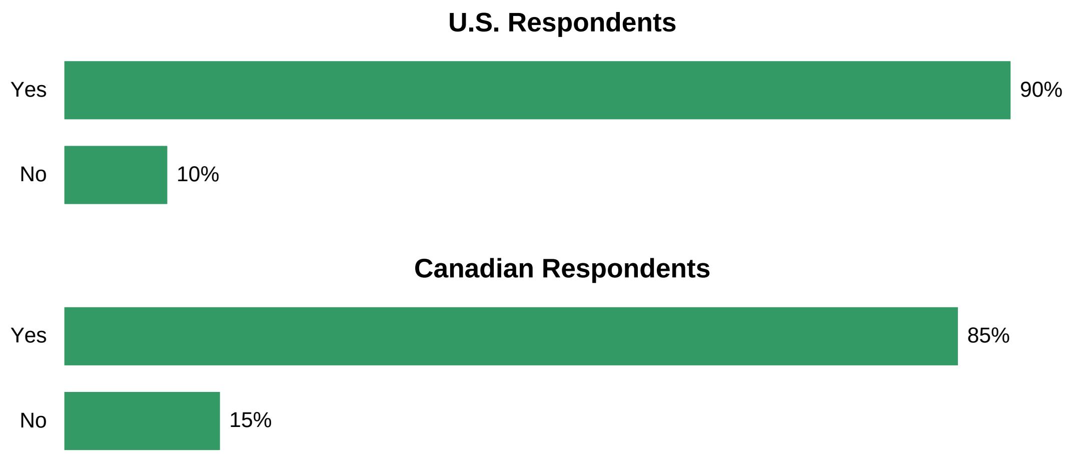
Chapter V
Spa Vacation Planning

Spa Vacation Planning and Information Sources

Prevalence of Spa Vacation Planning

Both Americans and Canadians tend to participate in the planning of their spa vacations; 90% of U.S. spa travelers and 85% of Canadians helped to plan at least one of their spa vacations in the past 2 years (Figure 13).

Figure 13
Have You Personally Been Involved with Planning Any of the Spa Vacation Trips You Have Taken in the Past 2 Years?



Sources: U.S. results based on 484 respondents; Canadian results based on 461 respondents.

One might expect core spa travelers, being more experienced with spa treatments and destinations, would be more involved in planning their spa vacation trips. And supplementary analyses show this to be the case in Canada, where practically all (99%) of the core spa travelers helped to plan at least some of their trips; however, among Americans, core spa travelers (at 86%) are actually *less* likely than mid-level or periphery spa travelers to participate in trip planning. Gender also produces mixed results: among Americans, females are more likely than males to plan their spa vacations, a pattern not found among Canadians. Perhaps the best predictor of participating in trip planning is simply the number of spa vacations taken. In both countries, spa travelers taking at least 3 spa vacations (in the past 2 years) were more likely than less frequent vacationers to participate in trip planning.

Vacation Information Sources

U.S. and Canadian spa travelers show similar patterns in the information sources they use when planning a spa vacation (Figure 14). Web sites and recommendations of friends and family are clearly the two most utilized sources in both countries. But Canadians are more likely than Americans to access travel agents, maps, newspaper/magazine advertisements and official travel guides.

The finding that Canadian spa travelers are more likely than Americans to use a travel agent when planning a spa vacation could reflect of their outbound travel habits. Canadians enjoy traveling outside of Canada for a variety of leisure activities (including spas) and it appears that a sizeable number of them are inclined to use a travel agent in planning their spa trips. This might be especially true of particular destinations. Supplementary analysis shows that among those spa travelers who used a travel agent in the past 2 years, nearly half (48%) of the Canadians and nearly as many Americans (43%) visited a spa in the Caribbean during those same 2 years.

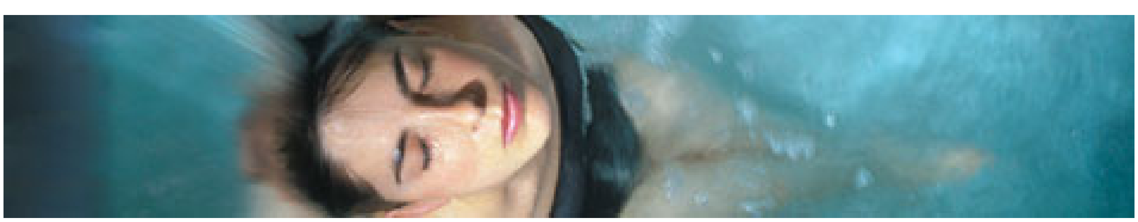
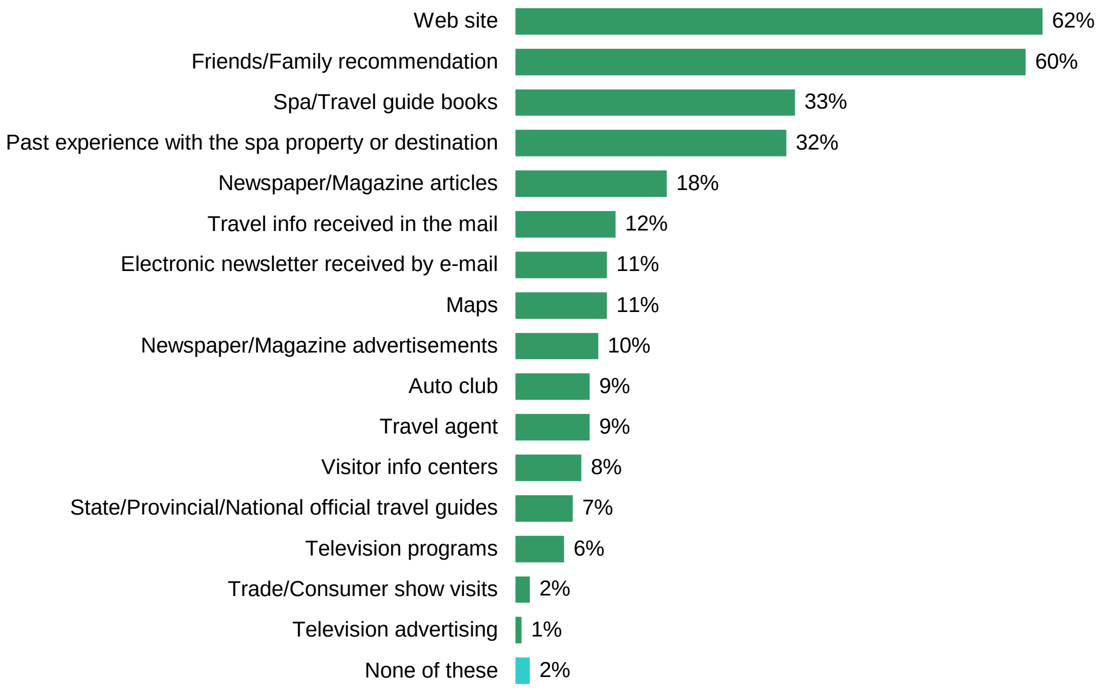
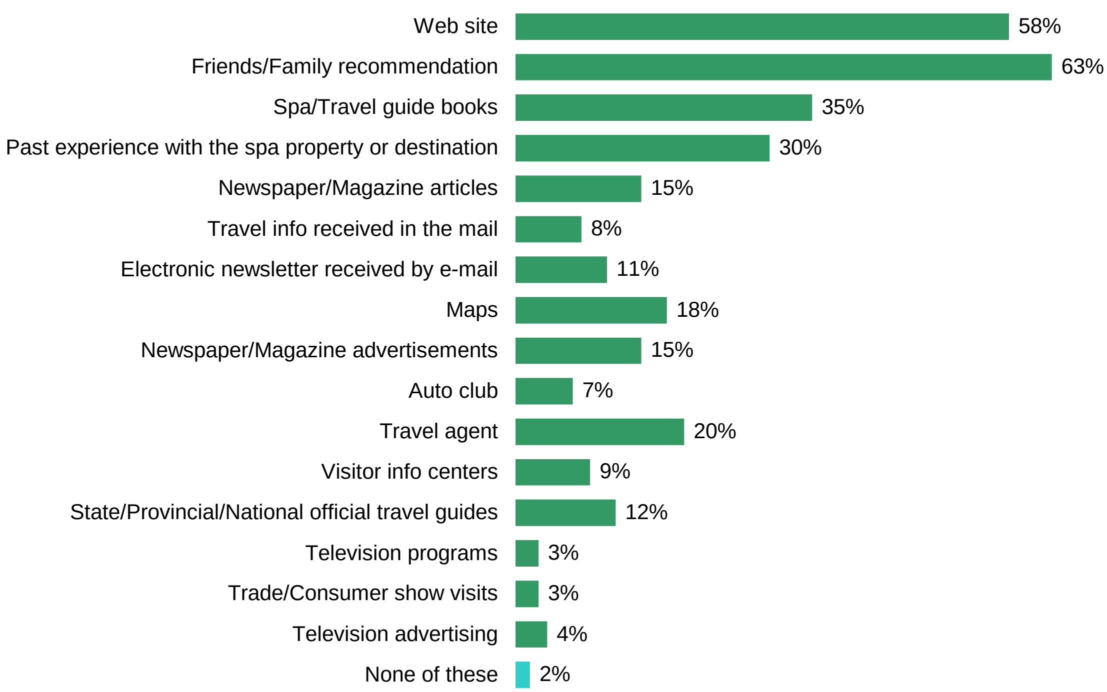


Figure 14
Which Information Sources Have You Used to Plan Your Spa Vacation Trips During the Past 2 Years?

U.S. Respondents



Canadian Respondents



Sources: U.S. results based on 438 respondents who were involved in planning a spa vacation they took in the past 2 years; Canadian results based on 389 respondents meeting same criterion.

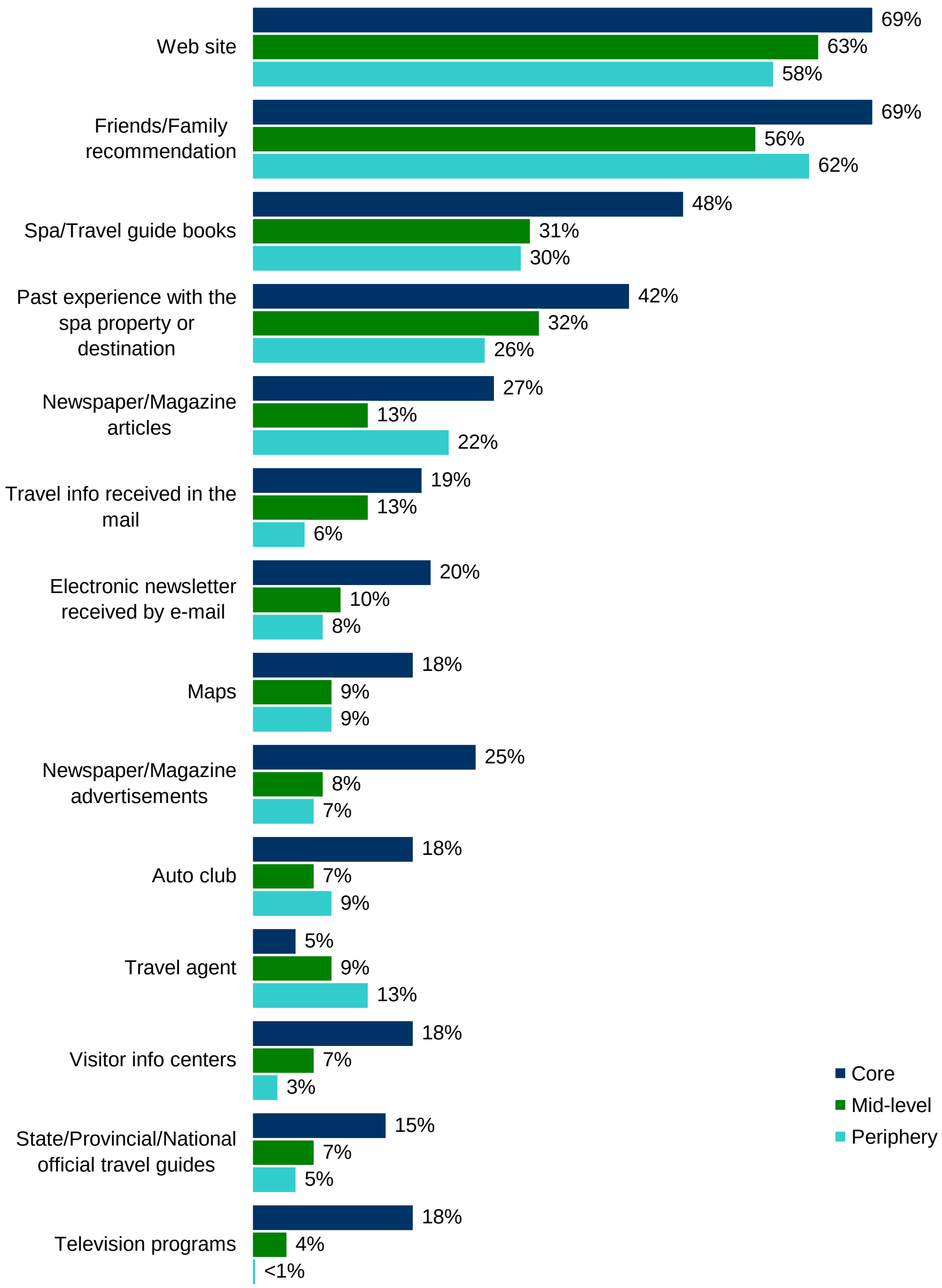
Also interesting is how often different segments of the spa world use these information sources (Figure 15).[17] Among U.S. spa travelers, there's a consistent pattern of core spa travelers using information sources for vacation planning more often than mid-level or periphery spa travelers. American core spa travelers are more likely than other segments to use every single information source listed except one: travel agent. This exception is probably due to a feeling among core spa travelers that they are acquainted well enough with spa treatments and destinations (or with how to obtain such information) that they don't need the assistance of a travel agent. Still, this sentiment seems to pervade most of the spa vacationing population in the U.S.; even among American periphery spa travelers, a large majority (87%) doesn't use travel agents for spa vacation planning.

The pattern among spa segments in Canada is not so clear-cut. While Canadian core spa travelers rely more heavily than other segments on some information sources (e.g., spa/travel guide books, past experience, newspaper/magazine articles, e-mail newsletters), other information sources are especially favored by periphery spa travelers. In particular, Web sites, mailed travel information, maps, travel agents, visitor information centers and regional travel guides are all used more by periphery spa travelers than core or mid-level spa travelers. Thus, in Canada it appears that core spa travelers tend to rely on information sources specifically geared toward spa travel, while periphery spa travelers lean toward more general travel information.

[17] Due to small sample sizes, especially for the core segments, these comparisons should be viewed with caution.

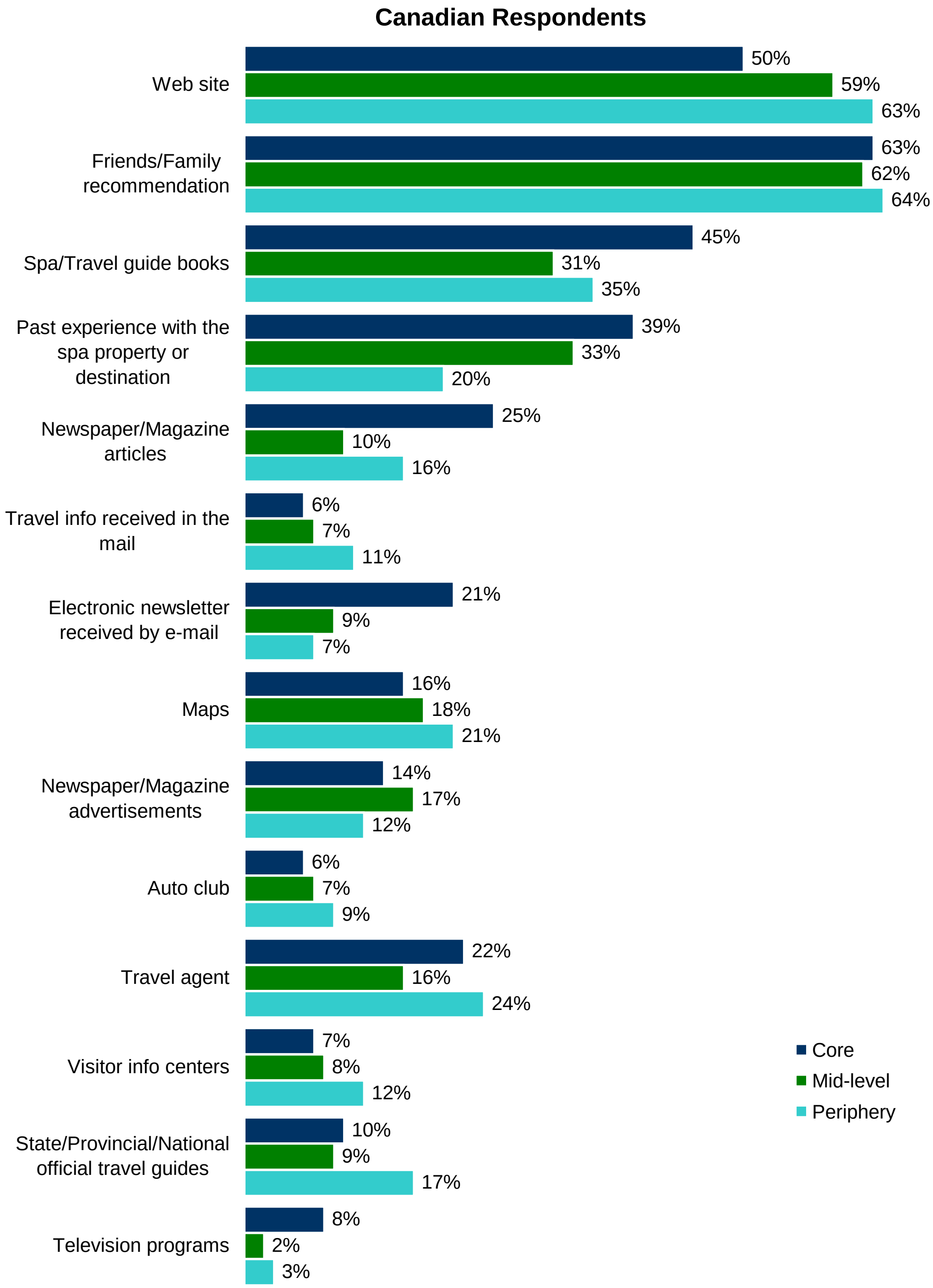
Figure 15
Which Information Sources Have You Used to Plan Your Spa Vacation Trips During the Past 2 Years? (Selected Sources by Spa Segment)

U.S. Respondents



Note: Due to small sample sizes, especially for the core segments, these comparisons should be viewed with caution.
Sources: U.S. results based on 438 (77 core, 225 mid-level and 136 periphery) respondents who were involved in planning a spa vacation they took in the past 2 years.

