



School of Business,
Economics and Law
GÖTEBORG UNIVERSITY

**Shall we go to the spa? The spa trends in
Gothenburg and its region**

Annika Mielniczak and Selvien Sinaga

Graduate Business School

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Supervisor: Eva Ossiansson

ABSTRACT

The Spa industry is a new and growing phenomenon showing a clear increase during the last decades. The customers are starting to realize how important the health and wellness in today's society. People of all ages are starting to have higher demands that empower them to take part in new lifestyles such as spa visits. This allows the spa establishments to develop new products and services to fulfil their desires.

In order to describe the new trends and the other linking aspects of this phenomenon we have investigated the Gothenburg market and its regions; both urban and rural. Many of the spa establishments take part in the spa branding phenomenon to gain customer loyalty and to achieve a higher recognition. This has created confusion for the current spa customers where they might have a lack of knowledge about the actual spa concept. The result of our investigation shows that people are still not aware of the current spa concept. Therefore, the spa establishments see the necessity in putting more effort in educating their target market. The location is also considered an important issue when it comes to spa planning, while the market is starting to become saturated in the urban area. Our findings allow us to give suggestions for the spa establishments as to how to stay unique and differentiate themselves from their competitors.

Keywords: *Spa, Urban and Rural tourism, Lifestyle, Leisure and Pleasure, Branding.*

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1. INTRODUCTION

With the following thesis we will try to establish a link between the current growing spa trends in Gothenburg and its regions, which can in other words be considered to be situated in the rural areas of Sweden. We will look into the factors that are affecting the growth of trends, and how customers are behaving towards spa brands. Thereafter, a correlation with the trends will be done to branding, in order to establish the various choices that people have to certain spa establishments and what are making them more loyal to them than to others. There is an intention to explain the concept of the real spas as well as the non-spas that are now trying to become a part of the current spa market.

This thesis is divided in different sections where a correlation is done to the research problem. The first section will introduce a general concept of the thesis as a whole, and what the actual aim is by undertaking this study. The first chapter will present the background of the chosen topic and further on we will also introduce the SPA tourism which has become a rapidly growing phenomenon in the tourism and hospitality industry among the last years. The main focus area will be done by analysing spas in Gothenburg, and its regions, which in other words will allow us to identify the trends on the Swedish market and be able to answer the chosen research questions.

1.1. The General Background of the Spa

The Spa business is a relatively new phenomenon in the global mass market for leisure and pleasure activities, but the word SPA itself has been discovered ancient years ago in a small village called SPA in Belgium by the Roman soldiers. The Romans used the hot springs in this area to reduce and treat their aching muscle and wounds from the battle. Although the Greeks and Romans were not the first ancient civilization to use social bathing, they were the civilization that perfected it. Social bathing was used by many civilizations, including the Egyptians, Mesopotamians, Minoans, and Greeks (2005, source: <http://www.body-balancing.com/>). Back to the ancient time, the therapeutic and enjoyment of spas, as well as the usage of spas has generally been made for the elite.

1.1.1. The Growth of the Spa

As the years progressed, so did the spas. During most of the 90's, spas were still a mysterious even for the rich. However, since the turn of the 21st century there has been an explosion of spas, especially in Asia. Additionally, the Western society has also become familiar with a market trend amongst sections of the population toward more active, experientially oriented outdoor leisure activity in response to increasingly sedentary work patterns. It may also be

regarded as a response to problems of urbanism and complementary lifestyles (Mitchell, 1983, cited in Hall, 2003).

Nowadays, with cheap and quick transportation to almost anywhere in the world, plus an aging population with money to spend, things such as living standards and new trends has drastically changed and increased.

The average tourist would not have considered the spa experience as a part of their holiday; it is currently a habit like having a fancy dinner at a restaurant or enjoying an expensive bottle of wine. Therefore, has the spa concept become as a lifestyle event.

It is believed that one of the main aspects why people take part of the Spa tourism phenomenon is that people are striving to reduce and escape from the work related stress. Conversely, there seems to have existed diverse reasons of spa usage. One of the primary reasons of why people actually visit spas is that they prioritise the relaxation, as well as the feeling of being pampered and being a part of a stress reduced atmosphere. It is assumed that the medical certainty that different types of negative stress can lead to a number of medical conditions, and it is a well accepted fact that spas can help relieve stress.

According to the Spa management Journal, (2004) spa visitors are preferring treatments that:

- Help to reduce stress
- Use natural products
- Incorporate and indigenous or cultural flavour

Drawing from the aforementioned reasons of visiting spas, the Spa management Journal (2004) also saw a clear interest in:

- Couples treatments
- Younger clients
- Male visitors

Due to the increased interest it has also established that the spa clients are becoming more knowledgeable and people are seeing spas as a lifestyle. The latter notion of increased interest from the male visitors might be due to that they are tagging along with their love ones. Nevertheless, it is therefore important to encourage visitation for first timers is to offer more guidance and human interaction to initiate the newcomers into different spa experiences.

In fact the growing interest for spas has increased the variety of treatments as well as destinations of the actual spa. Thus, it might be agreed that the most important factors in choosing one spa over another are the spa treatments available and the atmosphere/surroundings of the spa. In order to evaluate the current spa trends, some of the facts have been used from the ISPA¹ which is worldwide recognized as the professional organisation and voice of the spa industry, representing more than 1,200 health and wellness facilities and providers. Members encompass the entire arena of the spa experience, from resort/hotel, destination, mineral springs, medical, cruise ship, club and day spas to service providers such as physicians, wellness instructors, nutritionists, massage therapists and product suppliers. ISPA is committed to forming and maintaining alliances that will educate, set standards, provide resources, influence policy and build coalitions for the industry. ISPA’s vision is to revitalize humanity and its mission is to educate the public about the value of the spa experience and engage their participation. ISPA promotes and defines the spa experience as “your time to relax, reflects, revitalize and rejoices” (ISPA, 2005).

Thus, the area of interest that we have chosen is a relatively a new phenomenon in the tourism and hospitality industry as well as in the global market for leisure activities. Due to the factors of drastic growing interest of the spa and wellness tourism, this has provided us with the possibilities of examining these issues in a more advanced stage.

1. 2. Problem Definitions and Purpose

Few decades ago, the word ”spa” was often associated with the middle and upper class activities, constraint to the health of the skin and relaxation, and habitually located in the country side, far from the daily bases activity.

Today’s spa is a center for healing and nourishing mind, body, and spirit, or in another word; the holistic beauty and health. People go to spas for fitness, stress management, peace of mind, pampering and pleasure, and health and wellness. Nevertheless, spas offer a wide variety of techniques and services - traditional and modern, from the East and from the West - to meet the diverse needs of their clients: Swedish, Japanese *Shiatsu*, and Thai

¹ International Spa Association

massage, European facials, acupuncture, Dead Sea salt scrubs, Moor mud wraps, thalassotherapy, aromatherapy, reflexology, aura imaging, *hypnotherapy*, classes in nutrition, meditation, journaling, yoga and Tai Chi, state-of-the-art fitness centers with personal trainers, and much more (Register, 2005).

Notwithstanding the rapidly growing spa market makes for certain people some obstacles of actually knowing what a real spa is and what its actual purpose is. Due to the demographical changes and higher standard livings in the Western world, this has set some confusions and myths where only certain level of social classes and middle age customers are allowed to partake in spas. On this topic, the European commission (2000) stated that with the facts of the modern living arrangements as making an example of the European inhabitant, where, 80% are living their life; raising family, work, study, etc. in the urban area people are well-aware of how high the stress level is. Nevertheless, there are definite important issues of fulfilling individual's need and desire of being pamper and relax from ordinary activities.

In addition, with the limited days for vacation, people are in the need to find some leisure activities, where they do not necessarily have to leave their daily activities, family, and at the same time combine pleasure with a fun and healthy experience. Stress is no longer belonging to only older people or businessmen; anyone, young generations; toddlers and adolescents, housewives, people with disabilities, as well as men who was rarely became the target has now become the target market for spa industry. It can be stated that every individual must be able to experience the spa, while it is seemed to become the motto for spa industry nowadays.

Thus, due to the expansion of the target market, the spa entrepreneur might see the possibility and benefits of providing the comfort and convenience of spa environments. Despite of the growth of mobility of people, number of days for vacations is restricted, thus, experiencing the spa repeatedly is almost impossible, especially experiencing the spa which located in the country side. Exaggerating today's trends, the spa has now expanding their wings, and able to be found anywhere, even at a very less time.

The practice of spa treatment also varies from time to time, different customers with different kind of treatment, adjusting the need and time constrain an individual has.

However, there are still number of people who believe (especially those who live in areas with cold winters) the spa is limited to warm weather, and how they become unenthusiastic to experience it during the winter period.

Putting a special observation on the Swedish market itself, currently there is a large amount of already existing services and products that are using the concept of SPA. These non-spa entrepreneurs/producers are producing both services and products which are far behind the actual SPA concept.

Knowing the concept of SPA has an extraordinary effect amongst people, makes the non-spa entrepreneurs or beauty treatment owners such as beauty saloon use the spa emblem to attract customers to use their services and products, and this can mislead the customers from their perception of the actual SPA experience.

The lack of knowledge in the actual SPA concept effortlessly misleads a lot of people to become aware of the real actual meaning and value of the spa definition and what it implies. Numbers of common beauty entrepreneurs sees the opportunity to misconduct their customers by instilling this “new” spa concept, which can be seen as a threat to the actual spa market and also the customers itself. The actual spa market producers will most likely loses their customers and the customers will unable to experience the actual spa concept with their limited of spa knowledge.

