



For Immediate Release:

Intelligent Spas Publishes Fifth Spa Study for Australia

Singapore, 26 November 2009 – Intelligent Spas' fifth Spa Benchmark Report on the Australian spa market presents an extensive collection of financial statistics including breakdowns of key performance indicators by day spas, hotel spas and resort spas. The new research found over 600 spas are operating in Australia and are expected to generate AUD500 million (approximately USD465 million) in revenue during 2009, representing a 17% increase compared to 2008.

Other key findings included:



- 67% of spas were day spas (not co-located with accommodation) and 33% were destination spas incorporating hotel, resort and retreat spas offering overnight accommodation.
- The spa industry is forecast to employ almost 7,000 people in 2009, which was a 17% increase on 2008 employment numbers.
- 54% of visits to hotel spas were from people not staying in the adjoining hotel, highlighting the importance of hotel and resort spas also catering to their local markets in terms of operational policies and procedures and incorporating local day spas in their competitor analysis activities.
- Prices of standard spa treatments were higher at hotel spas in comparison to prices set by day spas and resort spas.
- 15% of spas noticed an increase in massage bookings, particularly hot stone massage and other relaxing massages.

"Overall, the Australian spa industry continued to grow during the global economic crisis however some key performance indicators per spa declined due to the crowded market. Spa owners and managers are currently challenged with increasing visits per spa and these updated statistics will help them identify how to operate more effectively in this competitive market going into 2010" explained Julie Garrow, Managing Director of 100% independent research company Intelligent Spas (www.IntelligentSpas.com).



Karen Goudge, President of the Australasian Spa Association stated "the latest Benchmark Report shows how the spa industry continues to change in reference to additional staff being employed and spa treatment requirements. At the Australasian Spa Association, we are happy to inform our members of updated surveys being released by Intelligent Spas as they offer great insight and benefit to our spa industry."



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Julie Garrow, Managing Director, Intelligent Spas

Spa Benchmarks Available

The full report is available from Intelligent Spas website at www.IntelligentSpas.com and contains almost 1,000 updated spa industry benchmarks relating to total spa revenue, spa treatment revenue, expenses, visits and employment, with many topics showing historical data available from 2005 to 2008, plus forecast data for 2009 and 2010. The benchmarks are comparable across the entire spa industry due to the consistent global research methodology implemented by Intelligent Spas. Other statistics and benchmark ratios featured in the report include:

- Average Revenue per Visit
- Total Revenue and Treatment Revenue per Available Treatment Hour and Minute
- Total Revenue and Treatment Revenue per Square Meter/Foot
- Total Revenue and Treatment Revenue per Available Treatment Room
- Total Revenue and Treatment Revenue per Employee
- Breakdown of Total Revenue including retail revenue
- Breakdown of Total Expenses
- Visitor Profiles by Gender, Age and Residence
- Proportion of Hotel Guests Visiting the Spa

Susanne Nelson, former President of the Australasian Spa Association added "accurate and comprehensive market research to help support and grow an industry is always essential, now more than ever in this uncertain financial climate. The information is required to help existing businesses benchmark how they are tracking, along with providing newcomers and suppliers with essential facts to help them succeed. The continued success of the main players and growth in new entrants will lead to a vibrant and healthy industry where the success of the individual contributes to the success of a healthy industry and a healthier population. To those who participated, congratulations in recognising how beneficial this type of information is to the industry's success and to Julie Garrow and Intelligent Spas, congratulations on your continued success at providing these statistics and giving the industry a tool that helps establish a better understanding of its position."

The report also presents a collection of supporting business intelligence including:

- Spa business models describing ownership, business structure, management structures.
- Spa infrastructure covering spa size, space breakdown, treatment rooms and stations, standard support facilities versus water-based support facilities.
- Spa menus such as variety of hydrotherapy and water-based treatments offered and the range of treatments practiced.
- Spa industry trends relating to treatments and clients.

Research Objectives and Sampling

This Spa Benchmark Report aims to provide a reliable update of the spa population, profile, size and value, plus calculate updated and reliable industry benchmarks for key financial and performance indicators.

The research achieved a response of 400 validated spa businesses, representing 66.1% of the spa population, where 5% is considered reliable in industry research terms, and is

Intelligent Spas News Release - Australia Spa Benchmark Report



available for purchase from www.IntelligentSpas.com. Note: Intelligent Spas does not conduct anonymous surveys. Each respondent must identify themselves, comply with Intelligent Spas' benchmark definition of "spa" and pass numerous screening criteria to qualify to ensure the research is accurate and reliable for users. Intelligent Spas' 100% independence policy ensures all individual survey data submitted by spas is not used for any other purpose. To join Intelligent Spas' free Global Spa Benchmark Program, register at www.IntelligentSpas.com.

Intelligent Spas is the only 100% independent research company specialising in the spa industry. Founded in Singapore in 2001, it has pioneered spa industry research in the greater Asia Pacific region and continues to publish a range of Spa Operations Manuals and Spa Benchmark Reports to assist the performance and growth of this essential industry.

Intelligent Spas' Global Spa Benchmark Program is currently underway in over 80 countries and aims to produce reliable and comparable statistics to help spas maximise their performance, provide business intelligence to assist other organisations to better understand, service and support the spa industry plus generate greater awareness of the spa industry to increase spa visits.

Contact: Julie Garrow, Managing Director, Intelligent Spas
– Media Request and General Contact Forms are available at www.IntelligentSpas.com.

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