Figure 15 (continued)
Which Information Sources Have You Used to Plan Your Spa Vacation Trips During the Past 2 Years? (Selected Sources by Spa Segment)

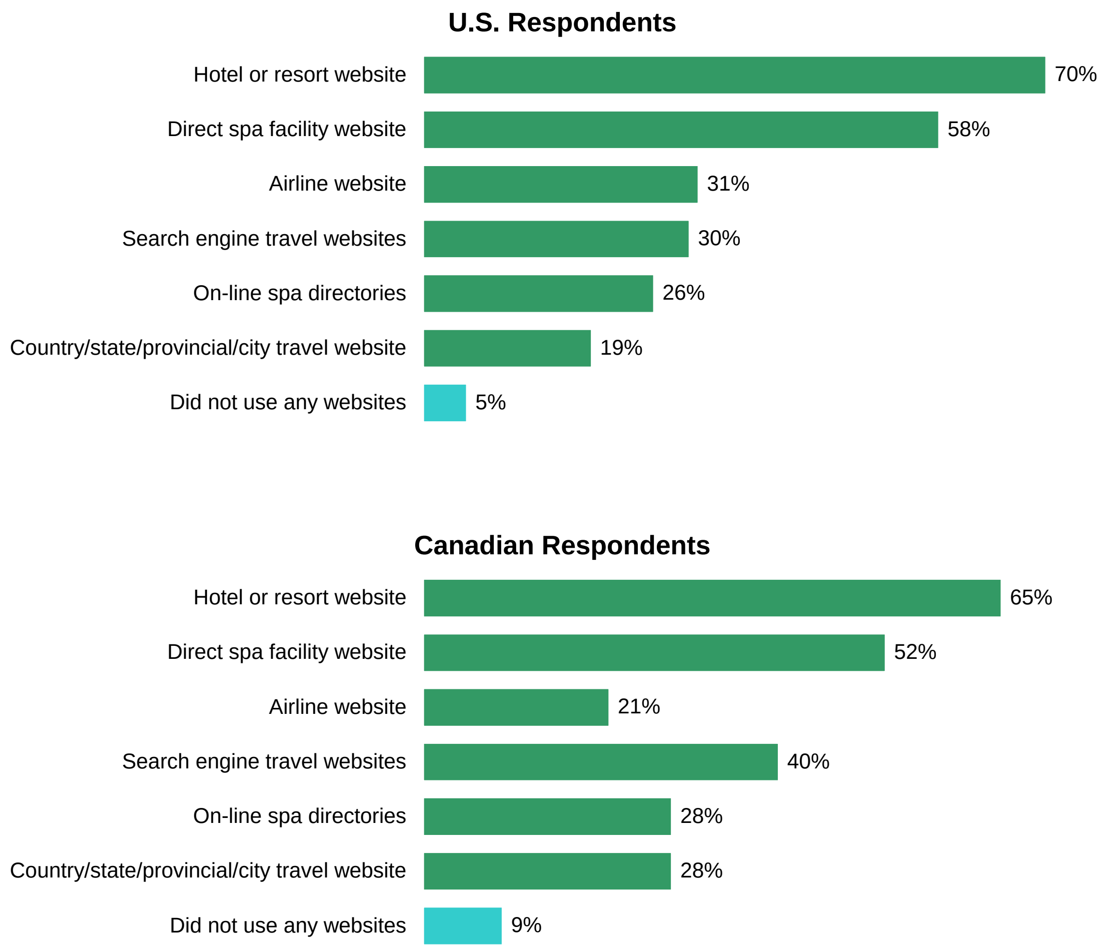


Note: Due to small sample sizes, especially for the core segments, these comparisons should be viewed with caution.
Sources: Canadian results based on 389 (78 core, 177 mid-level and 134 periphery) respondents who were involved in planning a spa vacation they took in the past 2 years.

Vacation Information Web Sites

Regardless of how they answered the previous question regarding general information sources, respondents were generally able to indicate at least one type of Web site they used in the planning (including reservations) for a spa vacation in the past two years. The two most popular types of Web sites for such planning are the same in both countries: resort/hotel Web sites and direct spa facility Web sites. U.S. spa travelers are more likely than Canadians to utilize airline Web sites, while Canadians are more likely to access search engine travel Web sites and government-sponsored travel Web sites. Overall, with more than 90% of spa travelers in both countries utilizing a Web site while planning, it seems clear that the Internet is a powerful marketing channel to reach spa travelers. Consequently, spas should carefully consider how they present themselves over the Web. Poorly designed sites may prove more costly than beneficial if they bury useful planning information underneath distracting marketing messages, frustrating consumer's efforts to gather data.

Figure 16
Which Kinds of Web Sites Have You Used to Plan Your Spa Vacation Trips During the Past 2 Years?

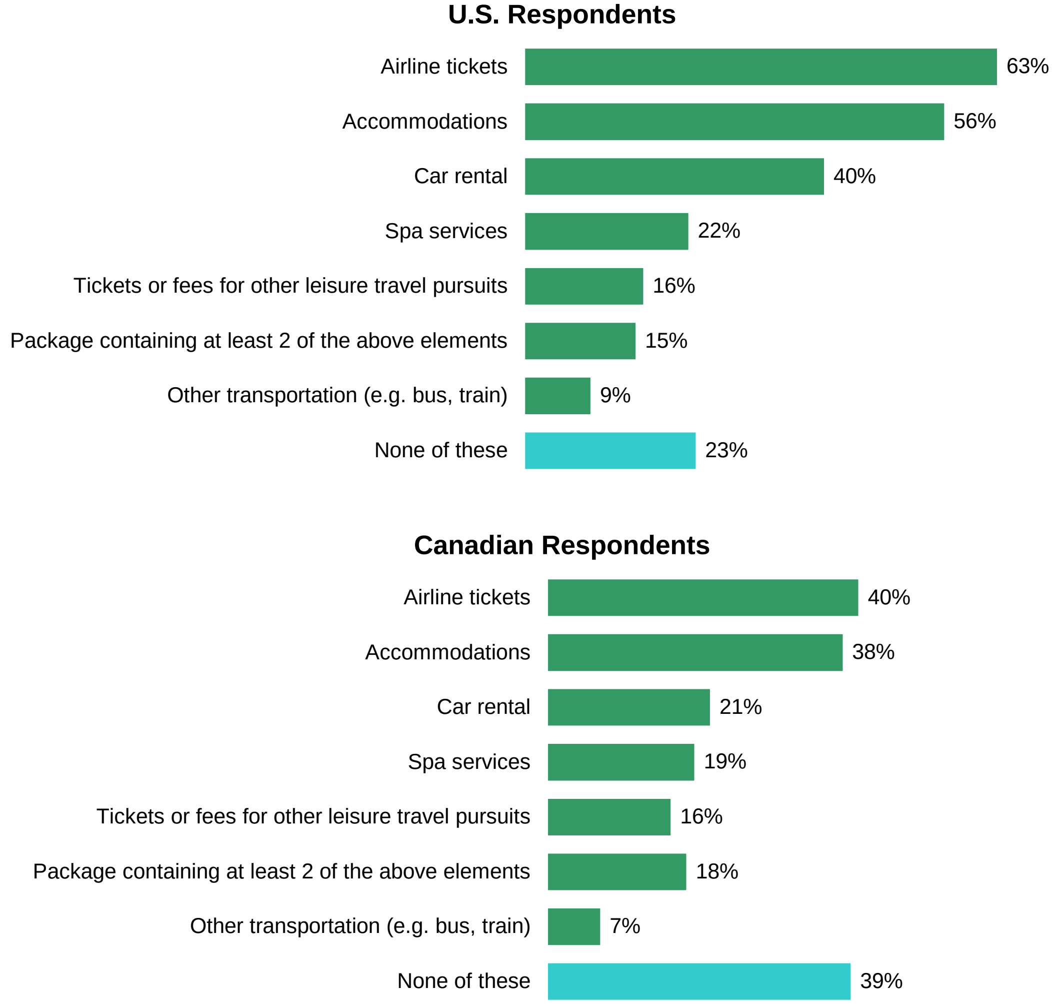


Sources: U.S. results based on 438 respondents who were involved in planning a spa vacation they took in the past 2 years; Canadian results based on 389 respondents meeting same criterion.

Online Purchases

U.S. spa travelers are more likely than Canadians to make vacation purchases online (Figure 17). Over ¾ (77%) of U.S. spa travelers, but less than ⅔ (61%) of Canadians, purchase some part of their spa vacation over the Internet. In particular, while airline tickets, lodging accommodations and car rentals are the three most likely online purchases, Americans are much more likely than Canadians to make these purchases online.

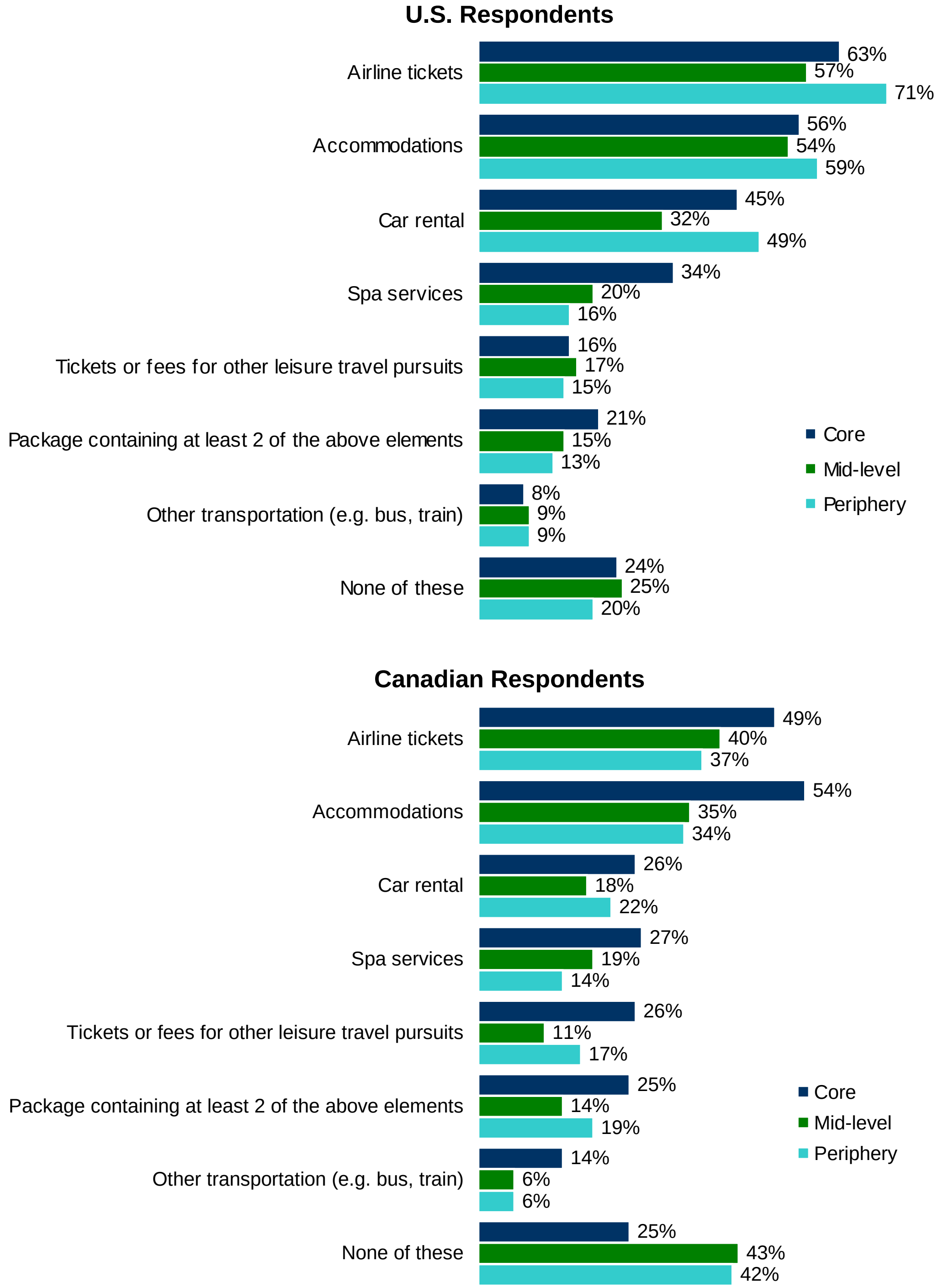
Figure 17
Which Parts of Any Spa Vacation Trips You Took During the Past 2 Years Were Purchased Over the Internet?



Sources: U.S. results based on 484 respondents; Canadian results based on 460 respondents.

One notable difference across segments of the spa world is the stronger tendency among core spa travelers (in both countries) to book their spa services online when planning a spa vacation (Figure 18). Because spa-goers gain familiarity with the various services typically offered at spas as they moves toward the core of the spa world, ordering treatments over the Internet becomes easier.

Figure 18
Which Parts of Any Spa Vacation Trips You Took During the Past 2 Years Were Purchased Over the Internet? (By Spa Segment)



Note: Due to small sample sizes, especially for the core segments, these comparisons should be viewed with caution.
Sources: U.S. results based on 484 (90 core, 246 mid-level and 148 periphery) respondents; Canadian results based on 460 (79 core, 221 mid-level and 160 periphery) respondents.

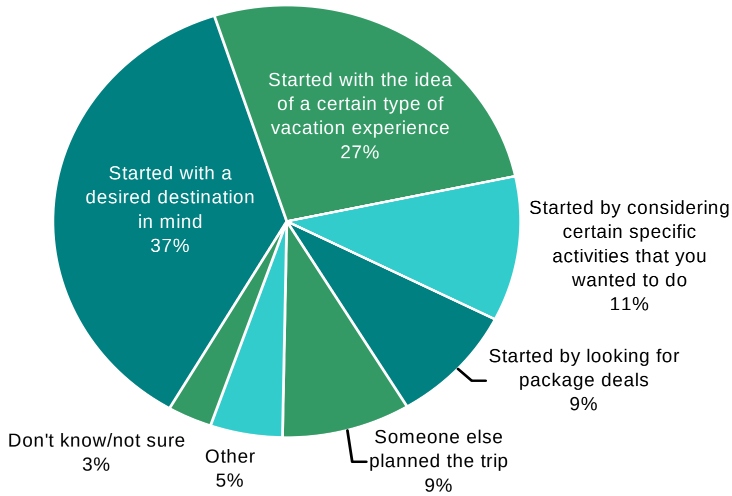
Considerations When Planning

First Considerations

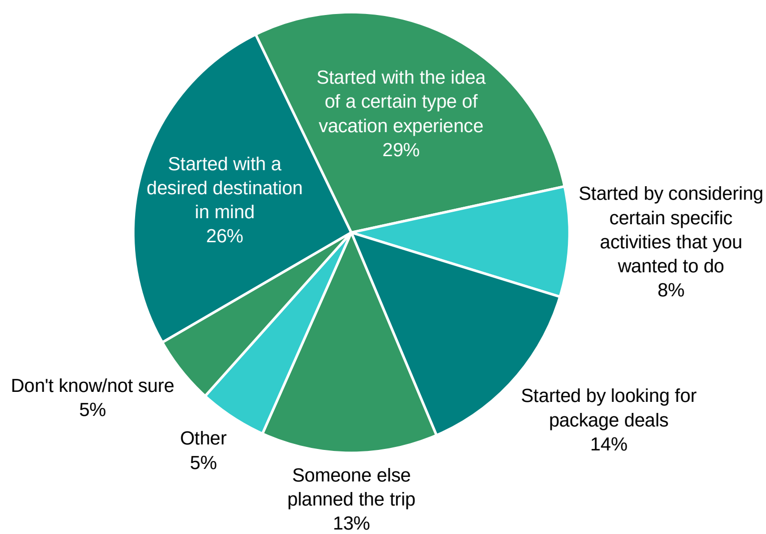
When planning a spa vacation, U.S. and Canadian spa travelers differ somewhat in what they first consider (apart from budgetary considerations) (Figure 19). While majorities of spa travelers from both countries start with (1) a desired destination in mind or (2) the idea of a certain type of vacation experience, U.S. spa travelers are more likely than Canadians to start with a desired destination in mind (36% vs. 26%).

Figure 19
Apart from Budgetary Considerations, What Did You Consider First When Planning Your Most Recent Spa Vacation Trip?

U.S. Respondents



Canadian Respondents



Note: Percentages may total to more than 100% due to rounding.
Sources: U.S. results based on 484 respondents; Canadian results based on 460 respondents.

Examining the top 2 choices (desired destination and certain type of vacation experience) in more detail provides some interesting insights. Distinguishing by spa segment reveals some definite patterns, especially among Americans (Table 4). U.S. core spa travelers are most likely to start with a certain type of vacation *experience* in mind, while mid-level and periphery spa travelers are most likely to begin by choosing a desired *destination*. This difference demonstrates how core spa travelers place more emphasis on specific spa treatments and resulting benefits, while mid-level and periphery spa travelers are more interested in a "total package," including non-spa vacation activities.

Surprisingly, the pattern is nearly the opposite in Canada. Canadian core spa travelers are most likely to start by selecting a desired *destination*, while mid-level spa travelers prefer to envision a particular vacation *experience* first (periphery spa travelers are split between the two choices).

