



For Immediate Release:

Intelligent Spas Publishes Updated Dubai Spa Benchmarks

Singapore, 15 July 2009 – Intelligent Spas' second Spa Benchmark Report on the Dubai spa market presents extensive business intelligence and financial statistics including breakdowns of key performance indicators by day spas, hotel spas and resort spas. The new research found over 60 spas are currently operating in Dubai and generating revenue of AED320 million (approximately USD87 million).

Other key findings include:

- Resort spas achieve significantly higher revenue per spa compared to day spas and hotel spas.
- Over half of the visits to Dubai hotel and resort spas are from people not staying at that property, 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.
- The daily treatment revenue per available treatment room recorded by day spas increased by 22% over the last year.
- Prices of standard spa treatments are higher at hotel spas in comparison to prices set by day spas and resort spas.
- Average treatment room occupancy/utilization and therapist productivity rates are less than 50%.
- Almost 30% of visitors to Dubai spas are international tourists.

Industry Outlook:

- Spa numbers are forecast to grow 17.7% by the end of 2009.
- Revenue is predicted to fall by over 50% before a recovery in 2010.
- Spa visits are forecast to decrease by 33.7%.



"Overall the Dubai spa market is experiencing reduced demand which is greatly affecting revenue. These updates provide a clear view on current market conditions and the short to medium term outlook. There are significant differences in the performance of day spas, hotel spas and resort spas and this detailed research is a valuable tool for those currently operating in, or planning to enter the Dubai spa market" stated Julie Garrow, Managing Director of 100% independent research company Intelligent Spas (www.IntelligentSpas.com).

Intelligent Spas' Global Spa Benchmark Program



Spa Benchmarks/Key Performance Indicators:

This is the most comprehensive statistical report ever published on the Dubai spa market and it contains over 1,050 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 Treatment Price
- Average Revenue per Visit
- Therapist Productivity/Utilisation Rate
- 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
- Repeat Visitation Rate
- Visitor Profiles by Gender, Age and Residence
- Proportion of Hotel Guests Visiting the Spa

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.

"Overall the Dubai spa market is experiencing reduced demand which is greatly affecting revenue"

Julie Garrow, Managing Director, Intelligent Spas

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 55 validated spa businesses, representing 89% of the spa population and is 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

Intelligent Spas' Global Spa Benchmark Program



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 70 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.

The detailed table of contents is below:

| | |
|------|-----------------------------------------------------------------------------|
| 1 | Executive Summary |
| 2 | About the Research |
| 2.1 | The Value of 100% Independent Research |
| 2.2 | Confidentiality Policy |
| 2.3 | Benchmarking Definition of "Spa" |
| 2.4 | Definitions of Spa Sub-Types |
| 2.5 | Research Objectives |
| 2.6 | Research Methodology and Sampling |
| 2.7 | Challenges |
| 2.8 | How to Read the Report |
| 2.9 | Acknowledgements |
| 2.10 | Educational Resources |
| 3 | Spa Industry Size and Value |
| 3.1 | Number of Spas 2007-2009F by Day Spas, Hotel Spas and Resort Spas |
| 3.2 | Total Industry Revenue 2007–2008 by Day Spas, Hotel Spas and Resort Spas |
| 3.3 | Total Industry Visits 2007–2008 by Day Spas, Hotel Spas and Resort Spas |
| 3.4 | Total Industry Employment 2007–2008 by Day Spas, Hotel Spas and Resort Spas |
| 4 | Financial and Performance Benchmarks |
| 4.1 | Annual Revenue per Spa 2005-2010F |
| 4.2 | Annual Revenue per Spa 2007-2008 by Day Spas, Hotel Spas and Resort Spas |
| 4.3 | Daily Revenue per Spa 2005-2010F |
| 4.4 | Daily Revenue per Spa 2007-2008 by Day Spas, Hotel Spas and Resort Spas |
| 4.5 | Breakdown of Total Annual Revenue 2008 |
| 4.6 | Breakdown of Total Annual Expenses 2008 |
| 4.7 | Annual Visits per Spa 2005-2010F |
| 4.8 | Annual Visits per Spa 2007-2008 by Day Spas and Hotel Spas |
| 4.9 | Daily Visits per Spa 2005-2010F |
| 4.10 | Daily Visits per Spa 2007-2008 by Day Spas and Hotel Spas |
| 4.11 | Annual Employees per Spa 2005-2010F |
| 4.12 | Annual Employees per Spa 2006-2008 by Day Spas, Hotel Spas and Resort Spas |
| 4.13 | Visitor Profiles by Gender, Age and Residence 2008 |
| 4.14 | Hotel Guests Versus Non-Hotel Guests 2008 |



