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SWITCHED ON



A survey from ISPA focuses on how US consumers, especially spa-goers, use social media. Leonor Stanton analyses the findings and gets insights from operators

Spas now represent the fifth largest leisure industry in the US with revenues in 2013 of US\$14.7bn (€12bn, £9.4bn) according to the 2014 US Spa Industry Study unveiled by the International Spa Association (ISPA) in October. With more than 20,000 spas attracting some 164 million visits, the opportunities this creates for social media are clearly an area of interest, particularly given that 92 per cent of the US population has interacted with at least one social media platform.

With this in mind, ISPA also released a consumer survey which takes a deeper look at social media trends and preferences. Separate to the ISPA's spa industry study, *Social Media and the Spa-Goer* looks at social media habits in US consumers as a whole, as well as highlighting spa consumer usage. Despite the prevalence of social media space, however, it found that social media sites have "so far failed to really engage the majority of consumers". We dig deeper to find out why.

Popular platforms

Spa-goers are much more likely to be active users and contributors of all social media platforms than the population in the US as a whole, the survey found.

Facebook is the platform used by most (Table 1). However, it's Instagram, Pinterest, LinkedIn and Twitter which are more likely to be used by spa-goers. (Diagram 1)

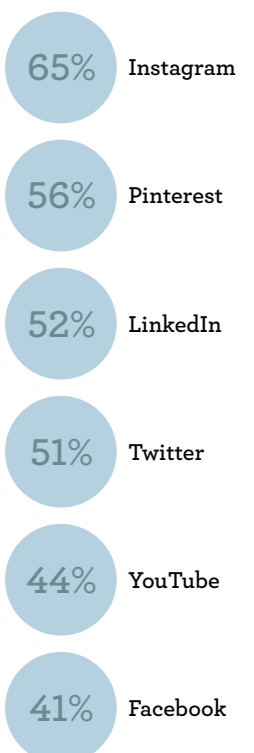
As a result, the survey suggests that, "despite the fact that Facebook and YouTube are the platforms used by the highest percentage of spa-goers (and the general population as a whole), in some circumstances it may be more beneficial to post to other sites... over half of the users of Instagram, Pinterest, LinkedIn and Twitter have visited a spa in the last 12 months, whereas the majority of Facebook and YouTube users have not. In particular,



Men are more likely to book a spa treatment using social media websites than women

DIAGRAM 1

% of users of each social media platform who are spa-goers



Instagram is a hub for spa-goers according to the survey

TABLE 1

Most Popular Social Media Sites

	General Population		Frequent Social Media Users
	Ever Used	Frequently Use (at least once/week)	Spa-Goers
Facebook	82%	68%	80%
YouTube	75%	40%	55%
LinkedIn	42%	16%	30%
Twitter	41%	23%	30%
Pinterest	38%	18%	31%
Instagram	31%	18%	34%

Source: Social Media and the Spa-Goer, Consumer Snapshot – Volume V, ISPA 2014

Instagram, the picture posting platform, is a hub for spa-goers, so posts to this site might be more frequently engaged with and shared". Some 65 per cent of Instagram users are spa-goers.

Driving business

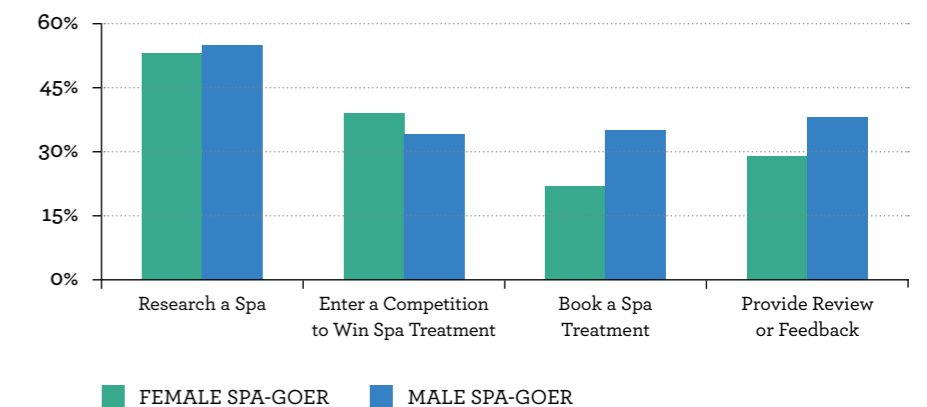
Social media is more likely to be used in pre-purchase activities – gathering and sharing information. Far fewer customers engage in post-purchase interactions, such as providing reviews. Men are more likely to book a treatment or engage in post-purchase activities than women, while women are more likely than men to enter competitions (See Graph 1).

The social media survey confirms ISPA's previous findings that discounts are important to drive revenue and promote loyalty, especially for women. "Spa treatment discounts" scored 4.16 out of 5 in terms of importance for women and 3.95 for men. In fact, three of the top four influencing factors for visiting a spa relate to promotions/discounts.