Table 4
Apart from Budgetary Considerations, What Did You Consider First When Planning Your Most Recent Spa Vacation Trip?[18]
(Most Frequent Responses)

	Spa World Segment*					
	U.S. Respondent			Canadian Respondent		
	Core	Mid-level	Periphery	Core	Mid-level	Periphery
Desired *destination*	*13%*	*41%*	*45%*	*34%*	*21%*	*29%*
Certain type of vacation *experience*	*41%*	*25%*	*22%*	*24%*	*31%*	*29%*
	Spa Type Last Visited					
	U.S. Respondent			Canadian Respondent		
	Day	Resort/ Hotel	Other	Day	Resort/ Hotel	Other
Desired *destination*	*36%*	*42%*	*30%*	*26%*	*27%*	*21%*
Certain type of vacation *experience*	*30%*	*23%*	*27%*	*30%*	*27%*	*26%*

*** Due to small sample sizes, especially for the core segments, these comparisons should be viewed with caution.**
Sources: U.S. results by spa segment based on 484 (90 core, 246 mid-level, 148 periphery) respondents; Canadian results by spa segment based on 460 (79 core, 221 mid-level, 160 periphery) respondents.
U.S. results by spa type based on 485 (244 day, 167 resort/hotel, 74 other) respondents; Canadian results by spa type based on 459 (268 day, 145 resort/hotel, 46 other) respondents.

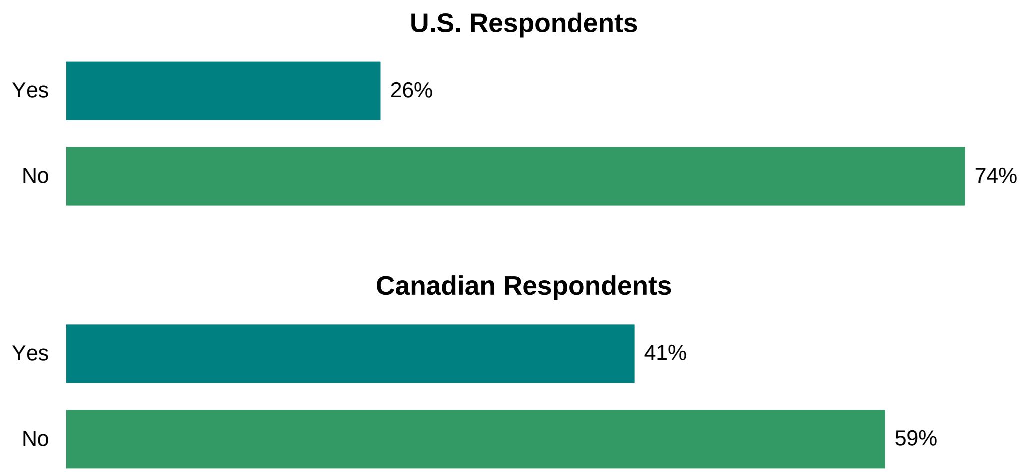
Purchase of Vacation Packages

Canadian spa travelers are considerably more likely than Americans to purchase their spa vacation as a package. Two out of five Canadian travelers (41%), but only 26% of Americans did so in the past two years (Figure 20). This preference for pre-arranged vacation trips is also reflected in Canadians' greater tendency to

[18] While one might expect differences across gender, they didn't materialize in the findings; males and females showed similar patterns in what they considered first in planning a spa vacation.

use travel agents when planning their spa vacations (see *Vacation Information Sources* in Chapter V).

Figure 20
Were Any of the Spa Vacations You Took in the Past 2 years Purchased as a Package?



Sources: U.S. results based on 484 respondents; Canadian results based on 460 respondents.

Chapter VI
Spa Vacations: Where, When and Why

Spa Vacations: Where

Spa Vacation Destinations

The regional analysis of Canadian residents is influenced by sample sizes, since the population of Canada is not distributed evenly throughout its large provinces and territories. In particular, the Territories are only superficially represented in this study. For this reason, the Territories and many of the individual provinces have been grouped together to form larger geographic areas.[19] They are:

Atlantic Provinces (n=101)[20], including:
- Newfoundland (n=15)
- Nova Scotia (n=37)
- New Brunswick (n=36)
- Prince Edward Island (n=13)

Quebec (n=98)

Ontario (n=911)

Prairies (n=354), including:
- Manitoba (n=97)
- Saskatchewan (n=72)
- Alberta (n=185)

British Columbia (n=437)

Territories (n=8), including:
- Northwest Territories (n=1)
- Nunavut (n=2)
- Yukon Territory (n=5)

[19] Given there were only a few respondents from Canada's 3 northern Territories, their responses are not shown in the tables that follow.
[20] The sample sizes shown here are for the respondent's place of residence and not for spa vacation destinations.

Likewise, the U.S. has been divided into regions in order to group residents in neighboring states together. The regions defined for the U.S. analysis are:

North East (n=340)[21], including:

- Connecticut
- Maine
- Massachusetts
- New Jersey
- Pennsylvania
- Vermont
- Delaware
- Maryland
- New Hampshire
- New York
- Rhode Island

South East (n=314), including:

- Alabama
- Florida
- North Carolina
- Tennessee
- District of Columbia
- Georgia
- South Carolina
- Virginia

North Central (n=362), including:

- Illinois
- Iowa
- Michigan
- Missouri
- Ohio
- Wisconsin
- Indiana
- Kentucky
- Minnesota
- Nebraska
- South Dakota

South Central (n=191), including:

- Arkansas
- Louisiana
- Oklahoma
- Kansas
- Mississippi
- Texas

North West (n=74), including:

- Alaska
- Montana
- Washington
- Idaho
- Oregon

South West (n=426), including:

- Arizona
- Colorado
- Nevada
- Utah
- California
- Hawaii
- New Mexico

As would be expected, U.S. and Canadian spa travelers differ significantly in where they tend to vacation. This is due not only to the proximity to where the consumer lives but also the fact that some regions have more spas and more spa-goers. For the most part, spas are located where the people are. In the U.S., most spas are concentrated in the North East and South West, though the South East and North Central regions have a large number of spas as well.[22] For Canadians, Ontario has remained the spa capital, with British Columbia and Quebec making up a second tier. But do spa travelers go where the spas are?

[21] The sample sizes shown here are for the respondent's place of residence and not for spa vacation destinations.
[22] These observations are based upon The International Spa Association's 2004 Spa Industry Study.

Looking at where respondents have taken spa vacations in the past two years (Figure 21), the most popular destination for Americans is clearly California (32% of U.S. spa travelers), while Ontario is the clear winner among Canadians (35%). To some degree, then, these spa travelers do gravitate toward the regions of greatest spa concentrations in their respective countries. However, this is not completely true for all regions. The North East region of the U.S., for example, is not as well represented among U.S. spa travelers as we might expect given the number of spas in the region. Of course, the types of spas in a region are as important as the sheer number. The North East has a larger number of day spas while the South West and South East have more resort and destination spas (see Table 5), which might suit the tastes of spa travelers better than day spas would. Finally, we note that about one out of five spa travelers from either country spent spa vacation time in the Caribbean and another significant percentage took spa vacations in Europe.

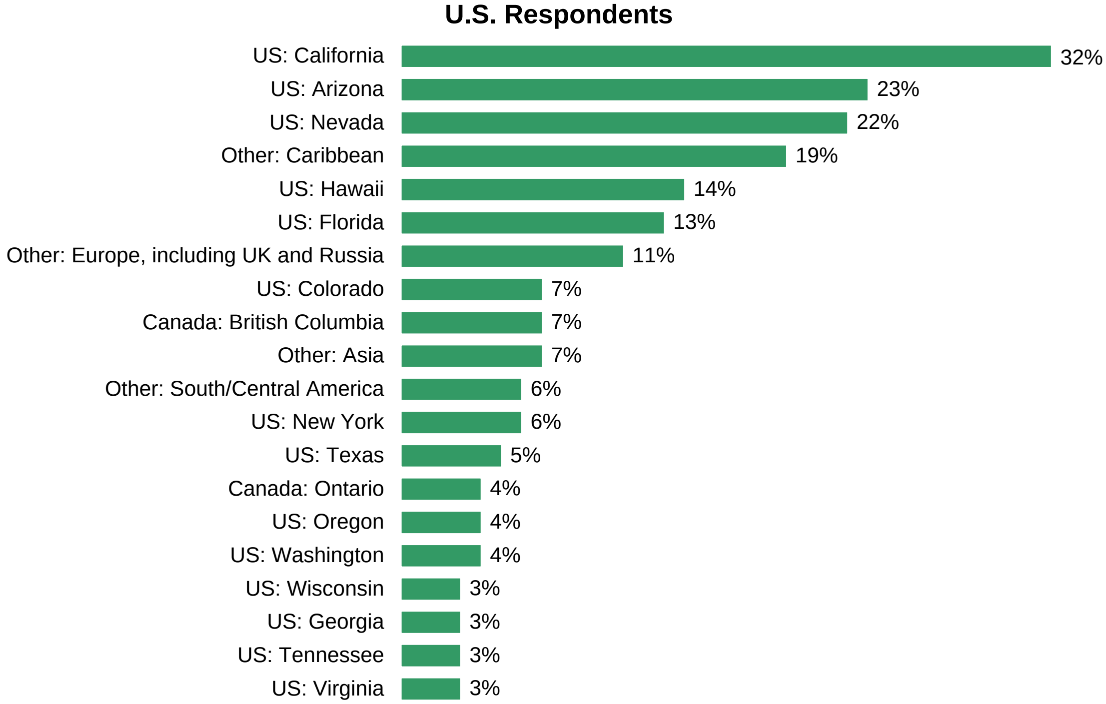
Table 5
Distribution of U.S. Day Spas and Resort and Destination Spas

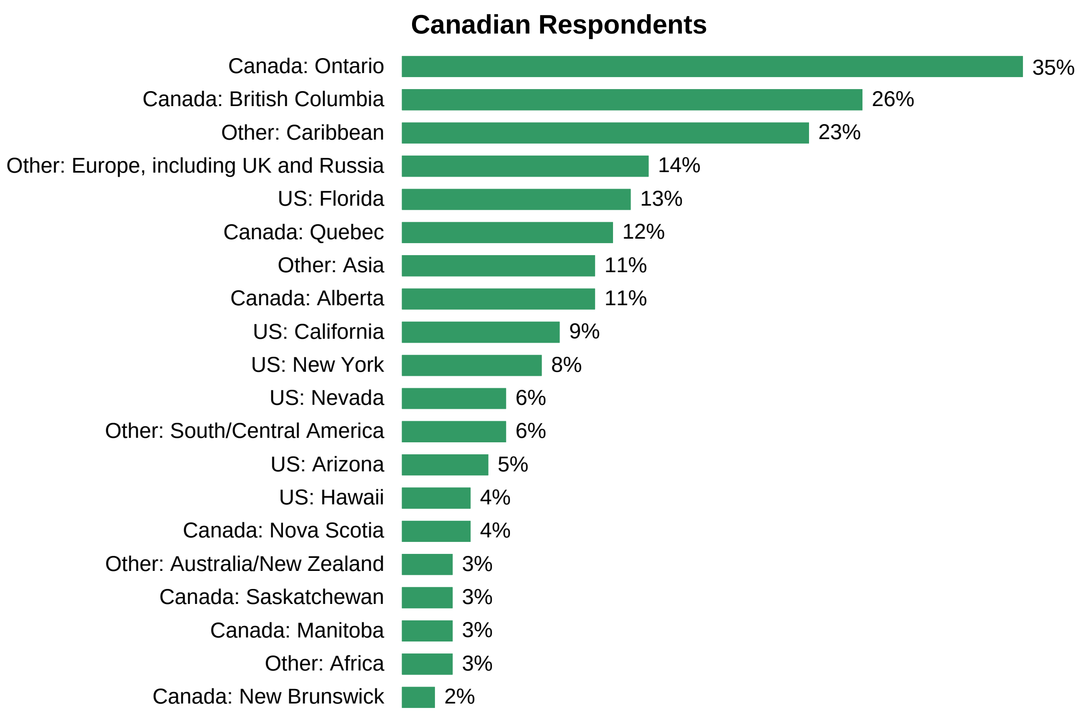
	Spa Type	
	Day Spas	Resort & Destination Spas
North East	*79%*	*12%*
South East	*68%*	*21%*
South West	*59%*	*25%*

Source: Selected results from 2004 ISPA Industry Study.

We examine these patterns across regions in each country in order to determine the extent of travel within and between areas for spa vacations farther below.

Figure 21
Which Destinations Did You Choose For Your Spa Vacation Trips in the Past 2 Years?
(Top 20 Destinations)





Sources: U.S. results based on 484 respondents; Canadian results based on 461 respondents.

Spa Vacation Destinations by Place of Origin

While it's clear that some destinations net more of the spa visits of travelers than other places do, this partly depends on where these spa travelers started. In other words, California or Ontario may simply have more residents who go to spas than other states or provinces. To determine the drawing power of different destinations, Table 6 shows the percent of spa travelers residing in major regions of the U.S. and Canada who visit spas while traveling in the same region or to some other region.

One obvious finding is that spa travelers have a strong tendency to visit spas when traveling in the same region in which they live. This might be a function of how far consumers travel on vacation or of their familiarity with spas nearby. In either case, we observe large percentages who take their spa vacations in the same region as their place of residence. This is most common among spa travelers in the southwestern region of the U.S., and to a lesser extent in the eastern and northwestern regions, but seems the modal pattern for all of Canada. Traveling great distances (i.e., outside of one's province) to reach a spa appears more of a barrier in Canada than in the U.S., which suggests that many of these Canadian spa travelers prefer to drive to their destinations. Whether this preference reflects cultural or economic motivations is not clear, but it implies that marketing spa vacation "packages" to complement the preferred mode of travel could increase a spa's relevance to spa travelers.

A second notable pattern is that spa vacations happen much more frequently in certain regions, regardless of place of residence. In other words, no matter where they live, spa travelers are more likely to visit spas in some regions than in others. Thus, in the U.S., we find the southwestern region to be the most dominant destination for all spa vacations. In some regions, such as the central regions, vacationers are two times more likely to choose spas in the South West than in their own region. We see a similar draw for the South West among Canadians, albeit much weaker, but the eastern parts of the U.S. also appear to attract some vacationing Canadians. Although not as strong, British Columbia has a reciprocal pull among the western states and the North East region in the U.S. Within Canada, British Columbia also attracts a significant number of vacationers from the Prairie Provinces. Overall, however, most Canadians seem content to take spa vacations in their own backyard.

One last observation is that Canadian and U.S. spa travelers, when not visiting the spas in their homeland, seem to prefer countries other than the neighbor to their south (from Canada) or north (from the U.S.). This tendency is much stronger among U.S. spa travelers, but is still true for Canadian spa travelers residing in

Ontario, the Prairies and British Columbia. Looking at the lower portion of each panel in Table 6, for example, we see that over half (53%) of the spa travelers from British Columbia took spa vacations outside of the U.S. and Canada, but only 31% spent their spa vacations somewhere in the U.S.

Table 6
Destinations of Spa-Goers When on a Spa Vacation

U.S. Respondents

Destination	Origin					
	North East	South East	North Central	South Central	North West	South West
North East	48%	11%	6%	4%	<1%	6%
South East	17%	45%	30%	10%	8%	8%
North Central	5%	3%	29%	6%	<1%	<1%
South Central	7%	8%	5%	29%	<1%	3%
North West	7%	3%	10%	8%	43%	9%
South West	53%	59%	73%	61%	60%	91%
Atlantic	2%	1%	8%	1%	<1%	<1%
Quebec	4%	1%	1%	5%	<1%	<1%
Ontario	5%	3%	8%	5%	7%	<1%
Prairies	5%	<1%	<1%	<1%	<1%	<1%
British Columbia	10%	6%	3%	4%	18%	11%
U.S., all regions[a]	85%	92%	90%	76%	80%	93%
Canada, all regions[b]	20%	9%	11%	13%	18%	12%
Not U.S. or Canada[c]	42%	49%	33%	55%	37%	32%

Canadian Respondents

Destination	Origin				
	Atlantic	Quebec*	Ontario	Prairies	British Columbia
Atlantic	52%	6%	6%	4%	<1%
Quebec	9%	56%	12%	2%	2%
Ontario	14%	11%	56%	7%	7%
Prairies	7%	3%	10%	53%	11%
British Columbia	13%	9%	12%	34%	66%
North East	26%	24%	14%	5%	5%
South East	27%	23%	18%	10%	6%
North Central	<1%	3%	6%	7%	3%
South Central	13%	12%	4%	1%	4%
North West	<1%	1%	1%	7%	7%
South West	15%	34%	22%	23%	20%
Canada, all regions[b]	80%	70%	71%	82%	70%
U.S., all regions[a]	41%	55%	42%	37%	31%
Not U.S. or Canada[c]	27%	49%	52%	41%	53%

***Small sample (n<100).**

[a]Refers to spa vacation destinations anywhere in the U.S.

[b]Refers to spa vacation destinations anywhere in Canada.

[c]Refers to spa vacation destinations anywhere other than the U.S. or Canada.

Note: Spa travelers may take more than one spa vacation in a year and can select different locations for each spa vacation. Therefore, the percentages for individual regions will not sum up to the percentages shown for either U.S., all regions, or Canada, all regions.