- 5 Spa Benchmark Ratios
 - 5.1 Treatment Room Occupancy/Utilisation 2008
 - 5.2 Therapist Productivity Rate 2008
 - 5.3 Average Treatment Price 2007-2008
 - 5.4 Revenue per Visit 2005-2010F
 - 5.5 Revenue per Available Treatment Hour 2008-2010F
 - 5.6 Revenue per Available Treatment Minute 2008-2010F
 - 5.7 Treatment Revenue per Available Treatment Hour 2008-2010F
 - 5.8 Treatment Revenue per Available Treatment Minute 2008-2010F
 - 5.9 Annual Revenue per Available Treatment Room 2005-2010F
 - 5.10 Annual Revenue per Available Treatment Room 2007-2008 by Day Spas, Hotel Spas and Resort Spas
 - 5.11 Daily Revenue per Available Treatment Room 2005-2010F
 - 5.12 Daily Revenue per Available Treatment Room 2007-2008 by Day Spas, Hotel Spas and Resort Spas
 - 5.13 Annual Treatment Revenue per Available Treatment Room 2005-2010F
 - 5.14 Daily Treatment Revenue per Available Treatment Room 2005-2010F
 - 5.15 Daily Treatment Revenue per Available Treatment Room 2007-2008 by Day Spas, Hotel Spas and Resort Spas
 - 5.16 Annual Revenue per Square Metre/Foot 2005-2010F
 - 5.17 Daily Revenue per Square Metre/Foot 2005-2010F
 - 5.18 Annual Treatment Revenue per Square Metre/Foot 2005-2010F
 - 5.19 Daily Treatment Revenue per Square Metre/Foot 2005-2010F
 - 5.20 Annual Revenue per Employee 2005-2010F
 - 5.21 Daily Revenue per Employee 2005-2010F
 - 5.22 Annual Treatment Revenue per Employee 2005-2010F
 - 5.23 Daily Treatment Revenue per Employee 2005-2010F
 - 5.24 Average Annual Visits per Employee 2005-2010F
 - 5.25 Repeat Visitation Rate 2008

- 6 Spa Business Models
 - 6.1 Spa Ownership, Business and Management Structures by Day Spas, Hotel Spas and Resort Spas
 - 6.2 Destination Spa Ownership by Hotel Spas and Resort Spas

- 7 Spa Infrastructure
 - 7.1 Spa Size and Space Breakdown by Day Spas, Hotel Spas and Resort Spas
 - 7.2 Spa Treatment Rooms by Number, Type, Use and Occupancy by Day Spas, Hotel Spas and Resort Spas
 - 7.3 Number of Stations
 - 7.4 Treatments Conducted Outside the Spa
 - 7.5 Standard Support Facilities by Ownership Versus Access Arranged and Gender-Shared or Separate Female/Male by Day Spas, Hotel Spas and Resort Spas
 - 7.6 Water-Based Support Facilities by Ownership Versus Access Arranged and Gender-Shared or Separate Female/Male by Day Spas, Hotel Spas and Resort Spas

- 8 Spa Menus
 - 8.1 Variety of Hydrotherapy and Other Water-Based Treatments Offered by Day Spas, Hotel Spas and Resort Spas
 - 8.2 Hydrotherapy and Body Treatments Practiced by Day Spas, Hotel Spas and Resort Spas
 - 8.3 Massages and Beauty Services Practiced by Day Spas, Hotel Spas and Resort Spas
 - 8.4 Complimentary Food and Beverages Provided by Day Spas, Hotel Spas and Resort Spas
 - 8.5 Starting Prices of Standard Spa Treatments by Day Spas, Hotel Spas and Resort Spas

- 9 Spa Industry Trends
 - 9.1 Treatments
 - 9.2 Clients

Intelligent Spas' Global Spa Benchmark Program



10 Sampling

11 Appendix

11.1 Register to Participate in the Global Spa Benchmark Program

11.2 Feedback and Suggestions

About Intelligent Spas Pte Ltd