1.2.1. Research Purpose

Our purpose of the research study is to understand and analyse as well as explaining the meaning, image, and value of the spa concept. Further on, the competition between the real spa market and the non-spa market that uses the actual spas image will also be explained. The competition on the spa market is also allowing us to investigate how this phenomenon is misleading the customers and its affect on the actual spa value. We will also take the fact into account of the current competition which has somewhat increased and the consequence thereof is that the spa market strongly needs the ability to understand how to brand their image and to have it positioned in the customer’s mind. The customers’ loyalty therefore needs to be managed towards the spa product and the understanding of certain possessions should be undertaken to keep an image. This is done in order to improve the customer’s knowledge and choices, as well as giving suggestions on actions for the spa producers to cope with the trends in today’s spa consuming society. And this will be established in the

end of our research. The suggested recommendations to the spa entrepreneurs and their customers will be concluded in a SWOT analysis, which allow us to see the various recommendations in an easier aspect.

1.2.2. Research Limitation

Due to the limitation of time on completing the thesis, we have therefore settled our study target and have chosen to use the Swedish Spa market in general, and the growth of the Spa businesses in Gothenburg and its region in specific, as our case study.

The outcome from these problem definitions have resulted in the formulation of our research questions as following:

1.3. Research Questions

1.3.1. How has the phenomenon of the spa market trends in general been in the last decade?

We will investigate the spa trends in general within the last ten years, of how much people know about the word and the concept of spa, and percentage of Swedish respondents who has actually been to spa in the past two years

1.3.2. How far can the SPA concept and its image be expanded until it loses its value?

An investigation will be done according to the real spa establishments versus the non-spa, who are trying to become a part of the new spa wave, by misusing the spa concept. Therefore, this will allows us to see how far the concept can be taught and to what extent the concept of spa can be used until it loses its actual value.

1.3.3. How can the customer's spa recognition affect on the future market trends?

The current knowledge of people's health awareness has established the new trend with the various Spa associations to develop certain knowledge; seminars or lectures in order to educate the people of how important the wellbeing is and spa as whole and the outcomes of to the spa market itself

2. METHODOLOGY

To answer our problem definitions and the research questions that we have formulated, in this chapter, we have used different methods for the data gathering, such as who are the target respondents, and how shall we conduct the interview for data gathering. Moreover, we have also established the difference and the correlation between qualitative and quantitative research approach when it comes to the branding concept.

2.1. Research process

Understanding the importance of having good methods on finding the results of our research questions, we therefore have designed a model in order to summarize our research methods (see. figure 2). How the data collection is going to be taken into account and processed during our study.

Justification is our first step, where we will be able to understand the potentials of the spa nowadays. It has provided us with the idea to choose a topic and to make a study research within this area. This may contribute to its uniqueness, since there are not many people who have accomplished this same type of research within this area before.

The first research will be established by doing research through from books, internet, and other printed materials. The ability of reading magazine, new papers and conversations with each other has instilled our stronger desire to continue elaborating this form of research. Our intention of a broader knowledge is available for more information in any kind that might support our topic. The data collected from different authors' perspectives are strongly needed to support our justification about the spa industry and the whole concept.

This data collection will also include finding the names, addresses, and contact persons of companies, spa entrepreneurs that we will interview. These data will support our next level of research:

Qualitative Interviews: After several names are listed, we will take into account our first phase of two methods for interview that we have chosen. The qualitative interviews are the depth interviews with the spa companies, spa entrepreneur/producers, mostly in Gothenburg, such as City Spa, Göteborg Spa. And there are also other potential responders who will be interviewed by us, such as Raison d'Étre in Stockholm and other spa expert from abroad.

However, in order to have a fair perspectives and a larger picture of information about spa, from both actual-spa and non-spa producers, it is essential of having non-spa producers interviewed. Getting information from the non-spa entrepreneurs is to get a clearer picture

of why did they choose to use the spa emblem, and how will it affect the spa customer (also potential customer) See figure 1.

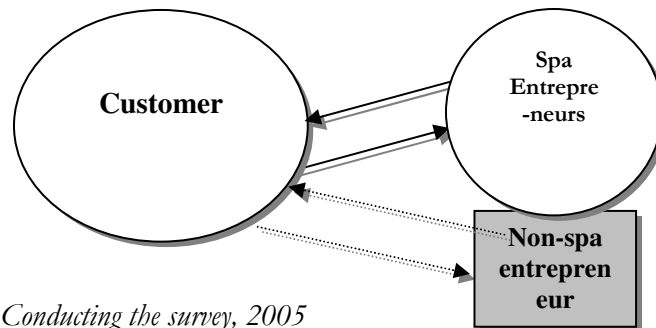


Figure 1: Conducting the survey, 2005

To carry on, with at least few results from the qualitative interviews, will support our questionnaires designing for our second method: quantitative interviews.

Quantitative data collection: The idea of this research method is to gather information about how much the customer or potential customers knows about the word spa and its concept, their preferences in treatment, spa destinations, and their loyalty to certain spa brand, etc.

Further on, we will analyze every data which has been collected, and study how they are supporting to each other, and answering our research questions, which will lead us to conclusions. Drawing from the conclusions we will find with our analysis we will be able to contribute with suggestions for the present time and the future for the spa entrepreneurs that will be involved in the investigation.

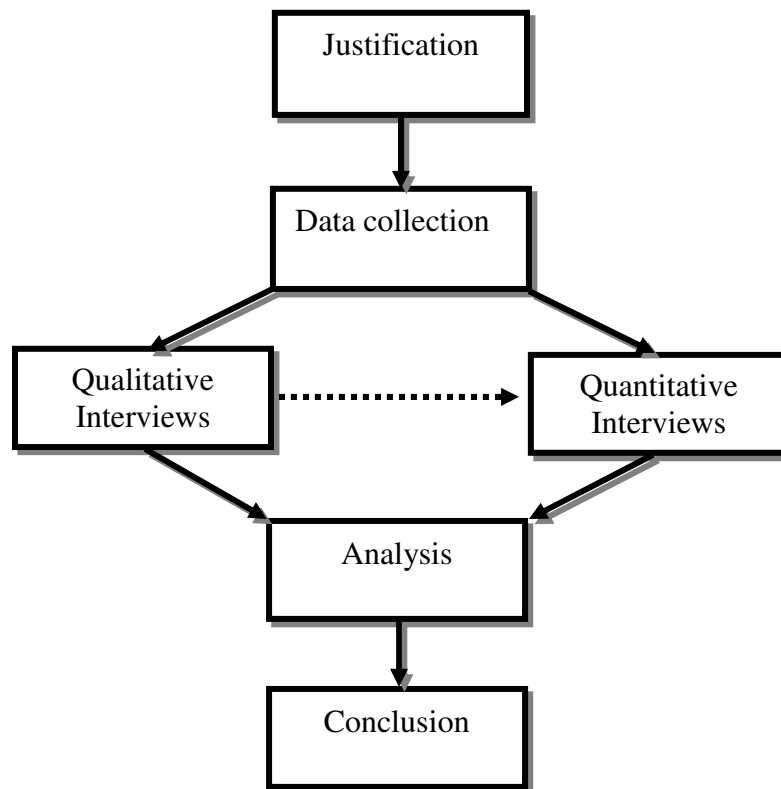


Figure 2: Research Process, 2005

2.2. Data Collection Methods

In this section, we are explaining our methods in depth of why the data collection is needed to be undertaken carefully in order to gather reliable data that will indeed support our problem analysis.

Thus, we will therefore divide this section into two stages, which are;

- *The first stage (pre-infield survey);* based on the perspectives of various authors, where we will collect insight knowledge about the spa industry in general. Concerning the importance of branding of a product the source will be taken from published academic journals, websites i.e. *Eniro.se* contains names and addresses of the listing companies that are related to the spa industry. Data from these sources will be used as secondary data which are useful to support our analysis.
- *The second stage (infield survey);* this stage will be established by doing various research methods as following and thereafter combine the results together

2.2.1. Qualitative research method:

We do not see things as they are; we see things as we are (Talmud, cited in Burton and Steane, 2004)

To be able to know people's world and their life, is to talk with them, as for understanding the characteristic of spa entrepreneurs and people who are related to this business, is to involve in an interview conversation, listen and observing their opinions, views, hopes and ideas by allowing the subject uses their own words to express themselves (Kvale, 1996). Many authors classify qualitative interviews into three types: structured interviews, unstructured interviews and semi-structured interviews.

First, structured interviews: sometimes called standardized interviews, these are often used in quantitative research. In structured interviews, researchers ask the same set of questions, in the same order, using the same words, to different respondents. Structured interviews are convenient for comparing different respondents' answers to the same questions, and when a team of researchers is involved in conducting the interviews.

Second, unstructured interviews: also called informal conversational interviews, these interviews do not have any predetermined set of questions; instead the researchers and respondents talk freely (Burgess, 1991). Unstructured interviews are often used in combination with participatory observation (mentioned below) and although they may look easy to conduct, novices usually find them difficult because the researchers have to generate and develop questions according to what the respondents say. Third, semi-structured interviews: sometimes called guided interviews, these are somewhere between structured and unstructured interviews in format in that the researchers prepare interview guides that consist of a set of questions. The guides allow researchers to generate their own questions to develop interesting areas of inquiry during the interviews. This type of interview is widely used as the qualitative interview (Flick, 1998, p. 76).

All three types of interview can be used in combination (Patton, 1990, p. 287). In our case study, we have therefore used all three methods in combination. After conducting structured interviews, we conducted semi-structured interviews and finally unstructured interviews or, conversely. We may start with unstructured interviews to relax the interviewees, and move to a semi-structured interview format.

Further, Shank (cited in Burton and Steane, 2004) has defined qualitative research as the study of processes and behaviour in their natural settings, where the researcher tries to make

sense of phenomena and the meanings that people attribute to them, by focusing the analysis on interpreting and understanding the phenomena in their social, institutional, political, economic, technological, and organisational context. We might correlate the latter with the identification Humberstone (cited in Phillimore and Goodson, 2004, p. 122) did with the element of ontology, which is seen as one of the main characteristics in research, and it can be described as “a theory which claims to describe what the world is like – in a fundamental, foundational sense – for authentic knowledge of it to be possible”. Thus, it can in other words be understood as assumptions about the nature of reality.