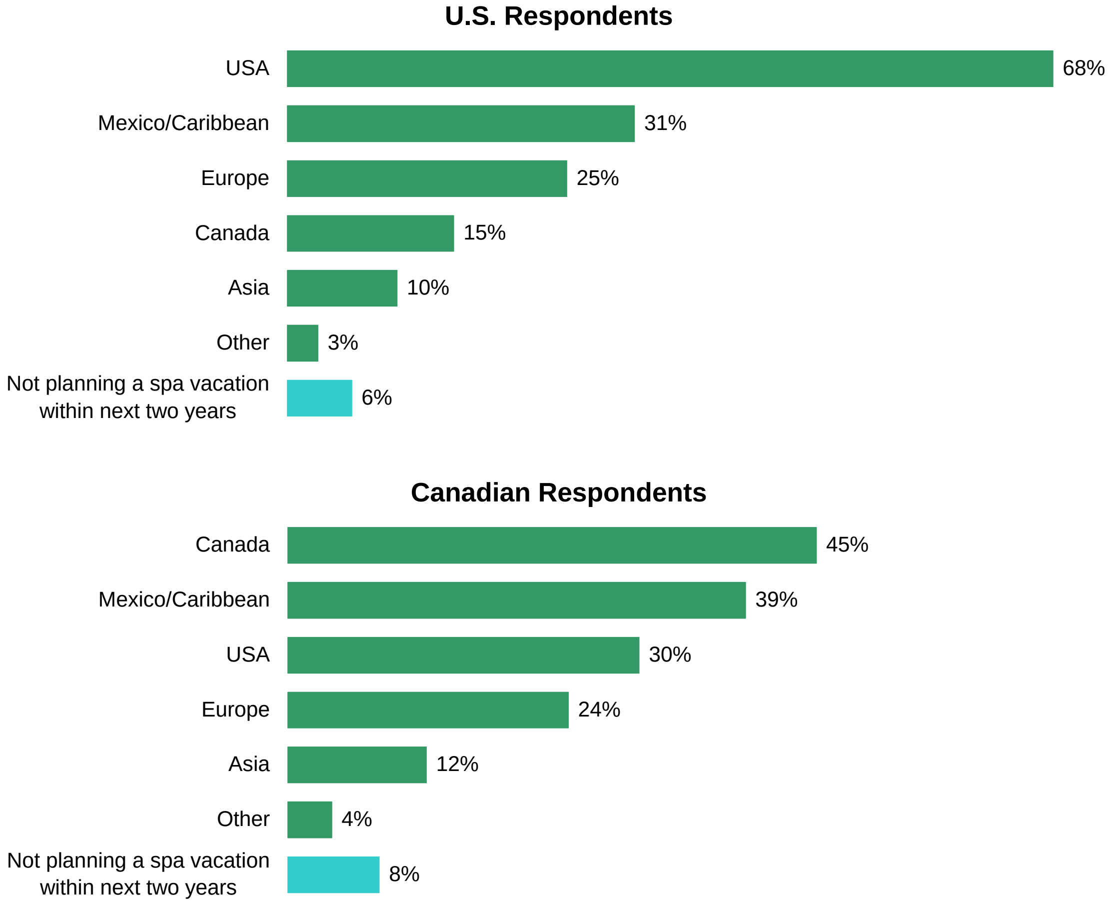
Sources: U.S. results based on 484 respondents; Canadian results based on 461 respondents.

Preferred Destinations

While over ⅔ (68%) of U.S. spa travelers preferred spa vacation destinations that included spas within their own country, less than half (45%) of Canadians felt the same way. But among both groups of travelers, domestic spas were the most popular preferred destinations, followed by Mexico and the Caribbean.

The strong showing of Mexico and the Caribbean is not too surprising since they represent the next closest destination for spa travelers from the U.S. and Canada. What is important to bear in mind here, however, is that they are far enough for most spa travelers from the north to necessitate air travel and once that hurdle is crossed, many other countries become "closer." In other words, travelers willing to fly to their destination should find time and distance less important barriers. What these southern locations have to offer is sun, sand and sea at a competitive price. These attributes can seem quite attractive to a spa-goer who has had enough of winter. This applies to Canadian spa travelers even more than to spa travelers in the U.S. In fact, Canadians who choose Mexico and the Caribbean as a preferred spa destination are much more likely to have taken spa vacations in the winter (48%) than in any other season (ranging from 34%-37% across the three seasons).

Figure 22
Where is Your Preferred Destination(s) for a Future Spa Vacation Within the Next 2 Years?



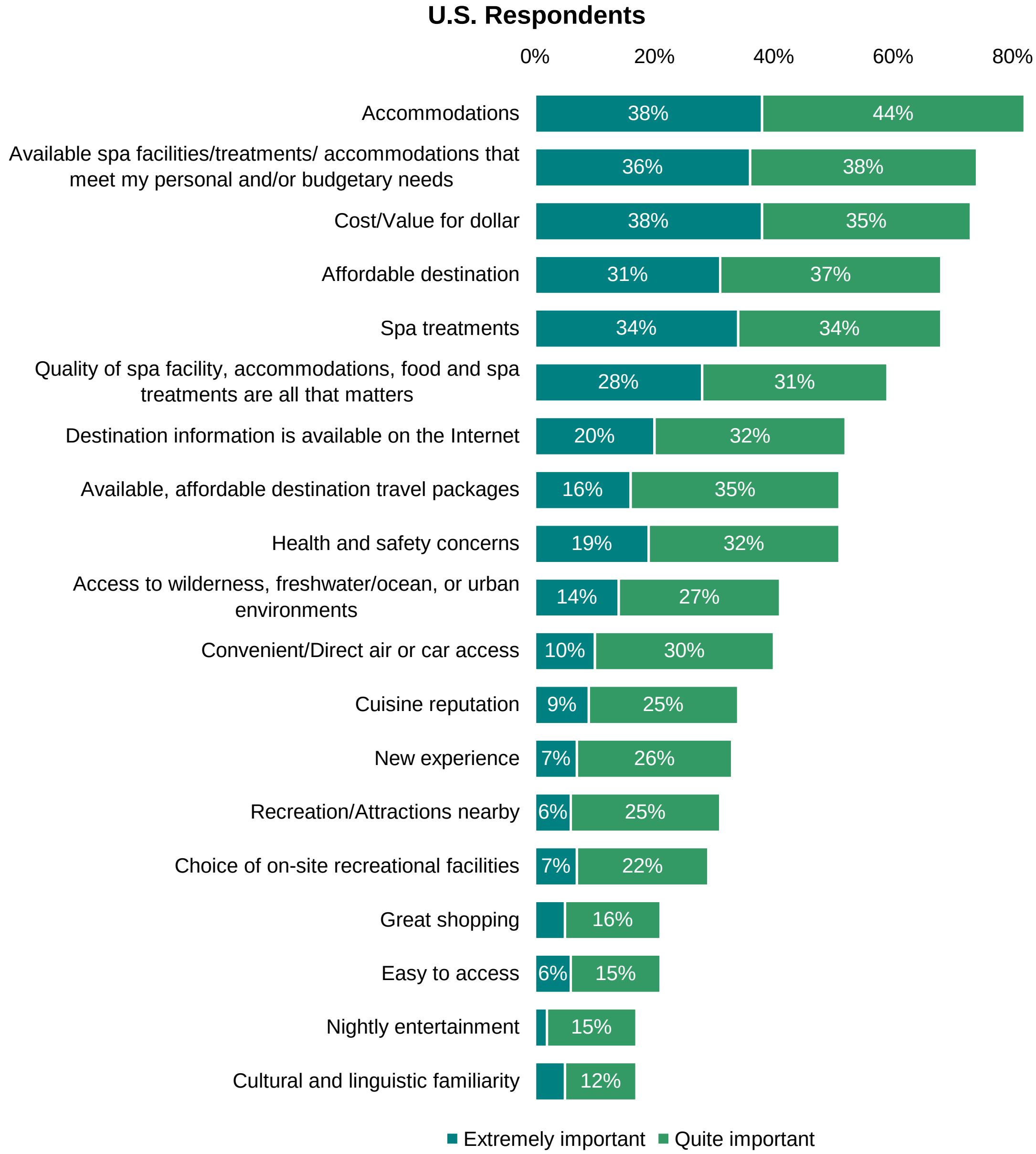
Sources: U.S. results based on 483 respondents; Canadian results based on 457 respondents.

Relative Importance of Spa Conditions

Most Important Conditions

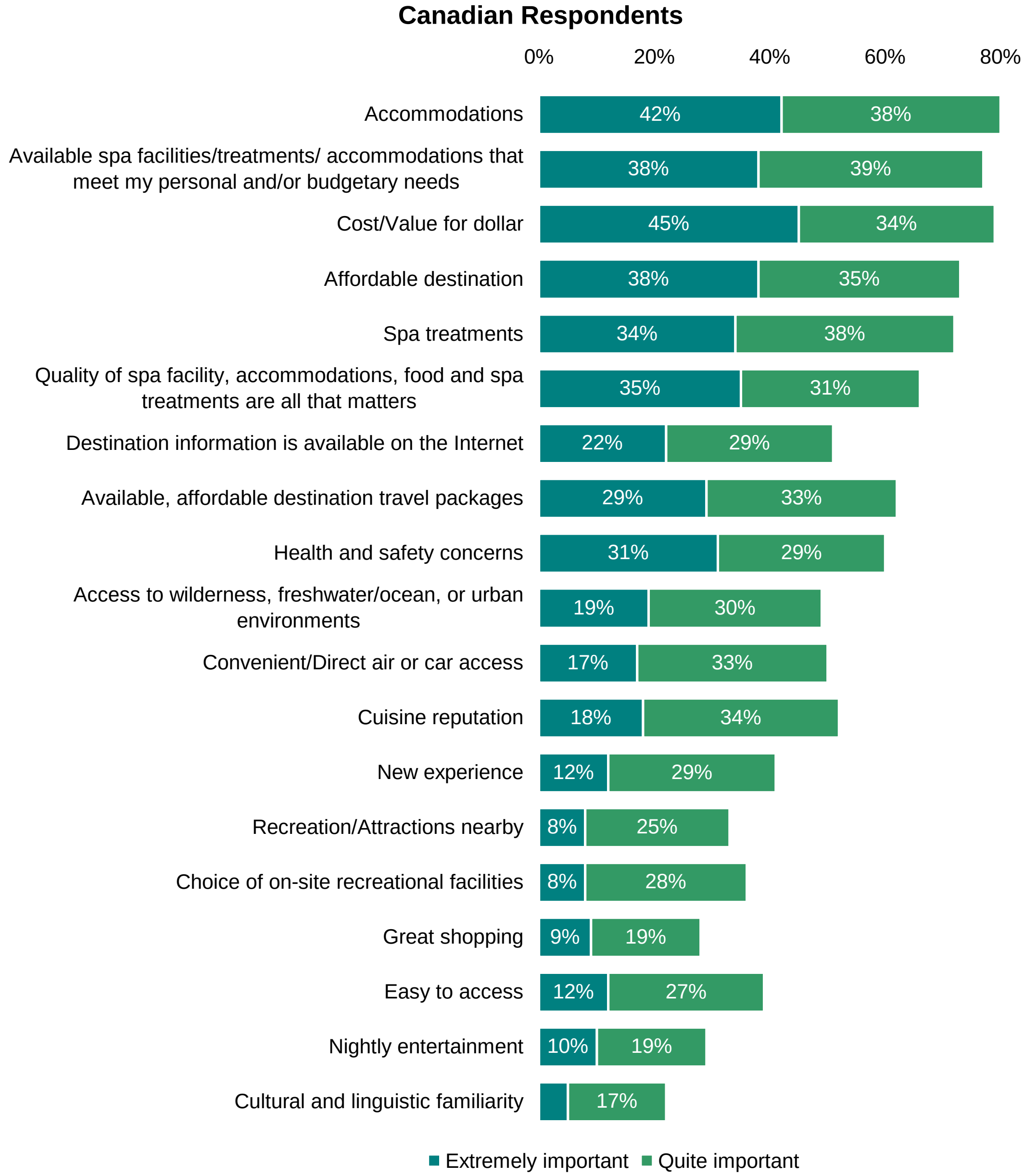
Spa travelers in both countries agree on the five most important conditions to consider when choosing a spa vacation destination; at least ⅔ of each group feels that lodging accommodations, personalized services, cost/value, affordable destinations, and spa treatment are at least "quite important" (Figure 23). But Canadian spa travelers show more interest than Americans in other considerations, including travel packages, health/safety concerns, and cuisine reputation.

Figure 23
How Important to You Are These Conditions When Choosing a Spa Vacation Destination? (Important Conditions)



Note: Percentages for "Somewhat important," "Hardly important" and "Not at all important" are not shown. In addition, percentage values below 6% are not displayed.
Source: U.S. results based on 483 respondents.

Figure 23 (continued)
How Important to You Are These Conditions When Choosing a Spa Vacation Destination? (Important Conditions)



Note: Percentages for "Somewhat important," "Hardly important" and "Not at all important" are not shown (see Figure 24 for unimportant conditions). In addition, percentage values below 6% are not displayed.
Source: Canadian results based on 456 respondents.

It is critical to note that some conditions, while being important across all segments of the spa world, are especially important in particular segments. Supplementary analyses show that financial considerations (e.g., value for the dollar, affordable destination, affordable travel packages) are especially important to mid-level and periphery spa travelers (in both countries). Meanwhile, core spa travelers are particularly interested in spa treatments and the quality of the spa facility.

These results tell us that the more experienced and committed (i.e., core) spa travelers will be looking for a quality spa experience and be willing to pay for it. However, the majority of spa travelers, who may not be the most knowledgeable spa-goers, will be more critical of what they are getting for their money. It is worth noting in this connection that these more price-sensitive spa travelers are not necessarily cash poor. That is, they may have as much disposable income as the most hardcore spa traveler. They are just more careful about how they dispose of it when visiting spas. Thus, aspects of the spa experience that mid-level and periphery spa travelers look for will be critical to how well a spa succeeds in satisfying their expectations. These include: luxurious surroundings, a calming and peaceful ambiance, personal attention and noticeable efforts to aid in stress reduction. Although these aspects are important to all spa-goers, they can be deal breakers for periphery and many mid-level spa travelers. Core spa travelers, by contrast, focus on credentials, exotic treatments, and activities aimed at self-improvement, renewal or healing.

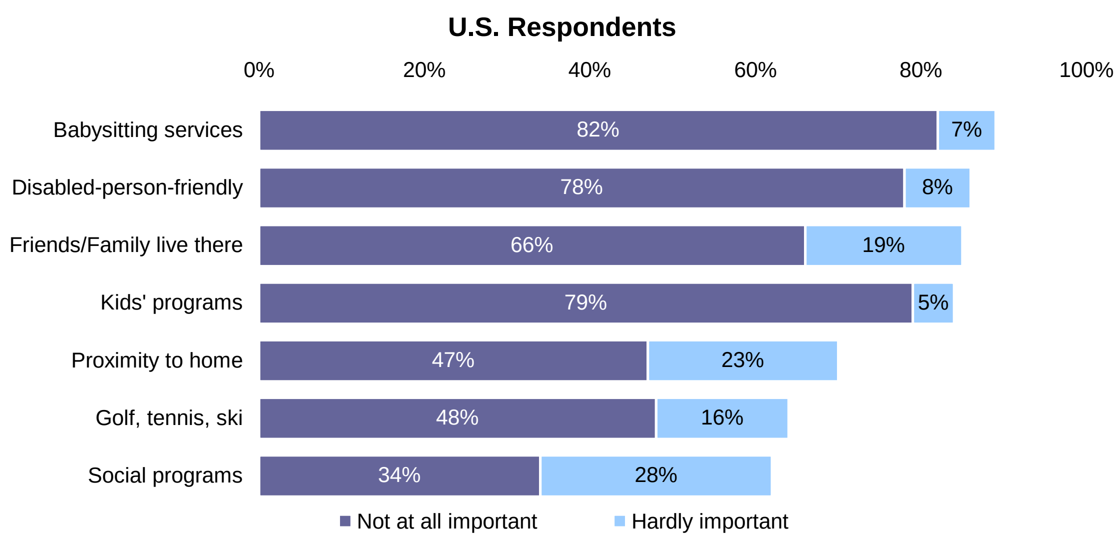
Least Important Conditions

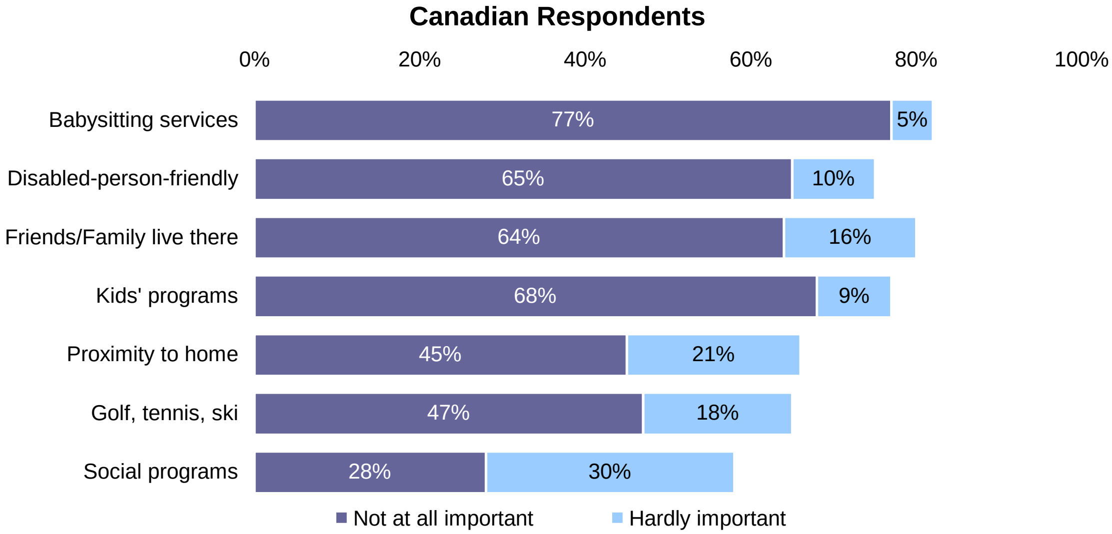
Also important to consider are conditions that are not deemed to be important in choosing a destination (Figure 24). Especially notable is the lack of consideration in both countries for child-related services (babysitting services, kids' programs) and athletic activities (golf, tennis, ski). One recent trend in the spa industry has been to link golf/spa and ski/spa as sought-after combinations. This study's data fail to indicate much interest in such combinations (see also Figure 12, which shows limited participation in all three sports during spa vacations). The tepid interest in golf/tennis/ski even exists among spa travelers who should be the most interested: those who last visited a resort/hotel spa. Among these resort/hotel spa travelers, only 15% of Americans and 13% of Canadians rated golf/tennis/ski as an extremely or quite important condition when planning their spa vacation. Thus, spas contemplating associations with sports-related activities should consider whether there is sufficient demand for them and how well they fit with the spas current ambiance and image.