Also important are "mentions from friends/family" which are given a much higher influence than "mentions from someone you don't know" – 4.04 versus 2.99. "Photos of a spa facility" are also relatively key scoring 3.80, while "information about the benefits of a spa treatment" and "healthy living tips" score around 3.45.

GRAPH 1

Spa-Goers Using Social Media to Connect



Source: Social Media and the Spa-Goer, Consumer Snapshot – Volume V, ISPA 2014

The researchers suggest that one way spas could capture customer attention is to use social media to engage users in health and wellness discussions. To do so effectively, they should look at using the most popular health and wellness topics that people research on social media. Interestingly, the top three researched topics are the same for both spa-goers and members of the general public – namely issues associated with "fitness", "nutritional advice" and "stress".

Obstacles to overcome

But why has social media failed to engage the majority of consumers? The survey finds that this is down to the perceived reliability of information. It reports that "while 43 per cent of the general population feel social media helps them to research products and services, only 27 per cent of people trust the reviews they read."

The figures are slightly more positive for spa-goers – 61 per cent of them feel social media is a helpful tool for



“

We need to protect the privacy of our customers... On the other hand, we need to consider how we give them a chance to capture a moment photographically, so they can share it with others

”

- ▶ researching products and services and 45 per cent trust social media reviews.

Nevertheless, spa operators feel that gaining consumer confidence in social media is something the industry still needs to address. Jeremy McCarthy, Mandarin Oriental's group director of spas, says: "The trust in content will depend entirely on what the content is, by whom it's posted and the context in which it appears." This view is endorsed by Shane Bird, director of spa operations at Turning Stone Resort, US, too: "Trust needs to be earned on social media just like in real life. Good trustworthy interactions via social media will improve the public's perception [of spas]."

Another part of the survey focused on challenges surrounding consumer reviews. The researchers found that "businesses appear to already be aware that one of the best ways of securing new revenue streams is through consumer endorsements. The key question here is how to encourage consumers to make endorsements and whether incentives are necessary. This survey found that a relatively low proportion of people (three in 10 in the general population, and four in 10 spa-goers) expect to receive an incentive when making an endorsement."

Wendy Chamier owner of UK-based Sesame Internet Marketing says: "the whole incentivisation for endorsements is a very emotive area with people selling

SURVEY METHODOLOGY

The ISPA Foundation's *Social Media and the Spa-Goer* survey was conducted by PricewaterhouseCoopers' Research to Insight (r2i) team. It was based on the response of 1,014 people from a sample of US consumers which it says were "representative of the age, income and regional distribution of the population as a whole". It did not specifically target spa-goers. To find out more about ISPA and its foundation, visit www.expereinceispa.com



McCarthy says spas should give a great experience to get more social media exposure

review services. This is one reason why reviews on social media can struggle with reputation." McCarthy suggests that "the best way to encourage consumers to endorse you on social media is to give them an experience that is worthy of talking about."

In addition, McCarthy believes that "the spa world needs to figure out how to incorporate technology in the spa". But there are two conflicting interests when it comes to this. "On the one hand, we need to protect the privacy of our customers and the tranquility of spas as a place to have a respite from technology," he says: "On the other hand, we need to consider how we give customers a chance to capture a moment photographically, so they can not only reminisce about their visit, but also share it with others."

The survey also found that despite the traffic on social media, adverts on the platforms aren't especially effective. "Only one in five people click on the advertisements they see on social media, although this increases to two in five spa-goers," it reports. Canyon Ranch's social media specialist, Alex Williams concurs: "[Social media] adverts are not particularly effective specifically for

Canyon Ranch since our stays are tailored to each individual need."

According to Bird: "We get more response through experiential interactions and word-of-mouth [than from adverts]. Obviously, social media is a great medium for this sort of interaction." Meanwhile, Chamier adds: "success depends on how social media is used with regards to relationship building and being 'real'. It's not just about clinically running ads." That said, both Williams and Bird believe that two in five clicks on adverts is actually considered very high.

A further challenge according to Andrew Gibson, the spa & wellness vice president for FRHL, is that, "what's best for one property does not necessarily correspond to another." Therefore, one social media strategy alone may not be sufficient in a multi-unit business.

More to come

It's clear that social media has, and continues to, revolutionise how spa operators and owners can target their marketing. According to Chekitan Dev, an associate professor of strategic marketing and brand management at Cornell University: "social media is critical to fully unleash the 3Cs of digital marketing and branding – communication, commerce and community. This is the new imperative for all businesses."

There's still some way to go, however, to fully realise the potential of marketing via social media channels. Further, in such a rapidly evolving and dynamic area, spas should also consider other uses of social media such as predicting trends and the popularity of different types of treatments or using social media to enhance knowledge sharing and collaboration between therapists and management. ●



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