When using the qualitative approach, this method is exploratory, where it seeks to identify a brand’s functional attributes and symbolic values (Hankinson and Cowking, 1993 p. 185). Hair et al. (2003, p. 41) mentioned that the exploratory research focuses on collecting wither secondary or primary data and use an unstructured format or informal procedure to interpret them. It is used simply to classify the problems and opportunities.

Moreover, Decrop (cited in Phillimore and Goodson, 2004, p. 156) stated that qualitative research is connected with interpretivism as a general philosophy, and it focuses on understanding and interpretation. Interpretivism emphasizes relativism: reality is not objective, single and divisible but socially constructed, multiple, holistic and contextual (Ozanne and Hudson, 1989, cited in Phillimore and Goodson, 2004, p. 157). We might withdraw that interpretivism does not suggest a separation but rather an interactive and co-operative relationship between the investigator and the object of investigation.

This data collective method is to be our primary research design, to our research questions. Thus, qualitative research method uses small samples of customers, open ended questioning and an information base that involves not only spoken words but verbal omissions, pauses and body languages. Arguably, we might withdraw that this form of research focuses on understanding the following aspects: understanding how customers perceive a brand, how they experience a brand and importantly, why they choose some brands and reject others (*psychographic*). Although, Silverman (2001) correlated an idiom, *ethnomethodology* to the latter notion of questions included the “how” and “what” this idiom focuses on common-sense practices giving rewarding answers. The idiom also became recognized by Phillimore and Goodson (2004, p. 12), who claimed that it focuses on the ways in which people categorise the world by distinguishing certain phenomenon, the meanings of people place on events,

the way people use and interpret symbols in order to communicate, and how social reality is reproduced through interactions.

Nevertheless, it also plays a vital role in understanding how customers speak about a brand and the vocabulary they use to describe its personality (Hankinson and Cowking, 1993).

2.2.1.i. The Qualitative Respondent

This method will be conducted by meeting the main respondent targeted; various entrepreneurs/producers within the SPA industry in Gothenburg and outside the region. We have established eight ‘*in-depth*’ interviews, a face to face setting interview by using ‘open-ended questionnaire’ to allow the respondent giving unlimited, flexible and expressive answers. Hair et al. (2003, p. 218) stated that this form allows the researcher to collect both attitudinal and behavioural data from the subject that spans all time frames (past, present and future). In this concept there is a possibility that a good relationship with the respondent can usually be established and this improves the quality and quantity of information gained (Hill and Alexander, 2000, p. 102).

Moreover, interview-based studies are often employed with a sampling logic, selecting respondents in order to generalize to some population of interest (Maxwell, 1996, p.54). Thus, the in depth interviews might have advantages that it is rather flexible, and a large amount of detailed data can be collected from each subject. On the other hand, some of the disadvantages might be that the data structures tend to lack generalizability, reliability and the ability to distinguish small differences (Hair, et al., 2005, p. 220).

Further more, Gothenburg and its regions as our proposed future target market area, gives us a more convenient choice and situation for us who are inhabit in Sweden to use both of the aforementioned interview methods. The interviews can also be conducted in prior or subsequent to other interviews. Within this area Parker (cited in Burton and Steane, 2004) stressed that the qualitative research facilitates unique opportunities to have an encounter with people’s actual experiences in naturally occurring events and situations. He also stated that this can be achieved through collection of data directly from the scene of action and through considering context in any investigation of phenomenon.

However, the successful completion of interviewing our prime respondents within the time constraints, will allow us to possibly conduct more interviews with the respondents from further field i.e. SPA consultants in Stockholm, and Spa online and printed magazine.

Overall, this would mean that we are required to schedule appointments with all of our potential respondents.

As our primary data resource, qualitative data collected will offer a strong foundation supporting and assist our next research method as follows:

2.2.2. *Quantitative research method:*

Errors using inadequate data are much less than those using no data at all (Babbage, cited in Burton and Steane, 2004)

As Burton (2004) suggested, the qualitative research method should not be an inferior to or subservient to quantitative research method. Thus, we will have quantitative data collected as our secondary data sources.

This numerical representation data gathering method tries to analyse written material in a way which will produce reliable evidence about a large sample (Silverman, 2001). Using a very popular quantitative research method, will help us providing specific facts and estimates of the market, customers and the relations towards each other. Thus, the basis of an effective quantitative analysis is to have a good planning, starting before any data being collected. The actual data collection is the one step of the thesis that has to get right the first time. This part, besides it is time-consuming and it is typically expensive to redo it, and certainly will lead to delaying the completion of the thesis (Burton and Steane, 2004). Hankinson et al. (1993, p.185), stated that the quantitative research method is evaluative, where it seeks to measure the brands attributes and values, by asking the questions “how much” and “how many”, and in this way it provides hard data. Moreover, this aspect is statistically based and it employs highly systematic procedures for sample design, data collection, and questionnaire design and data analysis. In addition, the quantitative research method is about numbers, and this form also quantifies in an objective way what qualitative research seeks to reveal in a subjective way.

Our target respondents using this method would be the customer’s point of view. Collecting the data therefore, will be conducted by giving a more convenient way for the respondent to

answer our questionnaires, at anytime and anywhere by using the ‘closed-ended questionnaire’, where specific answers are ready, to give the respondent some multiple choices.

A most common questionnaires technique to be used is ‘Likert scale’, a technique presents a set of attitude statements, the expressions of agree and disagreement rated in one to five-point scale. And later on, a total numerical value can be calculated from all the responses collected (Hair et al., 2003). However, Burton (cited in Burton and Steane, 2004) argued that a 1-5 scale on the Likert scale will make the respondent look similar when they are not. Especially when surveying the customer’s satisfaction, usually the customers will be satisfied; otherwise they would stop being the customers. Burton believed that a five scale survey could not separate the customers very well, since often they will mark themselves four or five. In contrast, a seven-point scale will allow us to discriminate the *very* satisfied customers, and a *bit* satisfied customers easily.

We have therefore firmly chosen the seven-point scale Likert based on Burton’s methods. However, we assumed that this scale form will allow us to provide the respondents with more choices of possible rating of the answers than with fewer. It is better to provide the respondents with more options rather than with fewer choices. We could combine the excess data collected later on, while with less options this could not make it possible to do anything if the survey would already be done.

Q: How much would you rate your satisfaction on your last visit in the Spa?

Extremely dissatisfied	Very dissatisfied	Dissatisfied	Neither/does not care	Satisfied	Very satisfied	Extremely satisfied
1	2	3	4	5	6	7

Example of Different scales to measure customer satisfaction adapted from Burton (Burton and Steane, 2004)

2.2.2.i. The Quantitative Respondent

From our previous experience of conducting the quantitative research, putting a stop to people to answer questionnaires might arise several irritations to the respondent. Giving this thought, we have tried to avoid this method and have therefore created our online questionnaire for a more convenient way. The link is sent to as many respondents as

possible such as spa resorts, hotels, fitness centers and health centers, and also setting some printed questionnaire on potential places.

We settled nineteen specific questions about the spa knowledge and their preferences in therapy etc; for one hundred targeted respondent such as from Spa customer’s or targeted respondent’s (i.e. people who goes to beauty destinations) perspective; besides the demographic questions such as age, gender, occupation and income, as our *Psychographic* characteristic. This will assist us in analysing and give us the meaning of why, who, and what the respondent want; such as price, packaging and advertising, and the more intangible elements, such as brand image and value. All these factors will in relation contribute to brand loyalty.

2.3. Quantitative and Qualitative Methods in combination

Thus, qualitative and quantitative methods are not simply different ways of doing the same thing. Instead, they have different strengths and logics and are often best used to address different questions and purposes (Maxwell, 1996).

Casebeer and Verhoef (1997) stated of combining two research methods, particularly important to study constantly issue. Through combined, sustained and complementary use of qualitative and quantitative research methods, problematic issue can be attained. Further, the following table will shows the potential of combining both methods on the survey:

Potential combined uses of quantitative and qualitative methods

Reasons for using quantitative and qualitative data

- *To develop measures*
- *To identify relevant phenomena*
- *To interpret/explain quantitative data*
- *To interpret/explain qualitative data*
- *To gain equal/parallel value from both types of data*
- *To conduct effective multistage (longitudinal) analysis.*

(Source: Casebeer and Verhoef, 1997)

By using both methods they will support each other, and assist us in our research to study, understand and to analyze the phenomena of spa area and its concept from both the entrepreneurs/producers and experts; and customer’s point of view.

Drawing from the various forms of data gathering that we have chosen in order to analyse our study, we might relate it to the model², where a correlation is done according to the qualitative and the quantitative research method.

2.4. Analyzing the data

One step closer to -final step on the thesis, here, we would like to state our data analyzing methods, how we are dealing with the data collected and combining them to find a valid and satisfied conclusion results.

The qualitative data collected, based on our interview results, we will understand and analysing how far the spa entrepreneurs/expert knows about their own spa concept, what could they offer to their target customers, who are the competitors and reasons why these competitors is seen as threat to the spa destinations and also understand the reasons of why customers chooses the spa areas of investigation.

As for our quantitative data collected we will show statistically the result, which will allow us to analyse the actual SPA market trends in Gothenburg and its region; from our target respondent's point of view; we will see what is going on in the market, the preferences, what type of customers, as well as the average of their knowledge about the spa concept, in addition to their expectation which if being fulfilled will help them become loyal to a certain spa brand.

All the data from both methods will ultimately supporting to each other, and help us analysing from spa customer's and spa producers/experts point of view, how far the trends are in the Swedish Market, especially in the Gothenburg region

2.4.1. SWOT; the Suggestions and Recommendation

To end our research study, after analysing the data, we will therefore be able to give suggestions and recommendations specializing to Spa destinations; what are the strengths, the weaknesses, the opportunities and the threats. This will be necessary to be understood by the spa destinations, to help them exist in the business and attain customers.

This concept will be undertaken while it is relevant when the products are unique for a certain market. In the relation of the weaknesses, these can be seen as the internal elements that can be kept from offering the same level of products or services as the competitors.

² See appendix 1

Thus, by determining the weaknesses this will help the spa producers to improve on the products and services in the future.

