

Take the Spa Industry Seriously



There appears a divide in our industry where some massage therapists hailing from the clinical side view spa massage as “not real massage”. They see spa massage as pampering without true therapeutic value. The marketplace begs to differ as millions of people clamber to spas every year to offset stress and tension, and improve health and wellness.

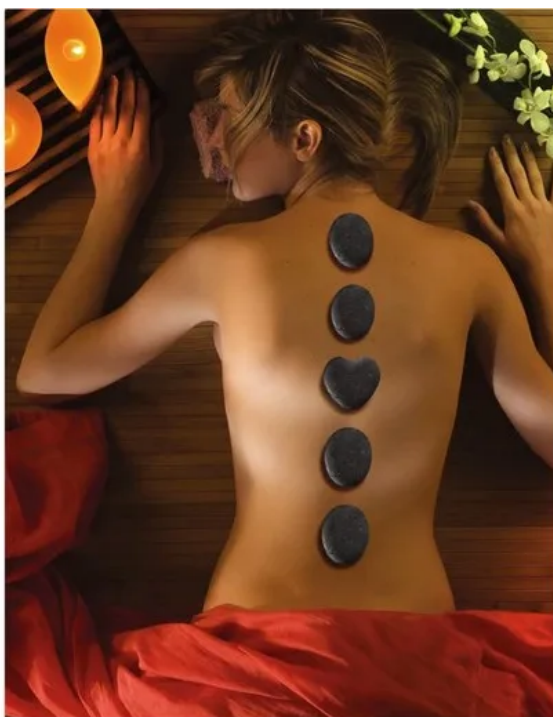
Whatever your opinion of spa therapy, it has become a market force to be reckoned with. With exponential growth in the spa sector and the opening of spa-based massage franchises in Canada, spas will continue to be a major employer of massage therapists.

HOW BIG IS THE SPA INDUSTRY?

According to the 2006 Canadian Spa Sector Profile, prepared for the Canadian Tourism Commission, there were more than 2,300 spa locations in Canada at the time of the study (the most recent to date), with Ontario accounting for 44 per cent of the spas. British Columbia, Quebec and Alberta follow, and these four provinces account for nine out of 10 spas in Canada. Day spas compose the largest category

of spas, making up 75 per cent, with resort/hotel spas, medical spas, destination spas, club spas and mineral spring spas constituting the remainder.

In 2005, the Canadian spa industry generated over \$1 billion in revenue, with 49 per cent of the revenues derived from treatment rooms. As of March 2006 there were an estimated 25,900 people employed by the spa industry. Sixty per cent were employed as full-time workers, 25 per cent



part-time and 15 per cent on contract. Spa employee payroll claims 39 per cent of spa industry revenues.

In 2005 there were an estimated 14.1 million visits to Canadian spas. Commercial real estate benefits too – the spa industry occupies approximately eight million square feet of indoor space.

HOW FAST IS IT GROWING?

The spa industry has grown 17 per cent annually on average, with a cumulative growth of 329 per cent from 1996 to March 2006. In 2005, per spa revenues grew 12 per cent, with an increase in the spa workforce at a moderate four per cent. However, total industry employment increased by 20 per cent from 2004 to 2005.

The industry saw a 20 per cent increase in spa visits between 2004 and 2005, but this may be accounted for by the 20 per cent increase in number of new spas opening. Spa size is expanding as the total indoor square footage of spas increased by 28 per cent between 2004 and 2005 compared to a 14 per cent increase the prior year.

TOURISM AND THE CANADIAN SPA INDUSTRY – THE BEST-KEPT SECRET

The spa industry in Canada is expected to have great potential, with spa tourists in America, Europe and Britain largely untapped. Spas rely on tourists for 29 per cent of visits – equating to 25 per cent of revenues – with one-third of all spas in Canada qualifying as tourism-oriented. Statistics show tourism-oriented spas are outpacing other forms of spas in growth.

WHERE IS THE INDUSTRY GOING?

Massage still dominates as the primary service requested

but is followed closely by facials, pedicures and manicures. Many spas are capitalizing on new niche markets in health and wellness by offering weight loss and fitness intensives. Spa consumers are educating themselves, looking to get better value and a greater level of experience with their dollars. Increasingly, men are heading for the spa, although the market demographic is still largely women. Quebec has seen a significant rise in investors looking to put their dollars down to open spas.

TAKE THE SPA INDUSTRY SERIOUSLY

Key industry indicators show the spa industry will continue to grow and saturation has not yet been reached (i.e., when the number of spas is still growing, but location and visits are decreasing), although some signs indicate saturation may be on the horizon.

The report indicates the industry is shifting in human resources from an industry of quantity to one of quality, and there is still a never-ending shortage of staff. The report producers suggest spa tourism is greatly untapped in Canada and the industry needs to market this heavily.

“While it is still a young industry, the spa industry has proven that it is a significant industry that is not going to go away. It has surpassed the \$1 billion per year mark. The image has moved away from an image of pampering to one that fills the need of a busy, stressed society.”

REFERENCES

1. 2006 Canadian Spa Sector Profile. Canadian Tourism Commission. Produced by Association Resource Centre Inc., Research and Strategy Division
2. Ibid

Don Dillon, RMT, is the author of *Better Business Agreements: A Guide for Massage Therapists* and the self-study workbook *Charting Skills for Massage Therapists*.

More than 60 of his articles have been published in industry publications including *Massage Therapy Canada*, *Massage Therapy Today*, *AMTA Journal*, *Massage Magazine* (on-line), *AMTWP Connections*, *Massage Therapist* (Australia) and various massage school and professional association newsletters.

Don has received the Ontario Massage Therapist Association (OMTA) President's Award of Merit, two Hand of Thanks awards, and the Ken Rezsnyak award for his work on behalf of the massage therapy profession.

He is one of the founding members of Massage Therapy Radio, and has presented in six provinces to massage therapy schools and associations. His website, www.MTCoach.com, provides a variety of resources for massage therapists.