Also notable is that shopping does *not* garner much support as an important consideration in selecting a spa destination despite being the top leisure activity participated in during spa vacations (see Figure 12). Clearly, spa travelers on vacation enjoy shopping at their spa destinations as much as any vacationer would. What these findings indicate, however, is that shopping opportunities are not a major determinant of *where* spa travelers choose to visit. Presumably, spa travelers assume good shopping options are available wherever their spa vacations takes them.

Another noteworthy finding is that Canadians (like Americans) rated proximity to home as a low priority in choosing a spa destination, which seemingly conflicts with our earlier observation that Canadians prefer to take spa vacations in the province in which they live (see *Spa Vacation Destinations by Place of Origin* section in Chapter VI). What these results indicate is that Canadians, like all consumers, view vacations as an opportunity to get away. So, having a spa very close to home is at best irrelevant and quite likely a negative characteristic for a spa vacation. At the same time, most spa travelers and Canadians in particular do not find it especially necessary to travel very great distances (i.e., outside their own region or province) to enjoy a spa vacation. In short, the spa vacation is regarded as a time of indulgent escape and is hardly likely to involve the day spa down the street.

Figure 24
How Important to You Are These Conditions When Choosing a Spa Vacation Destination? (Unimportant Conditions)





Note: Percentages for "Somewhat important," "Very important" and "Extremely important" are not shown (see Figure 23 for most important conditions).
Source: U.S. results based on 483 respondents; Canadian results based on 456 respondents.

Spa Vacations: When

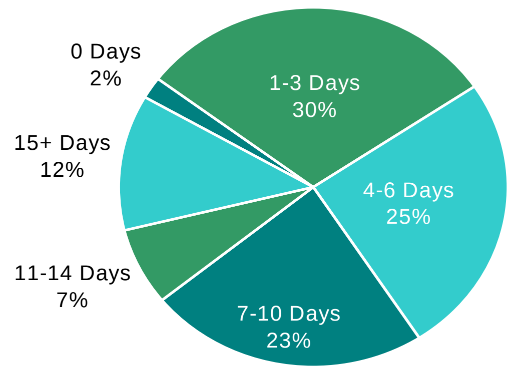
Spa Vacation Days Taken

On average, U.S. and Canadian spa travelers take off a similar number of days for spa vacations; close to half of American (44%) and Canadian (46%) spa travelers took (or expected to take) at least a week off in 2005 (Figure 25).[23]

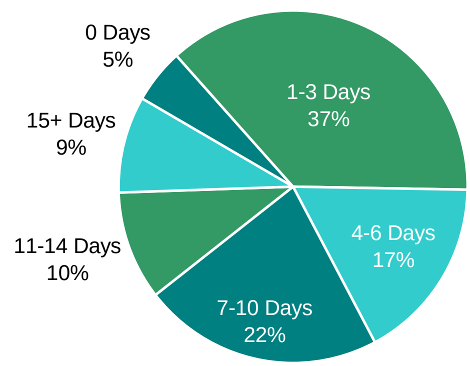
[23] Since the survey was conducted fairly late in 2005 (September), respondent estimates of the final nunber of vacation days to be taken in 2005 should be reasonably accurate.

Figure 25
How Many Days of Vacation Did You Take or Will You Take in 2005 for Spa Vacation Trips?

U.S. Respondents



Canadian Respondents



Note: Percentages may total to less than 100% due to rounding
Sources: U.S. results based on 480 respondents; Canadian results based on 456 respondents.

Additional analysis reveals that day spa travelers (i.e., spa travelers who last visited a day spa) tend to take less vacation time for spa travel. While only 32% of U.S. day spa travelers took at least a week off, 47% of resort/hotel spa travelers and 69% of other spa travelers did so (Table 7). A similar though less dramatic pattern exists in Canada, where only 36% of day spa travelers took at least a week off, while 44% of resort/hotel spa travelers and 53% of other spa travelers did so.

Table 7
How Many Days of Vacation Did You Take or Will You Take in 2005 for Spa Vacation Trips?

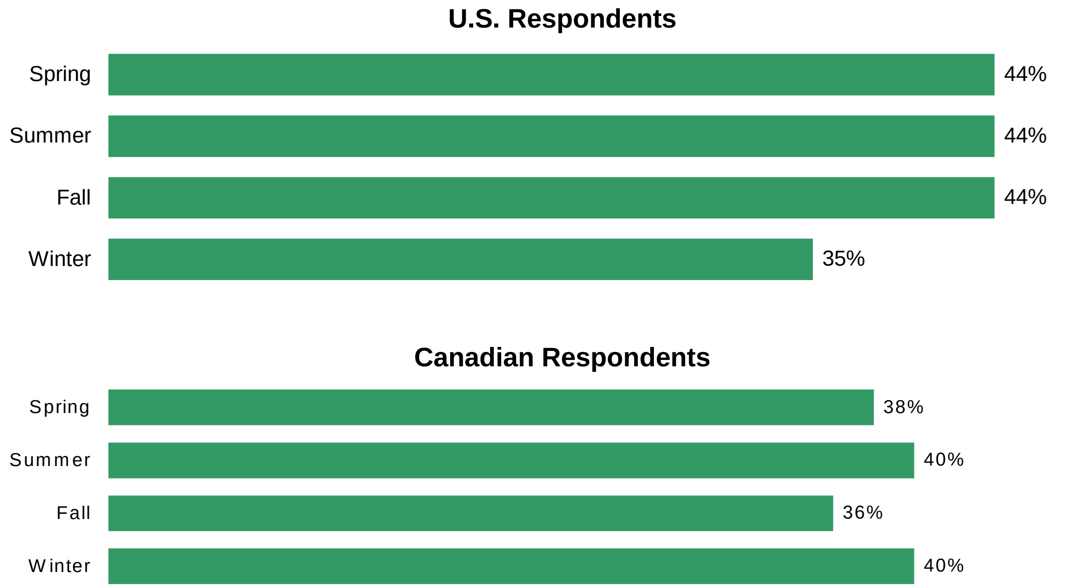
	U.S. Respondent			Canadian Respondent		
	Spa Type Last Visited			Spa Type Last Visited		
Days of Vacation	Day	Resort/ Hotel	Other	Day	Resort/ Hotel	Other
0	*3%*	*2%*	*2%*	*5%*	*6%*	*2%*
1-3	*39%*	*24%*	*14%*	*44%*	*29%*	*23%*
4-6	*26%*	*27%*	*14%*	*15%*	*20%*	*22%*
7-10	*17%*	*27%*	*37%*	*19%*	*26%*	*28%*
11-14	*8%*	*9%*	*1%*	*10%*	*9%*	*7%*
15+	*7%*	*11%*	*31%*	*7%*	*9%*	*18%*

Sources: U.S. results based on 480 (241 day, 166 resort/hotel, 74 other) respondents; Canadian results based on 456 (266 day, 144 resort/hotel, 46 other) respondents

Spa Vacation Seasons

The spa experience, being largely an indoor experience, can be enjoyed year-round. But U.S. spa travelers don't favor winter as much as the other three seasons for a spa vacation. Canadian spa travelers, on the other hand, do not show a marked preference across seasons (Figure 26). And although Canadians do embrace winter, they also seek opportunities to escape it, including traveling to spas in warmer climes (recall that Canadians' top spa destination among U.S. states is Florida [see Figure 21] and their most preferred foreign spa destination is Mexico and the Caribbean [see Figure 22]). This suggests that spas eager to attract Americans should learn from the Canadian patterns and emphasize to Americans the benefits of spa-going as a winter activity. The spa experience, being largely an indoor experience, can be enjoyed year-round.

Figure 26
What Time(s) of Year Did You Take Your Spa Vacations During the Past 2 Years?



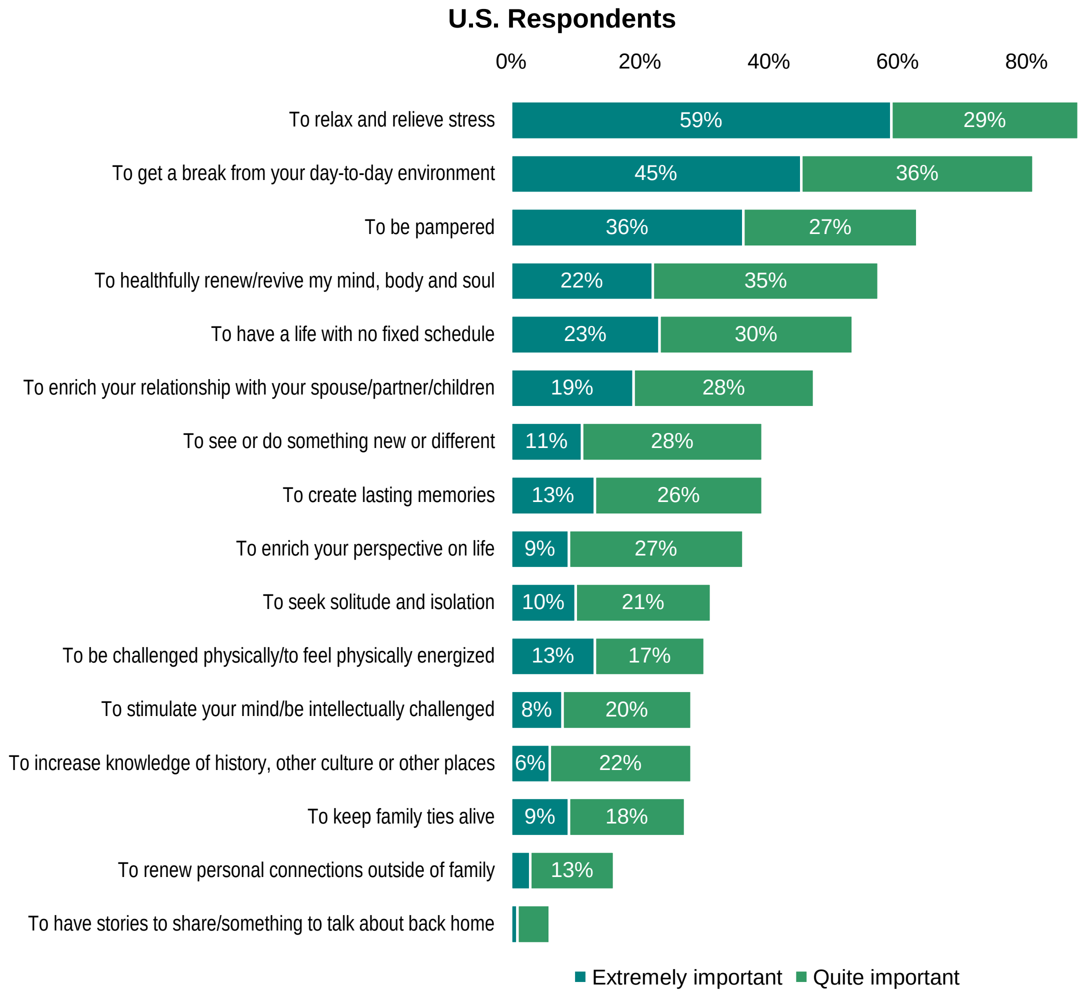
Sources: U.S. results based on 484 respondents; Canadian results based on 460 respondents.

Spa Vacations: Why

Importance of Various Benefits

In considering the importance of various benefits derived from spa vacations, there is considerable agreement between spa travelers in the two countries (Figure 27). From a list of 16 benefits, U.S. and Canadian spa travelers rank the same top six benefits in the same order (in terms of the percentage of respondents deeming a benefit to be at least "quite important"). Any notable differences are due to Canadians' greater willingness to rate a large number of benefits (such as "to see or do something new or different" and "to enrich your perspective on life") as being "extremely important."

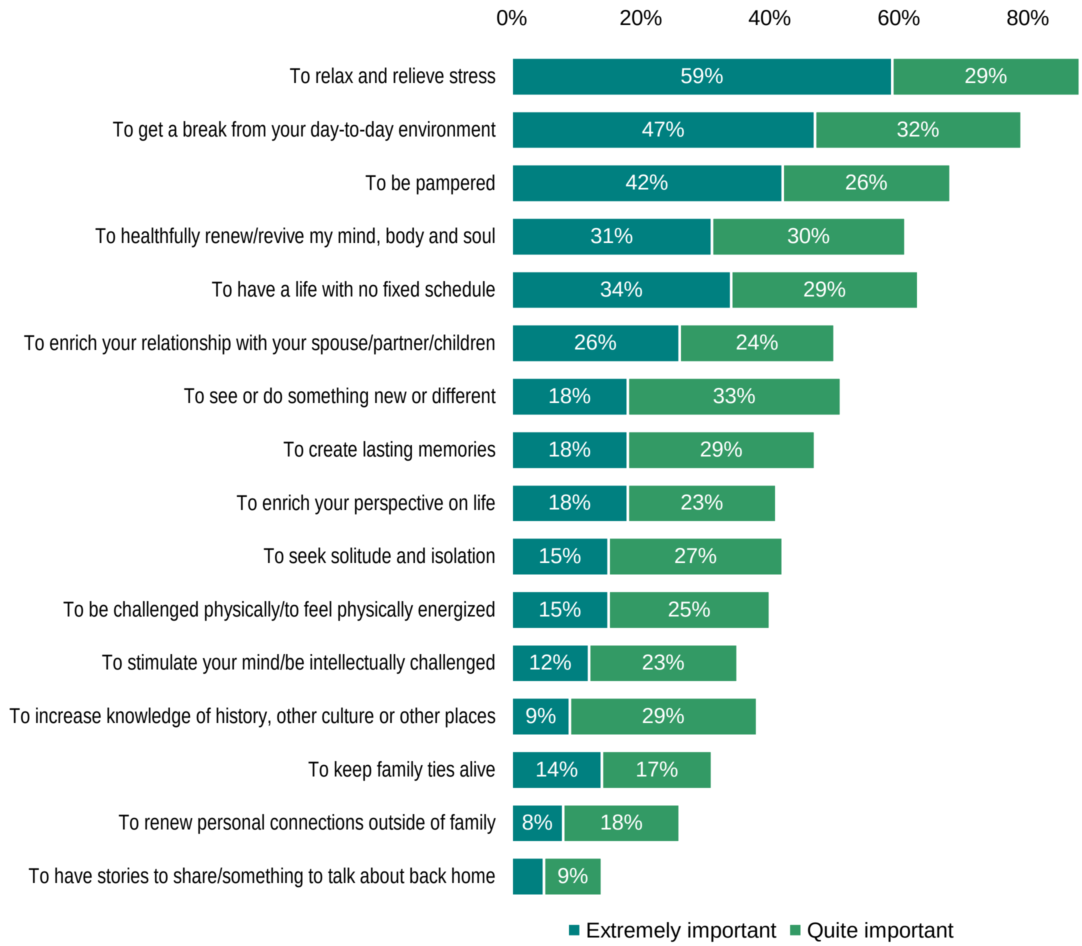
Figure 27
How Important are the Following Benefits to You When on Spa Vacation Travel?



Note: Percentages for “Somewhat important,” “Hardly important” and “Not at all important” are not shown. In addition, percentage values below 6% are not displayed.
Source: U.S. results based on 483 respondents.

Figure 27 (continued)
How Important are the Following Benefits to You When on Spa Vacation Travel?

Canadian Respondents



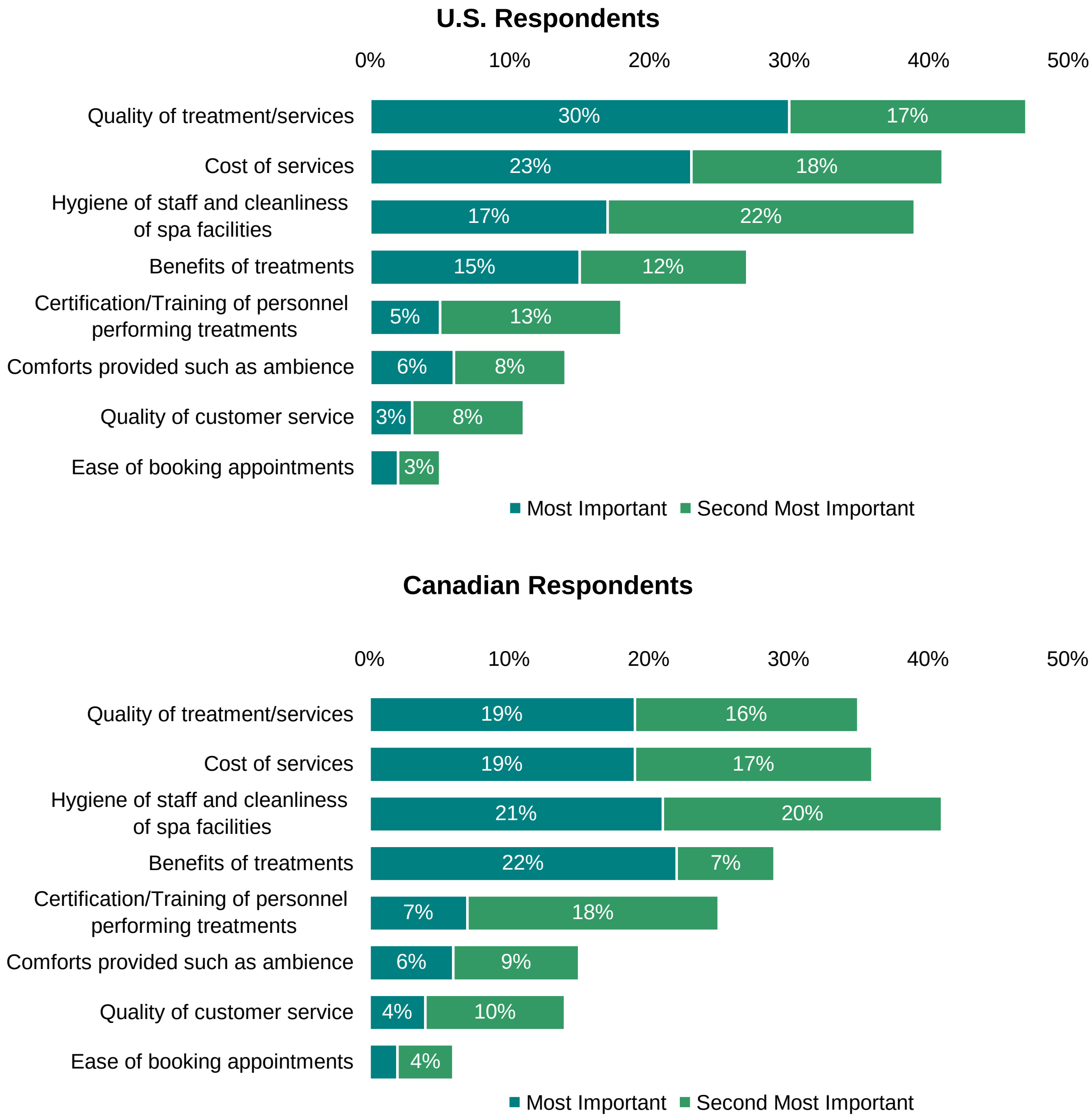
Note: Percentages for “Somewhat important,” “Hardly important” and “Not at all important” are not shown. In addition, percentage values below 6% are not displayed.
Source: Canadian results based on 457 respondents.