Opportunities can be both internal and external circumstances that should be taken advantage of in the current state of the spa company, and should also be attainable for the foreseeable future. Moreover, they are beneficial when taken advantage of.

Threats, on the other hand, are those things that the competitors do better. In other words, they may offer lower prices on the spa products, have faster service, and a wider range of products and spa treatments, and also have more convenient location. Nevertheless, these issues are all things that the company has to analyse and thereafter change them based on the opportunities that the company might face (O'Rourke, 2003).

Therefore, data that has been gathered will be analysed by using the SWOT analysis. It is essential to understand how to prevent the barriers that might come repeatedly (weakness and threat), and bring up the strengths and opportunities that could help the spa producers stay alive in the business and attract customers continuously.

2. 5. Validity and Reliability

“Methodological awareness involves a commitment to showing as much as possible to the audience of research studies...the procedures and evidence that have led to a particular conclusions, always open to the possibility that conclusions may need to be revised in the light of new evidence (Seale, 1999:x, cited in Silverman, 2005)”.

2.5.1. Validity

Validity, or in other word ‘truth’, interpreted as the extent to which an account accurately represents the social phenomena to which it refers (Hammersley, 1990,p. 57, cited in Silverman, 2005)

One might have doubts about the validity of explanation of a research result, which is natural. Therefore, to validate our research paper, we intend to only present a supportive, clearly stated and unambiguously result of our research, by doing accurate and reliable methods, to meet the expectation of our readers, as well as ourselves. When thesis is clearly defined the purpose of a paper becomes known.

Considering the latter assumption, we see the necessary to undertake the triangulation concept, which involves collecting data by multiple methods, or from multiple sources. It

will enhance the credibility of data that has been collected, the associated analyses conducted and the resulting assertions that has been made. Denzin (1970, p. 297, cited in Hussey and Hussey, 1997, p.7) defined triangulation as “the combination of methodologies in the study of the same phenomenon”. Decrop (cited in Phillimore and Goodson, 2004, p. 162) stated that triangulation limits personal and methodological biases and enhances a study’s trustworthiness.

2.5.2. Reliability

To attain a valid research results, we must be ensured to have reliable data collected, which involves dependability and implies authority. It is imperative that the methods used are chosen after extensive investigation and rely on established observations and tested procedures. Scientific investigation is a cumulative activity, building upon the works of predecessors, incorporating or rejecting those but only through scientific discipline, which is also cumulative. The consensus of a discipline or existing research must therefore always be acknowledged.

We are aware of the possibility of collecting data that is unreliable, and this might interfere in the analysis of the data that has been collected. In order to thwart this matter, we consequently set the quantitative target responder of working age of 20-64 year-old and above, as we considered, this age group is what we believe as the most reliable respondent with their high level of maturity in answering the questions. They are also the group that most likely have the money to go and experience the spa. To avoid the unreliable data within this method, we are determining to delete any inappropriate and un-finished answers to our surveys.

On the other hand, we are aware of that the qualitative method must also be reliable; therefore, with all of our qualitative interaction, we ensure that the data collected are reliable. With our tape-recorded interaction as our main method in the qualitative interview, we realised that there is usually a tendency to weaken the interpretation of transcripts, by failure to transcribe apparently insignificant data. Understanding this, we make certain to have two copies of tapes from every interview, and transcribe every single word mentioned in the interview, with emphasizing the intonations, doubts or exaggerating expression (*e.g. mmm, well, umm, yes, usually, etc.*).

With the cautious way of doing and contributing our data, we are assuring that our data presented in our thesis is reliable and valid, as well as suitable to be used for any further research.

2.6. Thesis structure

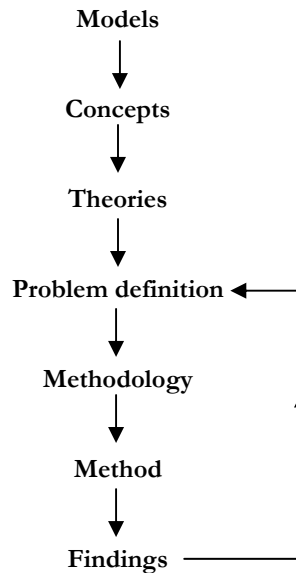


Figure 3: Thesis Structure, source: own, adapted from Flick, 1998

The research process usually starts with a broad area of interest, in this matter, spa as our interest area. This has brought us to define the *model*; the general explanations about the whole spa market in its current state, and narrow it down to a *concept*; the behaviorism, and the interactions in the spa industry which will help us in defining the research problem. And based on various author’s perspective, we have attained the *theories* of the spa, to explain some phenomenon. Further on, the problem that has been defined will therefore need data to support the investigation. Thus, the *methodologies* we have chosen, both qualitative and quantitative will obliged us to; perform depth interviews, with different *methods* such as audio recording, phone interviews, E-mails interviews for spa expertise and daily observation through both online and hard copy questionnaires for the customer’s perspective.

This will lead us to the *findings* of our research questions, that will answer our problems defined (see: figure 3).

3. “THE SPA CONCEPT” – THE MARKET AND ITS DEVELOPMENT

Based from the different author’s point of view, we have in this chapter withdrawn different forms of theoretical discussions on spa concept as our chosen area and their correlation to each other where they thereafter will be combined in one ending phase.

3.1. SPA and the choice of rural area:

In this section, we are defining the characteristics of rural areas and the reasons of why people travels to the countryside, as well as businesses, in particular Spa businesses which has geared their market into the rural area.

3.1.1. Rural tourism and the wellness that attracts people to experience the rural

Many of the spa resorts and spa destinations are located in the rural areas for achieving the extra feeling that the customers are striving for when they are taking part of the spa and the health tourism experience. Drawing from the latter notions, a correlation can be done to O’Rourke (1999, cited in Oliver and Jenkins, 2003), who states that “the rural” is no longer synonymous with agriculture, but it is a rapidly changing concept that is reflected in the landscape as well as in rural demography, employment, mobility and consumption. In other words, “rural tourism” is not restricted to farm-based or agro-tourism and can encompass all tourism based in, and making use of, rural landscapes.

Moreover, the term rurality reflects a lifestyle, a set of values and a landscape desirable for its “difference”, relative isolation and pace of living (Long and Lane, 2000, cited in Oliver and Jenkins, 2003).

The development of health tourism particularly spa tourism could act to preserve natural resources, in that it makes use of special features, such as hot springs, lakes, lagoons and seas. Thus, “the rural, a diminishing resource, provides us with an increasingly important environment for tourism (Sharpley and Roberts 2004).” The interest in rural area has a long tradition, and as a focal point for geographic research, the potential of rural areas is not a new theme to consider (Owens, 1984; cited in Hall and Page, 1999). Based on the fact that rural area offers many things the urban area could not offer, such as nature; the sea, the lake, the forest, as well as the quite environment, makes rural area as a fruitful area of tourism. Moreover, Page and Getz (1997) defined the rural tourism in four degrees as followed:

1. *The Rural Tourism Spectrum*: near-urban through to wilderness areas.
2. *Rural appeal*: peace, solitude, lifestyle, nature, scenery, traditional people, recreation and adventure.
3. *Rural products and services*: activities, experiences, specialist accommodation.
4. *Rural tourism enterprises*: owners and operators.

People that travel to rural area are seeking for specific opportunities or environmental attributes which regardless of the position of the setting an urban-wilderness spectrum will satisfy their needs and preferences.

Sharpley and Roberts (2004) in addition suggested, that the demand for rural tourism is related directly to the specific characteristic of rural areas, as well as the prior motivation to visit the rural area is to experience the rurality, or in other words, a casual relationship is seen to exist between the rural environment and tourism, and in the end is to experience the countryside.

However, according to Lane (1994, p. 9, cited in Hall and Page, 1999), not every tourism which takes place in rural areas are strictly ‘rural’, as it can be ‘urban’ in form, and merely located in rural area, i.e. theme parks or leisure hotels.

3.1.2. *Why does the Tourism Industry go Rural?*

Robin (1990; cited in Hall and Page, 1999) observed how the mobility of people, social class, better education, are some of the reasons that are strongly affected the demand for people to visits the country side. For that reasons, Clawson (1958; cited in Hall and Page, 1999) argued, the demand of rural recreation grew at 10% per year in period 1945-1958 in USA and 10-15% per year up to 1973 in the UK (Coppock, 1980; cited in Hall and Page, 1999), to the researcher’s perspective, these numbers are a rapid growth.

According to Sharpley (2002), rural tourism has been a means of achieving economic and social development and regeneration. To be more specific, it has been widely promoted as an effective source for income and employment in peripheral rural areas.

Meanwhile, from the case study of Basilicata-Italy, that indicates how tourism can help the development of economic, decreasing the number of unemployment as well as preventing people to transmigrate to the city. Basilicata itself has a rather high percentage of

unemployment, and their tourism has been slowly growing, due to some issue such as not having a clear image of their rural area. Correlating to that issue, developing and organising the rural area require a significant investment to help rural maintaining the area (Fleischer and Felenstein, 2000; cited in Sharpley, 2002).

We can see how the tourism industry is becoming increasingly important, i.e. the Japan rural area, in 1987 the Japanese government stated a law of '*sōgō hoyō chiiki seibi hō*' or '*General Recreation Area Establishment Law*' of designing the area to stimulate a large-scale of resort development, and as rural Japan is being transformed into golf-courses, theme parks, tennis-courts, hotels, as well as houses and apartment blocks (Knight, 1996).

3.1.3. Spa and the choice of rural areas

Furthermore, the development of the rural area also includes the use of nature resources, especially variety of natural waters, such as thermal spring.

Spa products in particular are known for their uses of the natural resources and most likely when you think of the spa, you would think of the beauty surrounds the spa area, spring water, birds, flowers, the silence of the environment and traditional touch of the decorations that the rural areas are usually offers. Although according to Brown (2005), the trends for the spa now has includes the mobility of the spa services, which means spa communities are able to be found anywhere, this includes of inviting the complete therapist and all spa equipment to your house.