In analyzing the importance of benefits in the different spa segments, especially striking are differences across countries. Predictably, American core spa travelers are more likely than other American spa travelers to seek to enrich their lives at spas as opposed to getting a break from daily life or being pampered (benefits favored by their mid-level and periphery counterparts). But in rating benefits sought, Canadian core spa travelers present a different picture; they are more likely than mid-level or periphery spa travelers to seek pampering, physical challenge, intellectual stimulation, cultural education and stories to share back home. At least on this dimension (benefits sought), core spa travelers from Canada appear to have less of the typical core segment traits (taking spa trips frequently, valuing spa visits highly, being knowledgeable about treatments), and are more focused on the traveling component (seeking new adventures and mental/physical challenges).

Primary Concerns Regarding Treatments

The highest ranked concerns of spa travelers (regardless of country) while on vacation are the quality of treatment and services, the costs of services and the hygiene of the spa facility and staff. As for differences, Canadian spa travelers are somewhat more concerned than Americans about the credentials (certification and training) of the treatment providers.

Figure 28
While Experiencing Spa Treatments on Vacation, My 5 Primary Concerns are…



Note: Percentages for lower ranks (3rd through 5th most important) are not shown. In addition, percentage values below 3% are not displayed.
Sources: U.S. results based on 467 respondents; Canadian results based on 411 respondents.

Chapter VII
General Attitudes and Behaviors

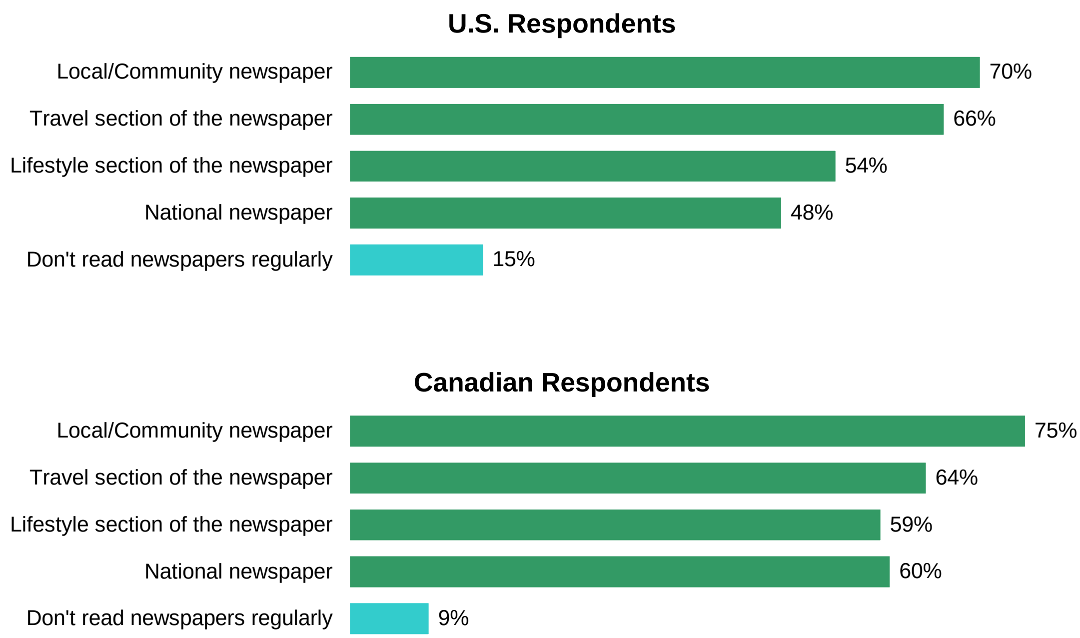
To this point we have considered the spa traveler as a spa-goer. That is, the attitudes and behaviors of travelers as participants in the spa world. Here we take a somewhat different view to understand the spa traveler as a *consumer*. We examine the spa traveler's routine use of various media, including newspapers, radio, TV and the Internet, as well as attitudes reflecting general lifestyle orientations.

Lifestyle Behaviors

Newspapers Read

U.S. and Canadian spa travelers have similar patterns in the types of newspapers they read regularly, with one exception (Figure 29). Among both groups, local/community newspapers are the most popular, followed by travel sections. But Canadians (60%) are more likely than Americans (48%) to read a national newspaper regularly.

Figure 29
Which Newspapers Do You Read on a Regular Basis?

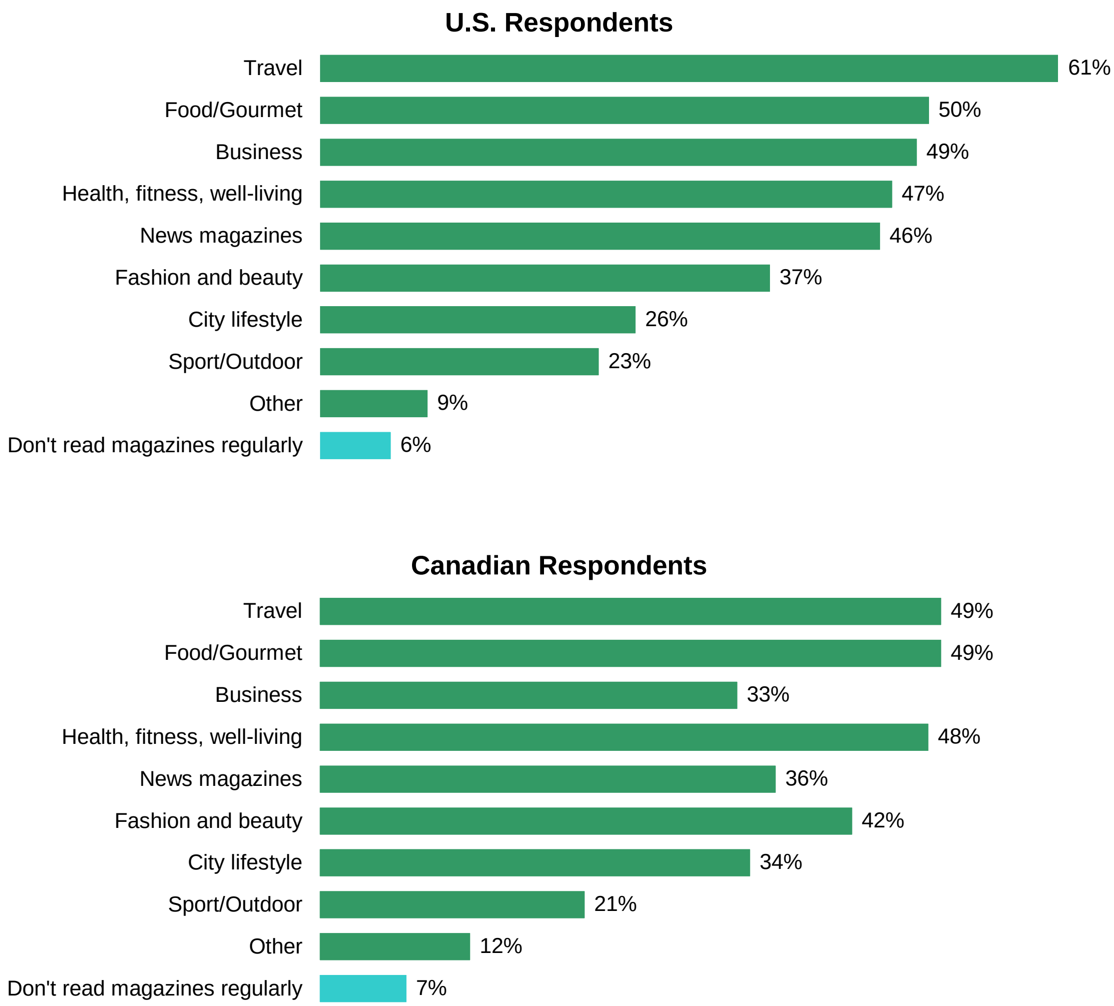


Sources: U.S. results based on 483 respondents; Canadian results based on 456 respondents.

Magazines Read

There are some notable differences in the magazines read regularly by U.S. and Canadian spa travelers (Figure 30). While travel and food/gourmet magazines are the most popular types in both groups, U.S. spa travelers are more likely than Canadians to read travel, business and news magazines. Canadian spa travelers are more likely than Americans to read magazines pertaining to fashion/beauty and city lifestyle.

Figure 30
Which Types of Magazines Do You Read on a Regular Basis?



Sources: U.S. results based on 483 respondents; Canadian results based on 456 respondents.

Use of Newspapers/Magazines as Related to Article/Advertisement Use in Vacation Planning

Are spa travelers who regularly read newspapers or magazines more likely to use their articles or ads in planning a spa vacation? We provided respondents with a list of newspaper and magazine types and asked them to check all of those they read regularly (see Figure 29 and Figure 30). Having also asked respondents which information sources (including newspaper/magazine articles and ads) they have used to plan a spa vacation in the past two years (see Figure 14), we discovered the following relationships.

Use of Advertisements in Spa Vacation Planning

First of all, regular reading of newspapers or magazines (regardless of the type) seems to have no relationship with using newspaper or magazine *advertisements* to plan a spa vacation, with one exception. U.S. spa travelers who regularly read news magazines are more likely than non-readers to use newspaper/magazine ads in planning a spa vacation.

Newspaper Use and Spa Vacation Planning

There are, however, more reading patterns associated with the use of newspaper/magazine *articles* in vacation planning. In Canada, but not the U.S., regular reading of newspapers (regardless of the type) seems to have some relationship with using newspaper (or magazine) articles to plan a spa vacation. Canadian spa travelers who regularly read a national newspaper and those who regularly read the lifestyle section of a newspaper are significantly more likely to use newspaper/magazines articles in planning their vacation.

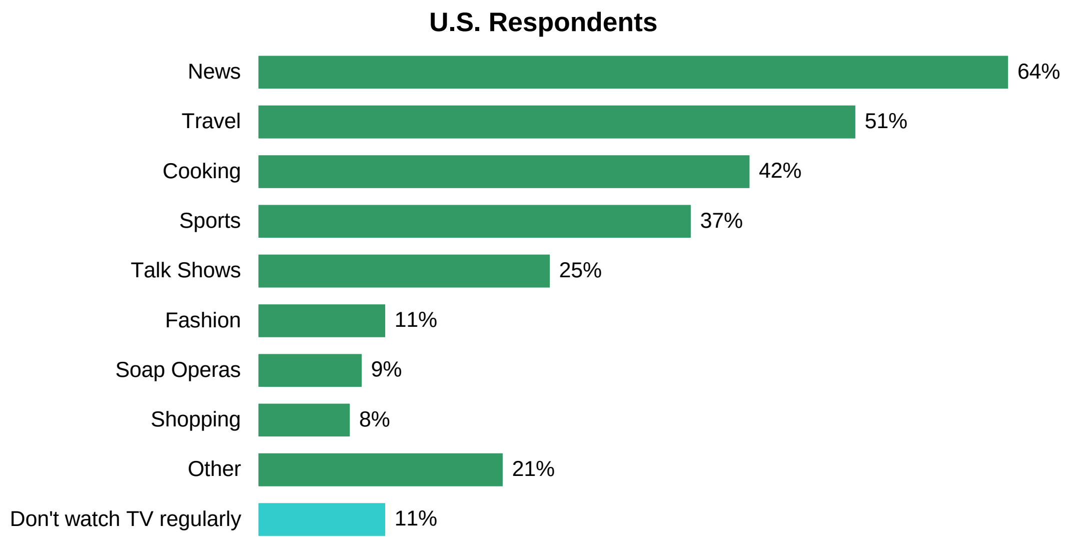
Magazine Use and Spa Vacation Planning

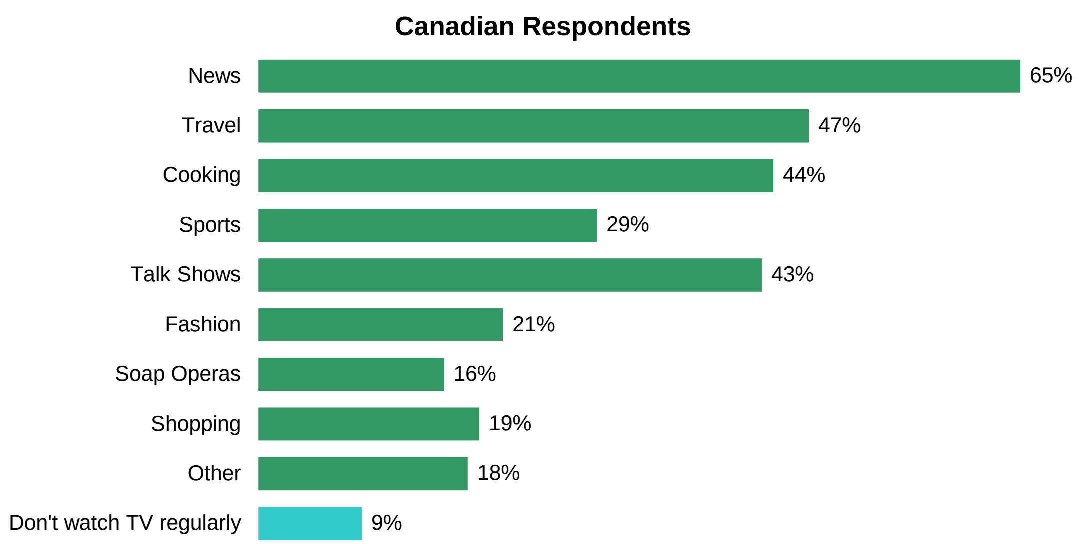
Findings on the relationship between reading magazines regularly and using newspaper/magazine articles in vacation planning are largely inconsistent. The one consistent finding is that in both countries, spa travelers who regularly read news magazines are more likely than non-readers to use newspaper/magazine articles in planning a spa vacation (in the U.S., 25% vs. 13% of non-readers; in Canada, 24% vs. 10% of non-readers). Otherwise, the pattern is mixed. In the U.S., regular readers of business or food/gourmet magazines are more likely than non-readers to use newspaper/magazine articles to plan vacations. In Canada, regular readers of health/fitness or travel magazines are more likely than non-readers to employ newspaper/magazine articles in their planning.

Television Shows Watched

There is strong agreement on the most popular types of TV shows watched: news programs are watched regularly by nearly ⅔ (64%), and travel and cooking programs by at least 40%, of both U.S. and Canadian spa travelers (Figure 31). But Canadian spa travelers are more likely than Americans to view many other types of programs regularly: talk shows, fashion programs, soap operas and shopping programs.

Figure 31
Which Television Shows Do You Watch on a Regular Basis?



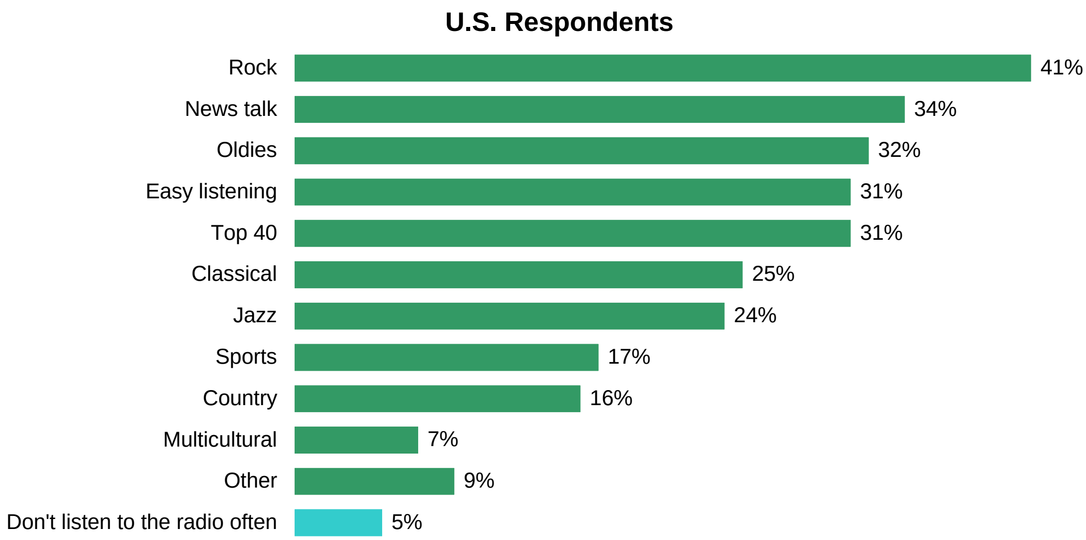


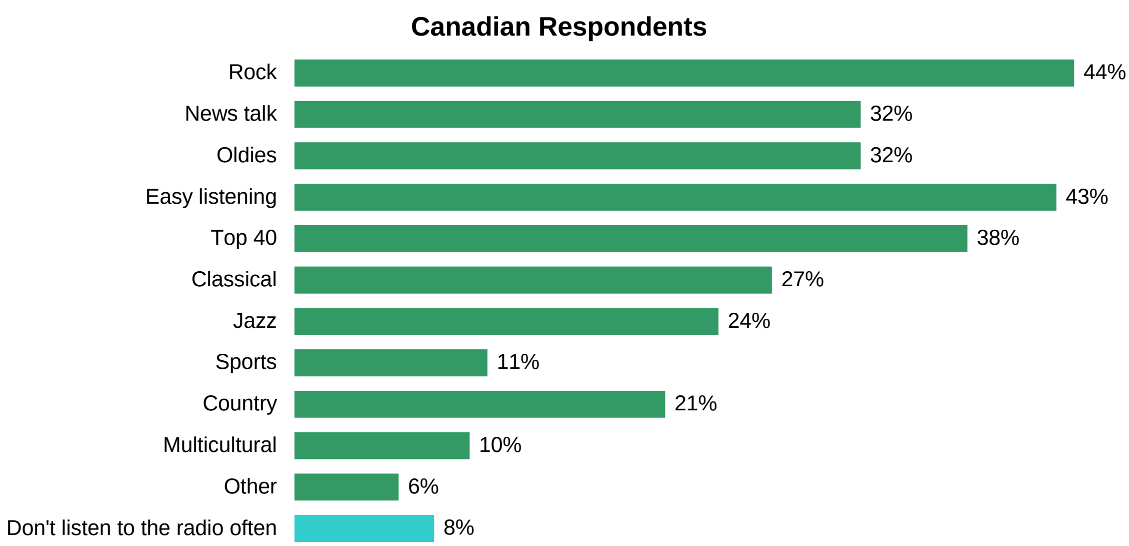
Sources: U.S. results based on 483 respondents; Canadian results based on 456 respondents.

Radio Stations Listened To

While rock stations are the most popular type of radio among both groups of spa travelers, there are some noteworthy differences in the types of radio stations U.S. and Canadian spa travelers listen to regularly (Figure 32). Canadian spa travelers are more likely than Americans to listen to "Easy Listening" "Top 40," and country music stations, while American spa travelers are somewhat more partial to sports stations than are Canadians.

Figure 32
Which Kinds of Radio Stations Do You Listen to Often?



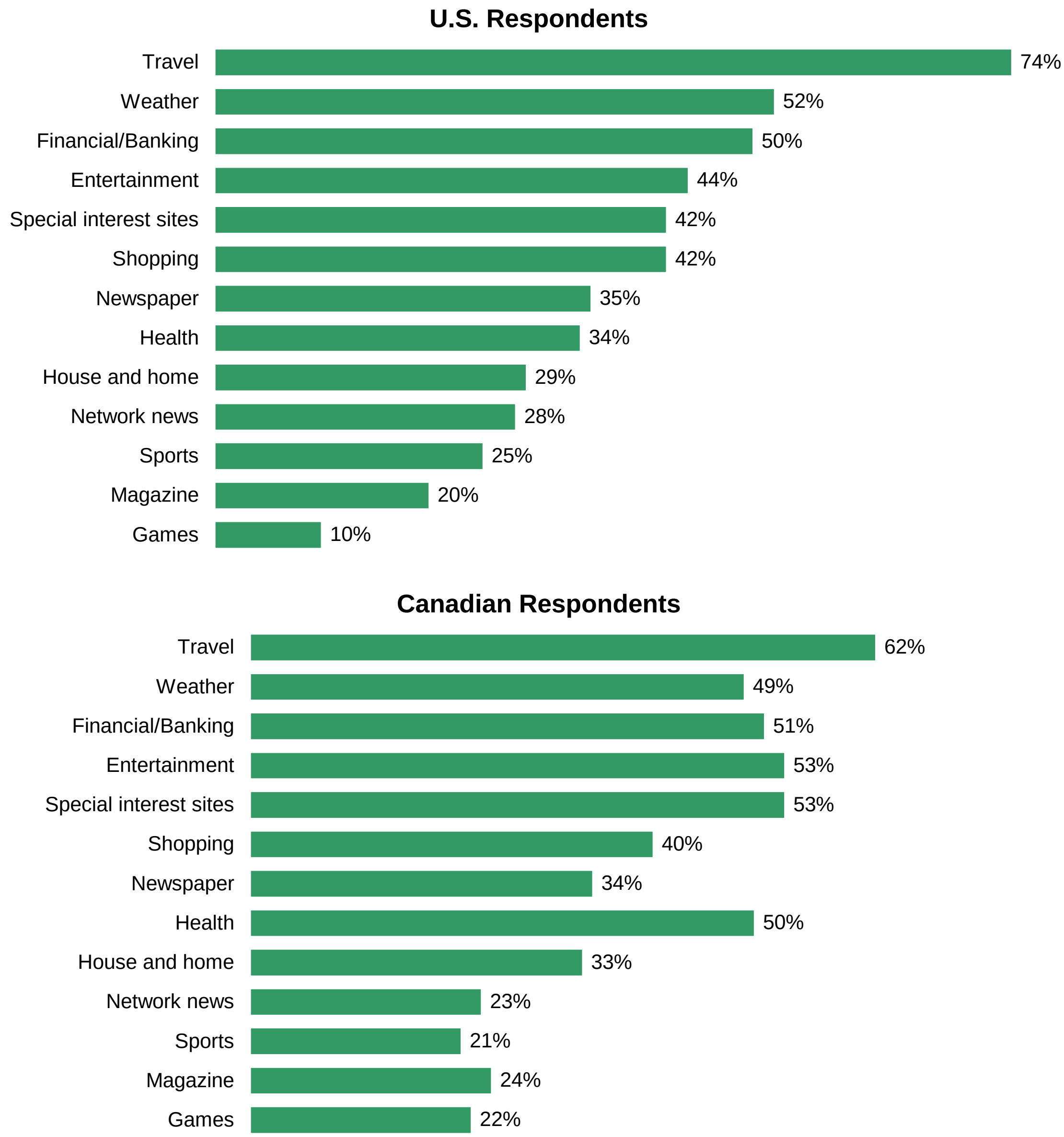


Sources: U.S. results based on 483 respondents; Canadian results based on 456 respondents.

Informational Web Sites Frequented

While travel Web sites are the most popular ones for obtaining general information among both groups of spa travelers (especially Americans), there are notable differences as well (Figure 33). Canadians are more likely than Americans to utilize entertainment, special interest, health, and games Web sites.

Figure 33
Which Kinds of Web Sites Do You Prefer for Personal Information?



Sources: U.S. results based on 483 respondents; Canadian results based on 456 respondents.

Use of Travel Web Sites as Related to Internet Use in Vacation Planning

Are spa travelers who use particular types of Web sites more likely to use the Internet to plan a spa vacation? We provided respondents with a list of Web site categories and asked them to check all of those that they preferred to use for personal information (see Figure 33). Having also asked respondents which information sources (including Web sites in general and electronic newsletters received by e-mail) they have used to plan a spa vacation in the past two years (see Figure 14), we discovered the following relationships.

Use of Travel Web Sites and Spa Vacation Planning

As might be expected, spa travelers who use travel Web sites for personal information are significantly more likely to have used a Web site (of some kind) in planning a spa vacation.[24] The connection is stronger with Canadian spa travelers than with U.S. spa travelers, but is significant for both.

Use of Travel Web Sites and Specific Vacation Preparations

Looking more closely at the types of Web sites used in planning the spa vacation, in both the U.S. and Canada, spa travelers who regularly use travel-related Web sites are significantly more likely to use a resort/hotel Web site in planning their spa vacation. Meanwhile, U.S. travel Web site users are more likely than non-users to rely on airline and travel search engine (e.g., Expedia, Travelocity) Web sites in planning their vacations. Canadian travel Web site users are more likely than non-users to rely on governmental and direct spa facility Web sites in their planning.

Membership in Clubs/Programs

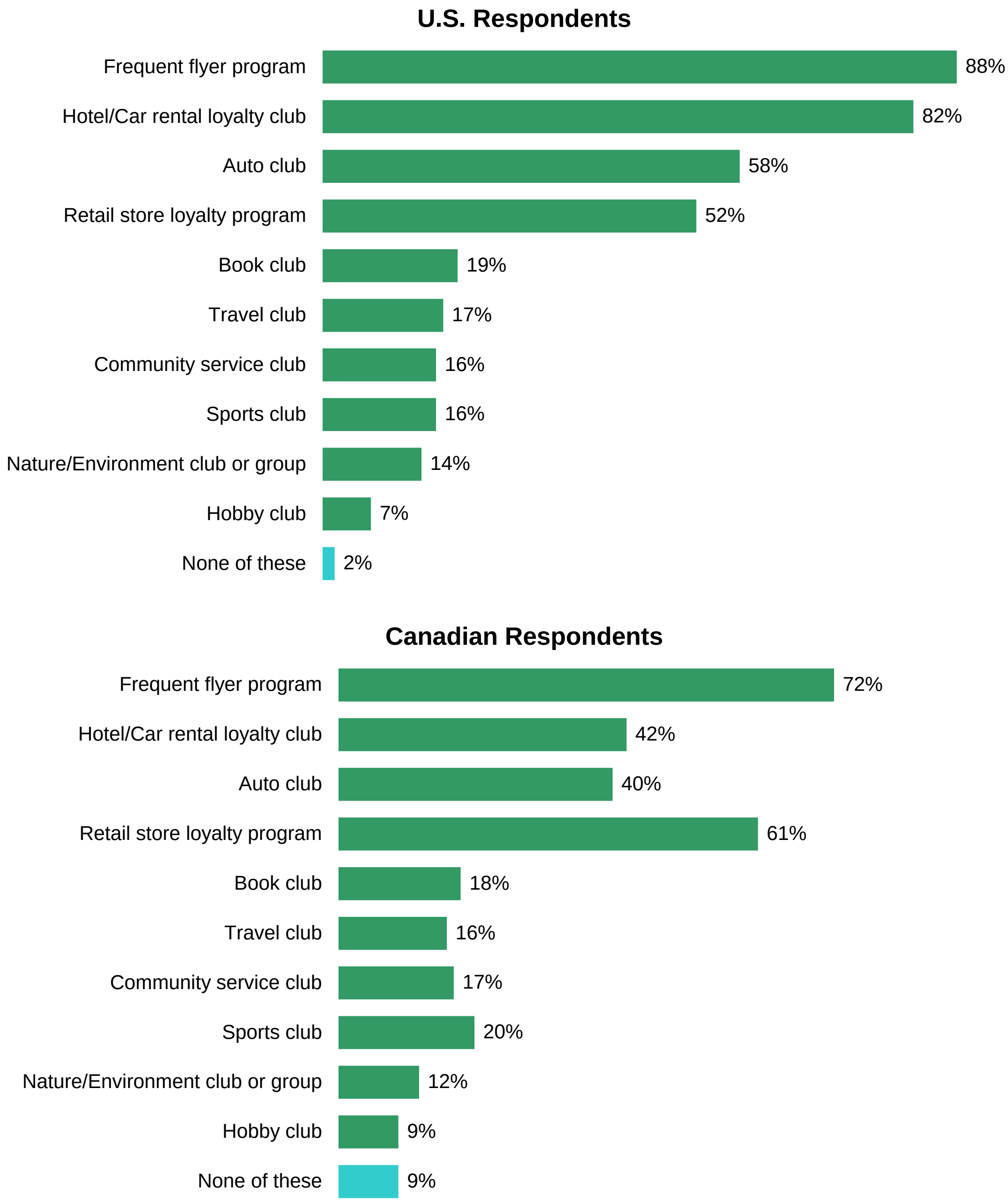
American spa travelers are more prone to join membership programs than are Canadian spa travelers, especially three of the most popular clubs: frequent flyer programs, hotel/car rental loyalty clubs and auto clubs (Figure 34). Canadians are somewhat more likely than Americans to belong to retail store loyalty programs.

Given the high participation rates in these programs by spa travelers, forming partnerships with businesses offering complementary services, such as airlines, hotels and rental car agencies, might create new opportunities to reach consumers predisposed to taking spa vacations. Even developing alliances with retail store

[24] This is not simply a matter of Internet users also turning to the Web for spa trip planning. There is no correlation, for example, between the number of different kinds of Web sites used (a measure of how much an individual uses the Internet to gather information) and use of a Web site for planning a spa vacation. What make the difference is use of specifically travel-related Web sites.

loyalty programs, which do not seem to have any obvious connection to spa vacations, might give a creative spa business a competitive advantage.

Figure 34
Which Clubs/Programs Do You Belong To?

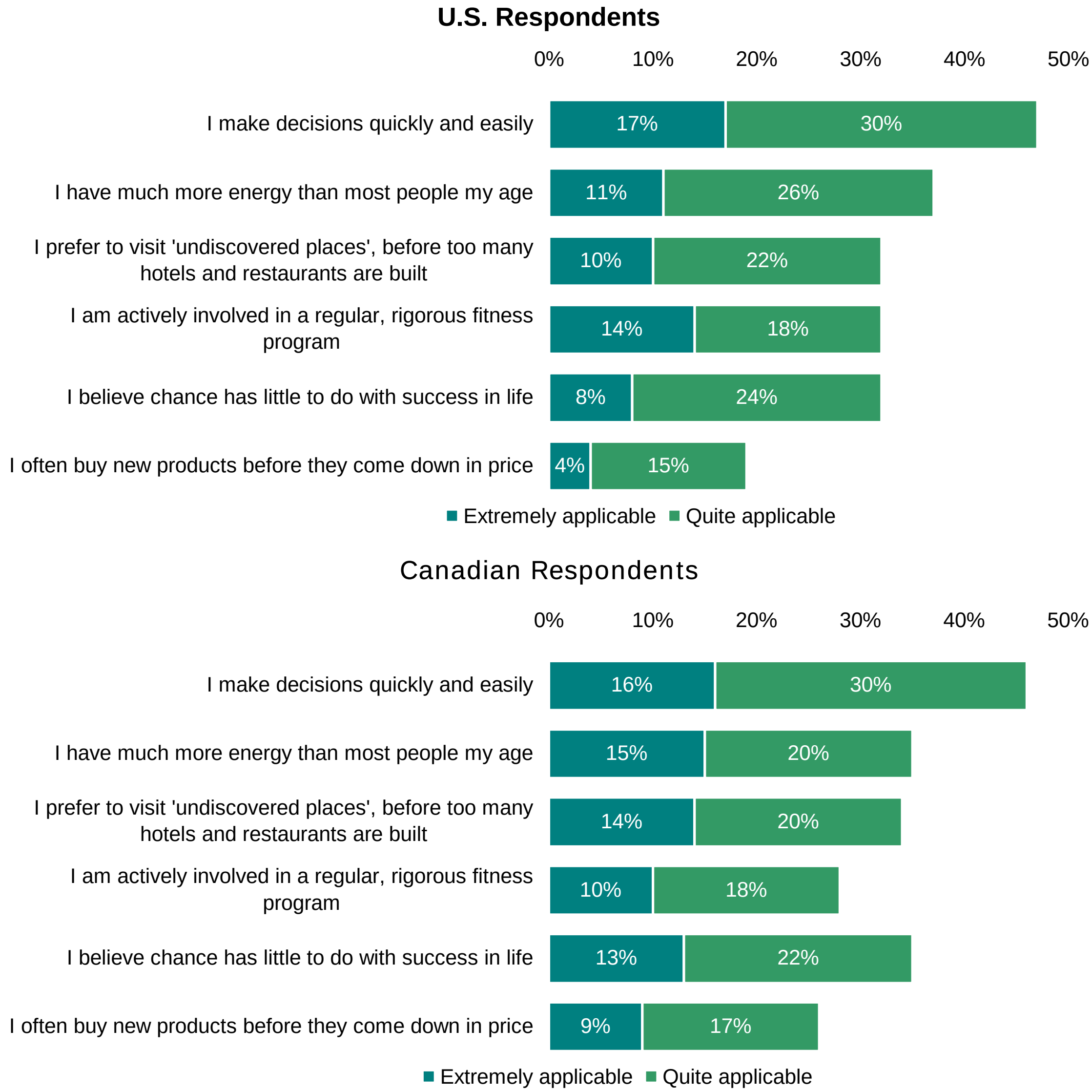


Sources: U.S. results based on 480 respondents; Canadian results based on 456 respondents.

General Lifestyle Attitudes

When asked to respond to a series of attitudinal statements, U.S. and Canadian spa travelers display very similar patterns in their level of agreement with each statement (Figure 35). The strongest (albeit minor) differences are that Americans are more likely than Canadians to claim that they "...have much more energy than most people my age," while Canadians are relatively more likely to feel that they "...often buy new products before they come down in price."

Figure 35
How Well Do These Statements Apply to You?



Note: Percentages for "Somewhat applicable," "Hardly applicable" and "Not at all applicable" are not shown.
Sources: U.S. results based on 480 respondents; Canadian results based on 456 respondents.

Appendix I
Methodology

This report presents results from an online survey conducted in December 2005 and two omnibus telephone surveys conducted in September 2005 to understand consumer attitudes and behaviors related to spa vacations. Two separate samples, one for the U.S. and one for Canada, were used with both survey methods. The samples for both countries received the same survey (with country-specific questions for ethnicity and area of residence). Methodological details of how the data were collected and how key measures were developed are provided here.

Sampling Frame

The main samples for this study were drawn from a panel of consumers with online (i.e., Internet) access in December 2005. Therefore, the populations sampled are a subset of the national populations of the U.S. and Canada, the two countries examined in this research. Over the years, the population of Internet users has grown and extended to households from every walk of life and in every region of the world. Nowhere is this expansion more complete than in the U.S. and Canada. As a result, online samples for these two countries are generally considered to be nationally representative of their respective national populations.[25]

Because day spa use is much more common than use of other spas, quotas were established to increase representation of the use of other kinds of spas. In particular, quotas were used for day spas and resort/hotel spas. In addition to these quota groups, a third category for all other spa types was created. The three quotas for each country were as follows:

- 400 day spa users
- 600 resort/hotel spa users
- 600 other spa users

[25] In fact, online samples tend to outperform many other methods in their ability to reach a diverse consumer population. Telephone surveys, for example, must contend with the widespread practice of screening calls. The use of caller ID and answering machines has reduced response rates to telephone surveys to extremely (in some cases, unacceptably) low levels. Mail surveys, which rely on consumer panels enjoy response rates comparable to online surveys, but the technology of online surveying enables researchers to craft more complex survey instruments or, as was the case with this survey, to control respondent access to questions. Thus, the order of presentation can be strictly enforced and irrelevant questions can be hidden. With mail surveys, the logical flow of questions is under the control of the respondent. For these reasons, online surveys are quickly becoming the standard against which other methodologies are compared.