The mobility and modern style of spas are given more convenience of the situation for people with less-time. However, escaping from the ordinary city life and all the daily stress and the latter notion of rural area could offer this, which motivates people to travel to the country side and experience the attractions.

Taking notice of the rural tourism demand which is rapidly grow, the spa business as we can see now is a correlation to health, beauty and relaxation, and it is believed that in the rural area, the business will maintain increasing. Arguably, Kanzaki (1988, p. 146, Osaki, 1988, p. 276, cited in Knight, 1996) presented a key factor in the growth of tourism in Hongū, which is a popular destination for tourists from Kansai area, and it has been the *onsen būmu* (hot spring boom) in the 1979s and 1980s. Meanwhile the *onsen ryokō* (hot spring holiday) is now one of the major forms of domestic tourism in Japan, with over 2,000 *onsenchi* (hot spring

resorts) and all of those are located in the rural area. Back in the 1960s, the hot-spring holiday was associated with elderly or farmers, until by 1980s, it is became popular also among the younger population.

3.2. SPA and the choice of urban area

The urban area is one of the tourist most developed area that will be brought up in definition, the characteristics, and the reasons of tourist and the tourism industry goes urban, in particular the spa business.

3.2.1. The urban area and their offer to the tourism industry that attracts people

Urbanisation is a major force of developing the towns and cities, an area where people work, shop, where urban area provides economic, diverse of social range, cultural activities that engaged to the population and where tourism and leisure and entertainment form major service activities (Hall and Page, 1999).

Furthermore Hall and Page defined urban area, or what is often called the city or town as a multi function area where it could be the meeting places, major tourist gateways, accommodation and transportation hubs (hotels, inns, airports, etc), as well as central places to serve the visitors needs.

Hall and Page argued that most tourist trips will often contains the urban area experience; living in an urban accommodation, restaurants, visit friends, business trips, or events in an urban area (i.e. religious festivals).

The urban area, that often defines as big cities have always attracted people to come, and has become very common, because of the good connections and developed infrastructure (Steene, 2001). Moreover, the urban tourism has increased for the last decade due to some reasons such as the change of customer tastes or desire, demographics and household structure, especially the increasing amount of ‘dinks’ family(double income, no kids). The ageing population has also been one of the reasons of the urban development.

Derive from the reasons mentioned, people have started to discover other countries and places, and travel and experience the differences other than their original place.

3.2.2. Urban area and Tourism industry

Taking the example of European’s population of nearly 80% inhabitants live in the cities or town and the facts that people are taking more but shorter holidays and the general increase

of mobility has helped the development of urban tourism in Europe. Moreover, urban tourism accounts of 35% of international travellers are Europeans with an annual average growth of 4% the last 10 years (European Commission, 2000).

Steene (2001) affirmed, by understanding these facts, the tourism industry sees the advantages of urban tourism and developing the tourism industry means stimulating the diversification of urban economy.

On the other hand Steene also stated that it is important of dividing the types of pleasure travelling to urban area as; *primary* and *secondary elements*.

Primary elements are to be divided into two categories; activity place and leisure setting. *Activity place*, which consist of cultural facilities such as museum, festivals or events, and theatres, entertainment facilities such as theme parks, zoos, and festivals and events such as sport events, concert, and also exhibitions.

Meanwhile, the *Leisure setting*, here will be more of physical setting, which consist the historical pattern, arts, monuments, and harbours. This will also includes the cultural characteristic such as native language, the local people and their way of living.

The *secondary elements* are the elements that attract people to urban areas, such as accommodation facilities, shopping facilities and markets. However, there are other elements that influence the travellers: accessibility, parking facilities and tourist infrastructure (signs, tourist office).

3.2.3. Spa and the choice of urban areas

Although the trend for rural area spa is rapidly growth, does not mean the urban area spa is decreasing. Most people finds the advantage of spas in the urban area, where experiencing the urban spa means giving the customer a more convenient situation and location, where they do not have to leave their daily activities and family as we can view the example of the advertisement for urban spa below:

“Now you don't have to leave your spouse (Or give away your children),

(Source: <http://www.urbanspaphil.com/>, May, 05, 2005)”

Customers are willing to experience spa treatment in a place where they can get treatment to improve their physical and mental well-being, offers soothing rest, relax exercise and pampering. But realizing the metropolitan way of living that requires a lot of hours for work

and money making perspectives, does not give so much option for city people to travel to the rural area and pamper themselves.

In addition, McNeil and Ragins (2004) stated, what the spa customers are looking for is nurturing and healing place, where they can still enjoying the time with their friends and families, which is hard to achieved with the time limitation.

Motivated from the desire, the spa industry has developed and fulfilling the desire, as Landman (2005) reported the variations or urban spas, with different kind of treatments recommend for every customers. Various spas offer cosy atmosphere, nature and traditional spa products, facial and body treatments, spa-cuisine as well as urban-rural surroundings, such as a quite flowery enclave inside a bustling gym.

3.3. Trend analysis of the current SPA market:

The trend analysis of the current market for Spa industry will be defined in this section, as well as the industry growth, the spa product and the trends towards spa industry.

The tourism industry recognizes spa and health tourism as one of the fastest growing area of contemporary tourism (Travel Trade Gazette, 1998, cited in Hall, 2003). Monteson and Singer (2004) stated that a spa should be market-driven; therefore it is imperative to understand current and future guests. Thus, a spa should help the core business, which is selling rooms in that resort, and it should primarily be built for these guests. Tourists and businessmen demand a spa in hotels and you cannot call a hotel true five star without a spa in their inventory.

Customer demand is driving the growth, people are searching for an escape from work related stress, and they are realizing the long term benefits of taking care of themselves. Hall (2003) implied that there is a desire for healthy lifestyle, which is a significant intrinsic reward of travel, is a major component of tourism behaviour and products that has become increasingly important in recent years. McArdle (2004) referred to the aforementioned that once considered a sanctuary from stress, spas are now offering more than just a temporary escape from every day life, and customers are recognizing the physical benefits that can be derived from spa treatments and products. Going above and beyond bubble baths and scented soaps, spas offer customers an opportunity to educate themselves about what skin care products are available, which ingredients are best for their individual needs, and proper home-use of products.

The Spa trend is growing but even though the programs and facilities vary, all the spa tourism includes wellness education, healthful spa cuisine and a spectrum of spa treatments (Baraban and Bassett, 2004).

3.3.1. Customer behaviour in the Spa and Wellness tourism

Drawing from the customer behaviour perspective, we might believe that the trends of vast significance to customer marketing, such as the decline of the nuclear family, the changing role of women as evidenced by increasing female employment static ageing populations and higher living standards, are common to large segments of the modern industrial world. These convergences of demography, behavior and shared cultural elements are creating a more favorable climate for acceptance of a single product and positioning across a wide range of geography (Murphy, 1992, p. 109).

In terms of the spa and wellness tourism, we might assume that the customers have a specific perception of the treatments that will be provided during the spa experience. Wellness or health tourism is the term that is mainly used to describe those target markets that are interested in a travel experience that combines a sense of health and wellbeing. Nevertheless, it is about traveling to a destination for relaxation, rejuvenation, to restore lost energy, kick start a healthy living lifestyle, or to find inspiration by connecting with nature. One of the biggest challenges of spas is actually to find the right spa. Many aspects should be thought of when actually choosing a spa and it can correlated to the expectations, such as the taste, needs, and objectives and foremost the budget. In terms of objectives, it is rather important to understand the outcome of the actual spa experience. Thus, by answering the question of why actually planning a spa vacation, wellness weekend or inspirational adventure might conclude with a positive perception of the whole spa experience³.

According to Schiffman and Kanuk (2000), perception is a process by which individuals select, organize and interpret stimuli into a meaningful and coherent picture of the world. Moreover, we might indicate that just as individuals have perceived images of themselves, they also have perceived images of products and brands.

³ <http://www.traveltowellness.com/welnesstravel>, 2005 - What is wellness travel?

Thus, customer convergence in demography, habits and culture are increasingly leading manufacturers to a customer-driven rather than a geography-driven view of their marketing territory (Murphy, 1992, p. 109).

3.3.2. *Lifestyles and European cultures:*

Many factors indicate what will actually make people take part of certain activities, such as the SPA. An increasing phenomenon is that materialism has become an actor in the choice of leisure and pleasure. We might postulate that materialism is considered to be referring to how a person or group chooses to spend their resources, in particular money and time. Thus, people's interest in goods is affected by their lifestyles. Reciprocally, the goods they buy express their lifestyles. Marketers are increasingly segmenting their markets by customer lifestyles. On this area, Solomon et al. (1999) stated that lifestyle refers to a pattern of consumption reflecting a person's choices of how he or she spends time and money, but in many cases also to the attitudes and values attached to these behavioral patterns. Moreover, we might claim that a person's lifestyle represents the way one has elected to allocate income, both in terms of relative allocations to different products and services and to specific alternatives within these categories. On the other hand, Pizam and Mansfield (2000) pointed out that lifestyles are employed as a method of market segmentation that offers marketers particular advantage. This is due to that they are related to the goals that people set for themselves, they provide marketers with an understanding of the motivational forces that drive behavior.

Lifestyles may be considered as group identities, and Riley et al. (2001) pointed out that an individual's choice of object to be loyal towards might be influenced by the evaluative judgment of the group to which he or she is attached to. In other words, we assumed that each lifestyle is unique. On this area, Solomon et al. (1999) emphasized that customers often choose products, services and activities over others because they are associated with a certain lifestyle, this can be correlated to the model⁴ which indicates how people, products and settings are combined to express a certain consumption style.

⁴ See appendix 4

Solomon et al. (1999) stated that two or more people are normally required to form groups. Thus, patterns of consumption based on lifestyles are often composed of many ingredients that are shared by others in similar social and economic circumstances.

Although, repeat behavior is not enough evidence to describe repeated action as an individualistic or group propensity.