The total sample desired for each country was 1600 respondents. The actual study samples, however, contained slightly greater numbers of respondents for each quota group and, therefore, for the totals. In any case, the only effect of exceeding the target sample size is a negligible increase in the accuracy of estimates taken from the samples, since any increase in sample theoretically reduces the overall sampling error. The nominal error for a sample of 400 is less than ±4.9 percentage points at the 95% confidence level. The larger groups of 600 have correspondingly less error; namely, no more than ±4 percentage points at the same 95% confidence level.

To ensure that sampling consumers with ready access to the Internet does not unduly skew the estimates of spa use, large-scale omnibus surveys administered via telephone in September 2005 were used to determine use of spas by the general population of each country. Each of the two surveys recorded responses from 2000 adults using a random digit dialing method.[26] Respondents to the telephone omnibus surveys were contacted between September 15 and 19, running from Thursday night to Monday night.[27] This coverage eliminates bias caused by restricting contacts to times of the day in which certain classes of individuals, such as full-time employed persons, may be unavailable.

The results of the two omnibus surveys were used to create post-stratification weights for the two corresponding online samples. The weights adjust for age, gender and type of spa used by respondents in the online surveys. Age and gender are the two characteristics most often misrepresented in online surveys, which tend to over-represent females and younger adults, when compared to the general population. These two demographic characteristics were matched to the census figures of each country, and the use of different spa types was adjusted to correct for the quota sampling.[28] Estimates of spa use taken from the omnibus surveys are reported in Chapter II.

[26] The U.S. omnibus survey, conducted by Opinion Research Corporation, contained a national sample of 2063 adult Americans. The Canadian omnibus survey was administered by Maritz Research and contained a national sample of 2001 adult Canadians.
[27] The Canadian omnibus ran longer, until Wednesday, September 21.
[28] In pre-screening for the online survey, individuals who did not visit a spa were not invited to take the survey. The screening also considered the quota sampling plan. Thus, the research samples themselves could not be used to accurately estimate use of the different spa types. Nevertheless, data collected during the screening process indicate the panel used to draw the online samples is as representative of spa use as the omnibus. That is data on spa types used by the online panel appear equal to the omnibus results, within the margin of sampling error.

Identifying the Spa-Going Population

As this study is based on the attitudes and behaviors of spa-goers, the survey had to screen out consumers who are not active users. For the purposes of the study, an active spa-goer is someone who has visited a spa in the past 12 months for more than a manicure or pedicure. Trips to a gym that offers massage, whirlpool and other services are explicitly excluded unless part of a club spa.

Two questions were used to identify spa users. The first question asked:

In the past 12 months, how many times have you visited the following places?

- Day spa
- Resort/Hotel spa
- Cruise ship spa
- Club spa
- Medical spa
- Destination spa
- Mineral springs spa

A spa user had to have made at least one trip to at least one of the seven spa types to qualify. In addition to making a spa visit, we also required study participants to have experienced more than a manicure or pedicure. We asked:

At the place(s) you indicated visiting in the past 12 months, which of the following services did you experience?

- Full body massage
- Manicure or pedicure
- Facial
- Body scrub or wrap
- Aromatherapy
- Hydrotherapy treatment
- Mind/Body experiences (e.g., guided meditation, Reiki, Chakra alignment)
- Lifestyle classes (e.g., nutritional counseling, journaling, cooking)
- Movement classes (e.g. yoga, Pilates)

To qualify, the respondent had to indicate at least one treatment other than or in addition to "manicure or pedicure."[29]

[29] Prior to these qualifying questions, we also asked if the respondent had "been to an establishment that offers at least two of the following three kinds of services (e.g., massage + body treatments, skincare + body treatments): massage (full body), skincare treatments (e.g., facials), body treatments (e.g., hydrotherapy or body wraps/scrubs)." Although this question was **not** used to screen out non-spa-goers, about 6% of the qualifying sample indicated that they had not been to such an establishment. The establishment described was meant to define a spa using criteria developed by the International Spa Association, but was not used as a screening

Identifying Travelers Who Visit Spas

Not all spa-goers go to spas when traveling. And not all of those who do visit spas while away from home intend to do so. That is, some decide to go to a spa when they are already at their destination rather than include such a visit in their travel plans. As important as these spa visits are to the industry (they are not uncommon after all), they differ fundamentally from planned visits. Not only do they arise from a wider variety of circumstances than planned spa vacations, ranging from simple boredom to a desire to maintain one's spa routine, they generally result from unexpected conditions, situations or events. More to the point, from a business or marketing perspective, such unplanned visits cannot be relied upon precisely because they are an unintended consequence of travel.[30]

For this reason, the bulk of the research on spa visits while traveling focuses on spa vacations. It looks at how the planning was done, where consumers prefer to take their spa vacations and so on. Thus, the emphasis is on understanding how spa-goers come to take the spa vacations they take. Nevertheless, the number of spa-goers who visit spas while away from home for any reason is estimated as part of the research, and one issue that arises is determining how many consumers take spa vacations versus how many have only visited a spa while traveling for entirely different reasons.

To separate out those who happen to visit a spa while traveling from those who actively engage in planning for trips that include a spa, we use two pieces of information. We first ask if the respondent has been to a spa when traveling. The question we ask is:

> **During the past 12 months, have you ever visited a spa while on an out-of-town, one or more night vacation OR BUSINESS TRIP, even if you hadn't intended to visit one when planning your vacation OR BUSINESS TRIP?**

Those who answer in the affirmative are classified as spa travelers. Of these spa travelers, a follow-up question is asked regarding spa vacations to distinguish between planned and unplanned visits. This follow-up question asks:

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question because it was not clear that all consumers would completely understand it. Most of the 6% who claimed not to have gone to the described establishment, in fact, indicated they went to a day spa or a resort/hotel spa. So, these consumers did in fact go to a spa and **are** included in the study, even though they did not recognize the provided definition as such.

[30] This is not to say businesses should not be concerned with these unplanned spa visits. On the contrary, they may constitute a significant business opportunity. However, marketing to consumers *planning* a spa vacation is different from taking advantage of the opportunity that unplanned visits represent. This research is concerned with understanding the attitudes and behaviors of consumers who plan spa vacations.

How many out-of-town, overnight spa vacation trips have you taken in the past 2 years?

Respondents who answer 0 (zero) to this question are spa travelers who have not taken a spa vacation; that is, spa travelers whose spa visits were not included in their travel plans.[31] These respondents are not included in the analysis of the spa ***vacation*** consumers. Thus, the sample analyzed, unless noted otherwise, represents the population of active spa-goers who make travel plans that include trips to a spa. The spa itself may be a part of the place where the traveler stays or it may be located nearby.

Identifying the Spa-Goer Segments

Using a "world" perspective, we can classify spa-goers into one of three different spa-goer segments. These segments represent three different levels of involvement in spa activities, ranging from the least engaged (periphery segment) to the most committed (core segment). The remaining spa-goers (mid-level segment) participate to varying degrees, but show more interest than periphery spa-goers and less than core spa-goers.

The method of classifying the segments used a range of attitudinal and behavioral measures, since no single scale of involvement in spa activities can fully represent all of the different facets. In all, the segmentation used responses to seven separate sets of questions as follows:

In the past 12 months, how many times have you visited the following places?

- Day spa
- Resort/Hotel spa
- Cruise ship spa
- Club spa
- Medical spa
- Destination spa
- Mineral springs spa

At the place(s) you indicated visiting in the past 12 months, which of the following services did you experience?

- Hydrotherapy treatment
- Lifestyle classes (e.g., nutritional counseling, journaling, cooking)

[31] A portion of the sample (~30%) did not answer the questions related to spa travel, even though they qualified as spa travelers. Qualifying respondents were asked to answer these questions as an option for an additional incentive. Given the length of the entire questionnaire, it is understandable that some respondents would choose not to complete the survey and therefore the number of respondents completing the spa traveler portion of the survey is less than the number of respondents who qualified as spa travelers.

Which of these descriptions come to mind as benefits you personally seek or highly value on most of your spa visits?

- Relaxed
- Calm, Quiet or Peacefulness
- Pampering
- Taking time for me
- Refreshed
- Tranquility
- Indulgence
- Escape
- Cleansed or Detoxified
- Release or Time-out
- Treat
- Energized
- Healing
- Fun
- Relief
- Maintaining appearance
- Physical therapy
- Young/youthful
- Cocooning
- Rejuvenated or Renewed
- Journey

Which of the following reasons have MOST OFTEN motivated you to visit a spa?

- Feel better about myself
- Lose weight
- Improve my appearance
- Overall wellness
- Opportunity to socialize with friends

How comfortable do you feel with each of the following aspects of a spa visit (i.e., you know what to expect and what to do)?

- Making an appointment
- Arrival/Checking in
- Selecting treatments
- Asking for assistance
- Discussing treatment options/preferences with therapist
- Undressing/dressing before and after treatment
- Waiting for treatment
- Relaxing after treatment session
- Using complimentary amenities (e.g., sauna)
- Being shown spa products available for purchase
- Paying for services
- Tipping staff
- Expressing concerns regarding your visit

Which of the following spa treatments do you feel you have sufficient knowledge about (i.e., enough knowledge that you would know what to expect with the treatment)?

- Aromatherapy
- Ayurvedic treatment
- Body scrub or wrap
- Energy work (e.g., Reiki, reflexology)
- Facial
- Guided meditation
- Hydrotherapy treatment
- Lymph drainage
- Manicure
- Massage: Deep tissue
- Massage: Hot stone
- Massage: Shiatsu
- Massage: Standard full-body (Swedish)
- Massage: Thai
- Movement classes (e.g., yoga, Pilates)
- Lifestyle classes (e.g., nutritional counseling, journaling, cooking)
- Pedicure
- Sauna/Steam bath
- Tai Chi
- Vichy Shower
- Watsu

What is your opinion of the costs of spa treatments in general?

- Before I tried them, I thought of spa treatments as overpriced luxuries, but now that I've tried some, I think they're well worth the money.
- I can see spending the money on spa treatments occasionally, but they're too expensive for me to purchase regularly.
- Spa treatments are worth the money. You usually get what you pay for.
- Spa treatments tend to be overpriced, usually not worth the money paid.
- The basic spa treatments are worth the money, but the more elaborate treatments seem overpriced.

The questions range from frequency of spa visits to reasons for visiting spas to attitudes towards the pricing of spa visits. While these clearly cover a lot of ground, they all reflect important attitudinal or behavioral aspects of involvement in spa activities. For example, a defining characteristic of any world of activity, such as the spa world, is that price is much less of a barrier to participation by core consumers than by periphery consumers. Similarly, core spa-goers are more knowledgeable about and use a wider range of spa treatments, especially those associated less with pampering or indulgence and associated more with "getting work done."

To use these different responses, a common factor analysis was performed on individual sets of items. Ten separate factors were constructed from items related to the questions numbered 1, 3, 5 and 6 above. Items under question #1 were reduced to a single factor for the number of spa visits in past 12 months. Items under question #3 resulted in four factors representing the following benefit attributes: peace, work, indulgence and youthfulness. Items under question #5 formed a single factor for level of comfort with spas. Finally, items under question #6 yielded four factors that grouped treatments into: massage therapies, meditation and lifestyle classes, appearance treatments, and more advanced treatments, such as "lymph drainage" and "Vichy shower."

The remaining questions were used to construct composite measures or to place constraints on the segmentation procedure. For example, the pricing questions were used to distinguish those with price reservations from those without. The latter would be classified as core spa-goers while those with strong price reservations would be classified as periphery spa-goers. The items under question #4 were used to reveal periphery motivations, where a periphery spa-goer was assumed to be motivated by any of the reasons exclusive of "overall wellness," which would be a mid-level or core spa-goer motive. Finally, the two treatments listed under question #2 indicated core spa activities.

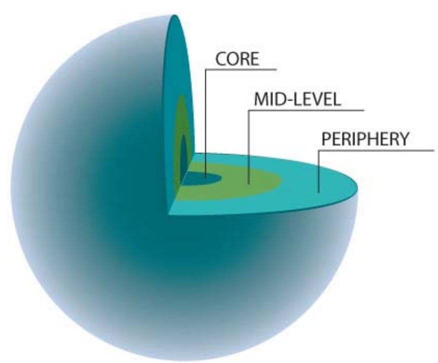
The ten factors along with the additional composite measures were then used to make assignments to the three spa-goer segments. The general strategy identified core spa-goers and periphery spa-goers only. The remainder make up the mid-level spa-goer segment. Core spa-goers are defined as those with above average scores on each of the following factors: frequency of visits, work as a benefit, being comfortable with the spa experience and knowledgeable about the advanced treatments. Periphery spa-goers are defined as those with below average scores on frequency of visits and comfort with the spa experience in addition to indicating periphery motivations, and scoring above average on: either indulgence or youthfulness *and* knowing about either appearance or massage therapies. Finally, as noted above, the pricing information was also used to segment, but this information was used independently. That is, a price sensitive consumer was classified as periphery and a non-price sensitive consumer was classified as core.

Appendix II
The Hartman Model

The Hartman Model was developed with an understanding that a successful marketer needs to understand not only *who* their consumers are, but also *how* to engage them in a lifestyle proposition that results in purchase. Developing this understanding of consumers requires analysis of three key lifestyle components: how consumers live, how they shop and how they use the things they buy. Since the manner of participation in most activities is uniquely determined by the activities themselves, the drivers of live, shop and use differ significantly by lifestyle.

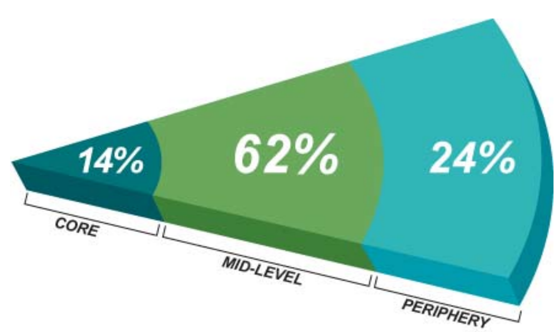
The Hartman Group conducts consumer lifestyle analysis from what we term a "world perspective," in which we can envision a center, the "core," as well as an outer edge, the "periphery." This in-depth lifestyle research combines traditional quantitative methods with innovative qualitative techniques drawing from sociology, anthropology and ethnography. The model adapts well to understanding how consumers live, shop and use in relation to the activities defining different product and service worlds.

The World Perspective



The individuals and organizations in the core are those most active in a given world of activity, while those at the periphery are maintaining only minimal, infrequent and less-intense involvement with that world.

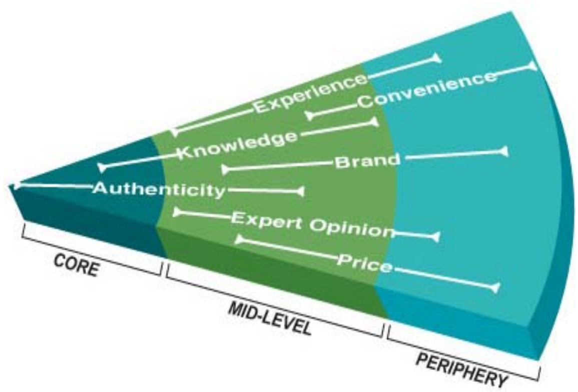
Size of Segments



Typically, the people and organizations comprising the center of a given world of activity are much smaller in number than those connected to the periphery. Even larger is the mid-level segment, where we find the majority of consumers.

Upon analyzing a world, we can identify "dimensions of consumption," which are the key attributes or influences that shape individual decisions in the marketplace. All of these dimensions are linked by a common world theme (e.g. spas) with different dimensions becoming more salient as a consumer moves from the periphery to the core. At the periphery are familiar key buying factors, such as price, brand and convenience; while closer to the core factors such as authenticity and knowledge become more important.

Dimensions Organizing a World of Activity



This model is used for our consumer research and analysis and can be adapted to include key dimensions of consumption identified as critical to understanding core, mid-level and periphery consumers in any product or service world.

The Hartman Model's innovative "world perspective" offers more than simply a different way to approach market research. It provides us with insights that competing firms' methods do not. In at least two significant ways, our approach moves us closer to achieving client objectives than conventional practices. First, it allows us to classify consumer behavior in a way that addresses the need to understand varying levels of involvement in the world without having to resort to simplistic segmentation schemes. Second, it permits us to analyze attitudes and values separately from consumer behavior in order to gain a better understanding of the linkages between what consumers say and believe and what they actually do.

In contrast to our method of classifying behaviors, most consumer research attempts to group or cluster consumers into a small number of segments with supposedly similar demographic or psychographic profiles. While this type of segmentation does a reasonable job of identifying the most obvious response patterns to survey questionnaires, it rarely captures meaningful consumer behavior, because it fails to represent consumer behavior as social and subject to influences that attitudinal statements do not adequately describe. Our model provides us with a context for designing, analyzing and interpreting qualitative research that is absent from standard methods of consumer research. By focusing on the occasions or situations that consumers engage in as part of a world of activity, we can assess the intensity or depth of usage without having to artificially attribute a given level of involvement to a fixed type of consumer.

With regard to the second benefit of our approach, we have found, as have many other market researchers, that consumers often say one thing and do another. In part, this reflects the difficulty of using general attitudinal data to explain or account for specific behaviors. At the same time, the attitudes expressed in surveys and in face-to-face discussions can provide important clues to general values and beliefs that significantly color the way that consumers relate to products, services and promotional messages. By not assuming a one-to-one correspondence between what people say and what they do, we can distinguish between what appeals to different sensibilities and what affects purchase decisions. In other words, we neither accept blindly nor dismiss out of hand what consumers say. Rather, we recognize attitudes for what they are—indicators of values and interests that may find expression in actual behavior under certain circumstances. The Hartman Model enables us to identify and understand the conditions that bring about these circumstances.