Demographic segmentation divides the market into groups based on variables such as age, gender, family size, family life cycle, income, occupation, education, religion, race, and nationality. Demographic factors are the most popular bases for segmenting customer groups. One reason is that customer needs, wants and usage rates often vary closely with demographic variables. Another is that demographic variables are easier to measure than most other types of variables (East, 1997). On the other hand, changes in demography increase the importance of expanding market share, upgrading customer's preferences to premium products, and operating on a worldwide basis (Murphy, 1992, p. 115). Thus, Solomon et al. (1999, p. 241) stated that a customer's physical and social environment can make a big difference in motives for product usage and also affect how the product is evaluated. Nevertheless, the consumption patterns of different countries' regions have been shaped by unique climates, cultural influences and resources.

Correlating to the aforementioned, Exter (1996, cited in Riley et al. 2001) clarified that there is no relationship between loyalty and demographics. On the other hand, Uncles and Ehrenberg (1990, cited in Riley, et al. 2001) implied that the age variable has an influence on customer choice.

Kotler et al. (1999) defined culture as a concept crucial to the understanding of customer behavior, which may be thought of as the collective memory of a society. We might highlight that the effects of culture on customer behavior are so powerful and influential that this importance is sometimes difficult to grasp or appreciate.

Concerning the European cultures, Solomon et al. (1999) stated that people from Europe often take the existence of an abundance of products and services for granted. Drawing from the latter notions, this creates the stereotyping that Westerners are being members of highly materialistic society where people often gauge their worth and that of others in terms of how much they own. We assumed that United States and Europe are in some cases considered to be much alike, both being the stem of the Western World. There has been a study conducted by Johanson et al. (2002), which indicated whether Sweden is an

individualistic or collective country. Thus, the findings stated that closest to Sweden culturally are Norway, UK, Germany, Denmark and USA, in that order. Moreover, Sweden is described as an individualistic country, is risk taking, has decentralized power and is the least masculine country (less masculine being described as considering human relations being important to the culture, considering quality of life and the environment to be more important than money).

3.4. The SPA market

In this section we will be discussing how we interpret the spa market at the present time, and what varieties of spas are available in today's era, as well as who the target market is for this industry.

We might agree that for many years it was popular for hotels to provide the guests with proper fitness facilities. Thereafter the guests started to require more and have higher demands, which resulted that the hotels started to build spa facilities.

Hall (2003) stated that the spa tourism concept has considerably been broadened out to include resorts that are not based on hot springs but instead focused on other natural resource attributes such as the climate. Thus, a health spa at a resort has become an important feature for a growing number of today's travellers.

According to Monteson and Singer (2004) a definition of a resort is a place where guests visit for recreation, health and pleasure. Moreover, the location is very important and resorts can be found on places such as beaches, mountains, lakes, tropical settings or in areas that offer outdoor facilities for recreation and sports, such as golf skiing, tennis, and others.

Monteson and Singer (2004) identified two types of resort based spas, the “resort spa” and the “destination spa” or spa resort. At the destination spa, everyone at the property is there for a spa vacation and the outside “temptations” such as non-spa cuisine, alcohol, etc are usually non-existent. Thus, the guests at destination spas usually participate in a programme based exercise, healthy eating and spa services such as massage, facials and various body/bath services. Conversely, at the resort spa the guests may not only “spa” but can also participate in other recreational and social activities typically available in a destination resort.

Arguably, in order to add a spa to the mix of facilities, this might build up a destination's average rate and RevPAR (revenue per available room). According to Monteson and Singer

(2004), when adding a spa to a resort and to make it tangible as well as an intangible asset, it must be properly conceived, themed, programmed, designed, marketed and managed.

Moreover, it is clearly shown that the health tourism provides an opportunity for the reassessment and modernisation of existing facilities, which in turn can stimulate investment and create a significant impact on local economies.

3.4.1. Sector profile:

The spa industry segment is regarded as the leading player in health and wellness tourism globally. Thus, the International Spa Association (Vershuren, 2004) has defined ten spa facility types, where each of them is capable of delivering health and wellness programming:

Day spa: A spa offering professionally administrated spa services to clients, such as massages, facials and body treatments on a day use basis. Many offer manicures and pedicures as well. This form of spa does not provide any accommodation. In the US many traditional beauty and hair establishments built out their operations with spa treatments and the possibility for relaxation.

Salon/Spas: Are combinations of beauty salons and day spas. It will allow the customer to combine spa and beauty services in one day but the two facilities should be separate so that the person will have a tranquil spa experience.

Club spa: Mainly located in a fitness facility or club. A facility whose primary purpose is fitness and which offers a variety of professionally administrated spa services on a day use basis.

Cruise ship spa: A spa within a cruise ship providing professionally administrated spa services, fitness and wellness components and spa cuisine menu choices.

Medical spa: A spa which is sometimes called “medi-spa”. The primary purpose is to provide comprehensive medical and wellness care in an environment, which integrates spa services, as well as conventional and complementary therapies and treatments. This form of spa offers treatments that are required a doctor’s supervision, such as lasers resurfacing and Botox injections. It is predicted that this spa category has strong growing potentials in the next few years, while customers seek holistic medical treatments and therapies.

Mineral springs spa: A spa offering an on-site natural mineral, thermal, or seawater, which is used professionally administrated hydrotherapy treatments. This category typifies the European spa product offering focusing on health and wellness.

Destination spa: A spa that usually offers a complete spa experience in an overnight setting. Moreover, the sole purpose is to provide guests with lifestyle choices improvement and health enhancement through professionally administrated spa services, physical fitness, educational programming and on-site accommodations. The Spa cuisine is served exclusively.

Resort/hotel spa: A spa within a resort or hotel providing professionally administrated spa services, fitness and wellness components and spa cuisine menu choices. Moreover, the resort spa is just one of the many guest amenities at the resort. This can be a good choice when one person loves spas and the other loves golf.

Urban hotel spa: is usually located within an urban hotel, with spa treatments, fitness and wellness components and spa cuisine menu choices. These are often very luxurious facilities with prices somewhat higher than normal.

Airport spa: is located in an airport and offers abbreviated treatments aimed specifically at the traveller, like chair massage and oxygen therapy. Basically, an airport spa is all about recognizing and optimizing non-productive time wasted while waiting in transit, by making it a relaxing and rejuvenating spa experience for the traveller. Nevertheless, airport spas bring a new dimension to the existing spa context.

It is also clearly viewed that today's guest at a spa resort wants to be taken care of and to recharge and relax. In other words, they want to reduce the stress while being at the property. Moreover, whether guests are at the resort for a vacation, a getaway or a conference, the social and recreational components are vital to their stay. A spa is one more feature that will make a property more inviting to these guests (Monteson and Singer, 2004).

3.4.2. Industry growth

Taking the example of the Australian health Retreat and Spa industry it might be seen that the spa industry is evidently growing gradually. According to the Research Department of Tourism Queensland (2002), the following areas indicate the potential growth of the industry:

Locations: The number of spa locations has doubled in number every four years. The number of locations has increased by an average of 20 % annually over the last eight years. The resort/hotel spa segment has been expanding faster than any other and showed a cumulative two-year increase of 143 % in number of locations. Mineral spring spas are also growing faster than the industry average.

Revenues: Industry revenues have grown by 114 % between 2000 and 2002. However, the annual growth in revenues for individual spas has moderated from 28 % in 1999 to only 14 % in 2000 and 8 % in 2001.

Employment: The spa industry saw an 87 % increase in the total number of employees in the past two years.

Spa visits: Demand continues to be the driving force behind the tremendous growth of the industry. Despite poor economic conditions, the number of spa visits continues to grow rapidly, increasing by 71 % between 1999 and 2001.

Establishment Types: Day spas continue to dominate the industry in terms of number of establishments, but resort/hotel spas are gaining ground. The resort/hotel spa group was the fastest growing sector, firmly establishing it as the second largest segment.

Product Trends: The Eastern/Asian influence continues to be very strong in the industry, influencing products, services and spa designs. There is a strong trend towards “medical type” products and services. Food- and plant-based treatments have also gained widespread popularity.

Customers Trends: Many people no longer see the spa as “pampering”, but as a requisite to stay healthy and look good. These customers want simplicity in their spa experiences and are returning to more traditional spa products. Customers’ limited free time means they have less time available to spend at the spa, and the industry is designing its offering around this trend.

Technology Trends: The industry’s use of technology has advanced in the past two years. Spas have moved beyond the use of Internet as a simple research or e-mail tool and now report major investments in database management, integrated channel customer contact systems and marketing products/services online.

3.4.3. The target market

Kotler (2003, p. 94) argued that a market is the set of all actual and potential buyers of a market offer. The size of a market hinges on the number of buyers who might exist for a particular market offer. Thus, he also stated that potential market is the set of customers who have a sufficient level of interest in a market offer; interest is not enough to define a market. Nevertheless, the company can go after the whole available market or concentrate on certain segments. A target market on the other hand is the specific group of customers that a company aims to capture. They have been identified as people with needs or wants that can be met with the products or services from that specific company. The companies use the target markets to develop marketing campaigns to best promote their products and services.

Drawing from the latter notions, Goodrich (1993, cited in Hall, 2003) pointed out that the health tourism concept suggests at least two possible approaches to segmentation of the customer market. On the basis of health, appeals could be directed to people with various afflictions and illnesses, such as high cholesterol level and obesity, who would form the core “health segment”. A secondary segment, appeals to people who wish to maintain a healthy appearance.

Moreover, the latter perception of segment is for destinations or hotels and resorts to cater to the high-income segment who can afford the high prices for health services. Thus, alternative and traditional medicine offerings could provide additional health care options to tourists both foreign and local.

In addition, there is a paradigm about spa is connected to women’s desire of health and beauty. Undeniably, over 50 % of spa goers are women who are the core of the spa market. However, men are beginning to embrace the idea of spa treatments, and this can be indicated that there are an increasing number of men seeking spa therapy, and there are about 13 million men or 29% of all spa goers, visited spa during the year ending June 2003 (McNeil and Ragins, 2004). Thus, we might predict that women are not the only ones who want to look their best. The spa industry is taking full advantage of every opportunity to tap into new markets with treatments, programs and products specific to age and gender. McArdle stated that teenagers are ideal spa clients because of their disposable incomes and changing skin care needs. While, the spa industry is well aware of the teen spending habits

and knows this large target group is strong and growing demographically and is a great market to pursue.⁵

The aforementioned concepts do indicate that the area of interest is increasing and the spa destinations are doing changes accordingly to the trends and the new target markets that can affect an increased interest for the Spa tourism phenomenon.

3.5. Demand for healthy spa

Based on the previous section of how people search for healthy leisure activities, in this matter experiencing the spa, and how does the European demands for spa industry, will be presented as followed:

We have earlier mentioned the importance of individual health, especially as it is also recommended by the IUTO, ‘the prerequisite of health facilities utilizing the natural resources of the country, in particular mineral water and climate’ (Goeldner 1989:7, cited in Hall, 2003). According to Witt and Witt, (1989, cited in Hall, 2003), The Balneotherapy and spa tourism has been and important component of European travel since long time ago. We can see how the demand for the health tourism especially for spa resort as also mentioned by Mesplier-Pinet (1990, cited in Hall, 2003) 1% of population in France, 2% of population in Italy, 2,5% of West Germany and 3% of Poland are regularly visits the traditional thermal resort or spa resort, is popular, especially since the government sponsored the cost of domestic health tourism at spa centres (Mesplier-Pinet, 1990; Hall, 1991, cited in Hall, 2003). These factors might indicate that the spa industry has an emotional appeal.

3.6. SPA Trends global and national

3.6.1. The International SPA Trends.

In this section, the history behind the word spa, the conduct and what the latest trends in Spa products are will be brought up here to identify the nature of growth.

What does Spa really mean and where does the word originate from? The word Spa itself was taken from the name of one famous mineral spring in an area call Spa, Belgium, since the beginning of 16th. Another opinion proposes that the word spa came from Latin

⁵ <http://www.chotelier.org/news/July2.htm#SPA>, 2005 – The spa trends-The Influx of men

expressions “*Senare per Aqua*” means health through water (The British Spas Federation website, cited in Osborne, 2002). Even though spa has various meanings or translations, it is often translates as a place or a resort that is providing health treatment such as therapeutic baths, massages, aromatic, and to exaggerate it, a head to toe health treatment with mineral spring water as one definite ingredient (The Columbia Encyclopedia, 2003).

Mineral spring that is the main products in spa, has been used since ancient years to cure illness such as rheumatism, skin problem, as well as poor digestion (<http://www.ardeche-tourisme.com/carnet/thermal/neyracuk.htm> cited in Hall, 2003)

The amicable environment of spa resorts are believed and proved that they can sooth the hectic soul and has rapidly become a growing business.

Hall and Kearsley (2001, cited in Hall, 2003) argued that the spa tourism has broadened out, and includes resorts that not only focus on hot spring method but also other natural resource such as climates, that is the concept being made recently by many major spa resorts at destination such as Rotorua and Hanmer Springs (New Zealand) that geared their market towards the Asian market and the wealthier domestic tourist, for their differentiation in climates and resources.

People are either individually attracted to go and experienced the spa products services, find their favorite destination mostly through internet, where spa owner spent great amount of money to generate their business via internet, to make a great first impression to their potential clients. For some survey has been made, 33% of leisure travelers willing to have a good access via internet while making their plans.

Moreover, some other possibilities that make people experience the spa products is due to the awareness of companies where people are working at. Some companies have agreed that healthy employees are productive employees. Therefore they are providing health treatment for their employees through spa treatments. Luxury destination spa such as Miraval in USA has 30 to 40% of revenue from corporate group business who has this kind of treatment for their employees (Corporate Meetings and Incentives, 2004). Thus, Brown (2005) stated that the luxury end of the market is becoming more luxurious. As Hall, (2003) mentioned the target group for health tourism in ASEAN (Association of South East Asian) countries, the medical bills for middle and upper class are usually paid either buy health management organizations or employer sponsored medical insurance. They are usually the best target for Spa business who offers health treatment for the employees. Moreover, Brown (2005)

identified that medical spas are continuing to thrive. The spas try to blend traditional medical expertise with spa luxury and innovation. This form of spas is becoming trusted venues for executive physicals, health and wellness programs, cosmetic treatments, dentistry and dermatology.

There is also a growing trend of establishing luxurious and up to date spas in the Middle East, which are targeting both the sophisticated traveler as well as customers with disposable incomes. The high per capita incomes in the Middle East have created a major market for spas both as independent operations as well as part of resorts and hotel properties. At least eight countries in the region including Bahrain, Cyprus, UAE, Jordan, Oman and Turkey have spas. Thus, the spa industry which is an integral part of the beauty business has been witnessing a surge in popularity worldwide with estimating an average growth rate of approximately 19%. Today's spas offer a wide variety of techniques and services both traditional and modern, from the East and from the West - to meet the diverse needs of their clients including massages, facials, acupuncture, Dead Sea salt scrubs, mud wraps, thalassotherapy, aromatherapy, reflexology, microdermabrasion and endermologie. This in has contributed that new “cocooning” trend in the Middle East has led to the opening of a number of such deluxe relaxation and rejuvenation centers (Stengaard, 2005).

Trends of spas is increasing and rather than awaited for the clients to come find the spas, the spas could now come to you, wherever you are and whenever you need it. It is known as mobile spas, a complete spa you can get in places such as house, in the party, and elsewhere (Brown, 2005). Thus, the mobile spas are compete with therapists massage tables, pedicure carts and other equipments, offer roving relaxation in venues ranting from movie sets and airports, to hotel rooms and offices. Another alternative where the interest has increased is the home spa parties that are rather popular by baby and wedding showers, bachelorette parties and birthdays.

Furthermore, the wish for experiencing the healthy lifestyle that people is doing more and more is a component to the tourism behavior and products that in the present years has rapidly increase that will be discussed later on. We might correlate the aforementioned international spa trends to how they use the form of global branding.

3.6.2. Going global – branding and brand stretching beyond the borders

Competing in a global marketplace has become increasingly commonplace for many industries. Some companies have broadened their horizons by choice, others by necessity.

The international market trends might have different perspectives of branding than the national ones such as on the Swedish market. Brands are important in the customer market and developing a new brand is risky. Arguably, a successful new brand has usually “settled down” within a year or so of its launch. In other words, the brands sales level as well as other measures such as its penetration and average buying frequency will have become more or less steady (Ehrenberg, A.S.C., 1999). Thus, Kotler (2003, p. 190) suggested the following reasons new products fail may be due to that the idea is good, but the market size is overestimated, the product is not well designed, the product is incorrectly positioned, ineffectively advertised, or overpriced; development costs are higher than expected, or competitors fight back harder than expected. Some of the factors that might be doing a product successful are that the company might have a better understanding of customer needs; a higher performance-to-cost ratio; a head-start in introducing the product before the competitors; a higher expected contribution margin; a higher budget for promoting and launching the product; more use of cross functional teamwork and stronger top management support (Madique and Zirger, cited in Kotler, 2003, p. 190).

An alternative to brand acquisition many companies have sought to avoid the prohibitive costs of launching new brands and the associated risks of failure by extending the franchise of their existing brand names to new products. This process is known as *brand stretching* (Hankinson and Cowking, 1993, p. 7). As reflecting we might say that brand stretching refers to the use of an established brand name for products in unrelated markets. There is another concept that also is correlated to brand stretching. The phenomenon is called brand extension and referring to the use of successful brand name to launch a new or modified product in a same broad market. We might withdraw that a successful brand is helping the company to enter new product categories more easily, in this case the brand stretching.

We might see some advantages with including brand extension in an organization, while it is allowing the customers associate the quality of the established brand name with the new product. The customers will be more likely trust the new product. There is also the advantage that the new product will attract quicker customer awareness and willingness to

trial or sample the product (Tutor2u, 2005). We assume that, if a company is using brand stretching in their organization, it will correlate the company with high quality. Fawcett (2004) stated that the general rule of thumb is that if the brand extension contributes more value than the original core product it ultimately tends to fail. On the other hand, Murphy (1992) said that the key factor in brand extension is to comprehend the main values that the brand is associated with and to launch a well structured plan of action for the brand equity. We may postulate that brand extension is an essential part of the life of a brand, which represents growth, development of scope and market adaptability. Alternatively, brand extension has proved in many cases to be a remarkably successful strategy – it has reduced the risk and cost of new product entries, increased the exposure of brands and made brands more attractive and contemporary to customers (Murphy, 1992)

Keeping in mind that brands are the interface between customers and the company, and customers may develop loyalty to brands (Lau and Lee, 1999, p. 341). There can be certain keys in the establishment of growing a brand, which are planning, setting targets and standards, and paying the attention to detail (Gregory and Weichmann, 2002). Moreover, it is also important to recognize the factors that might affect on the product growing phenomenon, and they can be: technological and economic changes that are producing the global markets, as well as the degree of adaptation where the local conditions varies with:

- market and economic specifics of the industry
- nature of product
- legal constraints
- company strategies

Nevertheless, Murphy (1987) described different ways of how brands have been developed during the last years, and these circumstances are based on three reasons:

First: that the legal systems have recognized the value of branding for both producers and customers.

Second: The concept of branded goods has successfully embrace service, which means branded products to distinguish from other competitors.

Third: The way the branded products being distinguished from competitors, has increasingly embrace the non-tangible factors such as size, shape, make-up and price.

On the other hand, Murphy (1992), implied that successful brands, whether they are national or international, offer customers something of value which is different from that offered by competitive brands, and which they are prepared to purchase.

Moreover, Porter (cited in Hankinson and Cowking, 1993, p. 174) considers that the competitive state of, and hence profitability of, an industry depends upon five basic forces:

- rivalry among existing firms
- the bargaining power of suppliers
- the bargaining power of buyers
- the threat of substitute products
- the threat of new entrants

However, we claimed that when a company has diagnosed the underlying forces of competition in its industry, they should thereafter analyze its strengths and weaknesses of the various forces that are considered to be seen as competitive threats and take action to improve its relative position.

Nevertheless, successful branding reduces rivalry between already existing firms and it also increases the company's bargaining power and protects it against substitutes and new entrants to the market (Hankinson and Cowking, 1993, p. 181).

3.6.3. The Swedish spa market

If you visit a SPA nowadays you will come to a wellness establishment that is built on the European treatment tradition. There is a while view when it comes to body and soul, and there are four corner stones which are included: Healthy eating, exercise possibilities, mental balance and good face and body care. The aforementioned factors are those that should be combined in order to make the spa work in a holistic way. In Sweden we have started to understand the meaning of these establishments and the interest has increased both for visiting and also for opening a spa.

It is noticeable with the increased interest for the Swedish spa market, and it has started to boom just as the trends in the rest of the world. Moreover, to visit a spa is getting more and more popular for both leisure and business guests (Macdonald, 2001).

There are many hotels in Sweden with more or less nice spa facilities at beautiful locations; however most of them are providing the same spa services.

It is to be believed that it is not only the design that is behind the success of a spa, but it is also the well thought through concept, a concept that is built into the design which can with small details make the spa experience unique and individual to the customer. The increased interest on the Swedish market has allowed the leading Spa hotels to create an association called “Föreningen svenska spahotell”. The association has many purposes such as spreading out knowledge and observe the advantages with the spa experience, but also to clarify and set standards. Thus, the quick growth in the spa business has developed an uncertainty among the spa guests, and the guest’s loyalty and trust is the main goals for the association’s members.

In terms of becoming a member in the association, the hotels need to fulfil certain requirements and criteria that will be working as a guarantee for the quality standards that are set. The membership is a promise to the guests that the hotel has various choices of different treatments and activities performed by well educated staff. Nevertheless, the competence of the spa staff is a decisive meaning of the whole actual spa experience (SHR, 2004).

4. LITERATURE REVIEW

This chapter will be discussing our literature contributions; to what extent the leisure and pleasure consumption is, and the connection to the brand loyalty. Furthermore, the discussion about the service marketing and the relationship marketing will be brought up, based on various authors we have selected.

4.1. Leisure and pleasure in the consumption society

Further in this section, we will be discussing the decisions why people have the need of vacations and their search for leisure and pleasure activities, according to several authors and facts that have been examined.

Whenever people are searching for leisure, we have to be sure that the activities have the purpose of pleasuring the person. Jolly (2002) has stated several reasons of why people search to partake in leisure activities that can be ranked as follows:

- *To build and strengthen relationship:* this number one reason is to be together with family, to get away from any kind of stress, both home and work, and view the vacation as tool to rekindle the family relationship.
- *To improve health and wellbeing:* large amount of people are agreeing that vacations are vital to their family’s physical and mental well being.
- *To rest and relax:* getting away from all work, worry, and else to be refresh and renewing the energies.
- *To have and adventure:* adventure, in any form of romantic and dangerous, provides the heightened sensation that people searching for
- *To escape:* to get away from routines worry, stress, and search for better climate, beautiful panorama, slower pace of life, cleaner air, a peaceful surroundings and a lot of other thing that could not be found back home.
- *For Knowledge:* travelling and learning cultures, food, discover something new, to better-educate themselves.
- *To mark a special occasion:* vacations that mark special occasions are usually taken with loved ones and provide memories that last a lifetime.
- *To save money or time:* although vacations almost always means spending money and time, if doing it close to home, or just a short vacations means saving money and time.
- *To reminisce:* Many people travel to relive fond memories; childhood, food, souvenirs, and many more.

It is arguable how the aforementioned reasons, motivates people these days are more eager to search for leisure and pleasuring activities, especially that is combine the health aspect that could help them to get away from their ordinary days. Indeed, going to spas has become a social event. Many go with their friends, families, spouses and turned the spa space into popular spots for bridal showers and anniversaries (Register, 2005).

In relations, as it is also defined by The International Union of Tourist Organisation (IUTO), the forerunner of the World Tourism Organisation as; staying away from home, health as the most important motive and done in leisure setting (Goeldner 1989:7, cited in Hall, 2003).

Additionally, travelling means improving an individual's health, in example; sea cruising and the change of climate that is become the motivation for travel (Mathieson and Wall, 1982; Wright, 1988; Hall and Rudkin, 1996, cited in Hall, 2003). Due to the increased demand from the customers' perspective the spa industry has to adapt accordingly. The stress level that is hectically increased nowadays, that occurs to the reasons such as unemployed, workload, family problems, are the main reason of why does people search for leisure and pleasure activities. Coleman (1993, cited in Siegenthaler, 1997) said, “Contentends that leisure assists in maintaining physical and mental health by helping people resist stress induced illness, which can lead to enhanced well-being”. Coleman also made some study of 104 adults, how they (the people with stress level) could cope better and experience greater benefits from leisure on high level of stress rather than when life stress level was low. Leisure activities help people relieving their stress and also providing a sense of purpose and accomplishment, and this is considered to be pleasure for them.

Goeldner, (1989, cited in Hall, 2003), recognized five components of the health tourism market, where each of the components is identifying specific market segment:

1. Sun and fun activities
2. Engaging in healthy activities, but health is not the central motive (adventure and sports tourism activities such as hiking, cycling or golf)
3. Principle motive for travel is health (e.g. Sea cruise or travel to different climate)
4. Travel for sauna, massage and other health activities(sp resort)
5. Medical treatment.

The figure 4 below illustrates how the health and spa travel market is among the primary motive for people to travel and search for health activities;

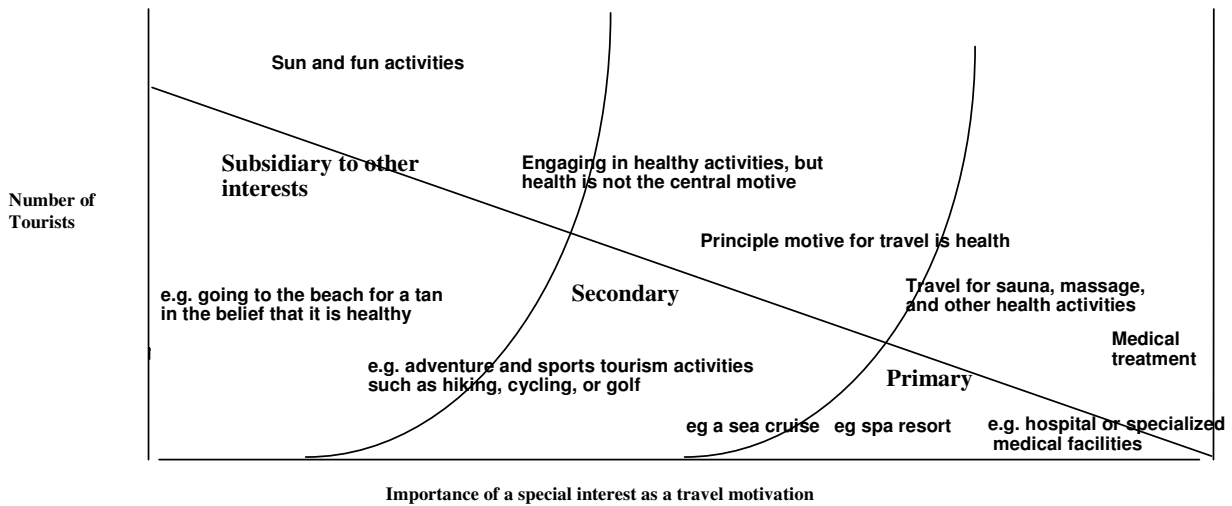


Figure 4; Hall, 2003- Characteristic of Health and Spa Tourism Segments in Relation to Motivation and Size of Market

Drawing from the latter model, Hall (2003) pointed out that the use of travel to improve an individual's health, for instance through sea cruising or a change in climate, has long been a motive for travel. A destination that is recognized internationally as a centre for health tourism is Israel, and this is due to the transformation with these four basic characteristics:

1. Good natural resources
2. Stable, comfortable climate all year round
3. One of the world's most progressive medical systems
4. Attractive scenic locations which have a calming effect on patients

(Niv, 1989:30, cited in Hall, 2003).

4.2. Brand loyalty in the leisure and pleasure society

Due to the aforementioned aspects, the Spa recognitions are gained so therefore the concept of branding might have a major role. The guests' leisure and pleasure activities might develop brand loyalty and certain images of that specific spa establishment where they have been taking a part of. The picture as a whole of the spa experience may have affected by both external and internal aspects that are making them loyal to that specific place.

The brand loyalty might be categorized in two various distinctions: repeat purchasing behaviour and brand loyalty. Moreover, repeat purchasing behaviour is the actual rebuying of a brand. When it comes to the terms of brand loyalty, we might make another distinction between two types, spurious brand loyalty and true brand loyalty. The latter notion is defined by Bloemer and Kasper (1993) as the (1) biased (2) behavioural response (3) expressed over time (4) by some decision making unit (5) with respect to one or more alternative brands out of the set of such brand, (6) which is a function of inertia. However, the aforementioned is considered to have the meaning without commitment towards a brand. Schiffman and Kanuk (2000) have presented the evoked set concept where they postulated that the latter notion is referred to the specific brands a customer considers in making a purchasing within a particular product category. Moreover, the evoked set consists of the small number of brands the customer is familiar with, remembers and finds acceptable. The aforementioned set is distinguished from the customer's *inept set* which consists of brands the customer excludes from purchase consideration because they are felt to be unacceptable, and from the *inert set* which consists of brands the customer is indifferent toward because they are perceived as not having any particular advantages. The work of someone assumed that the evoked set is composed of those products already in memory, plus some prominent in the retail environment. Although, the *inept set* is when the customer is aware of but would not consider buying the product or service, while those not under consideration at all comprise is the *inert set* (Solomon et al., 1999).

We might assume that increasing customer loyalty is the single most important factor to increased profitability for the company. Arguably, brand loyalty is the ultimate goal a company sets for a branded product. Riley et al. (1999) stated that the concept of loyalty implies both power of the object to attract and the propensity of the individual to commit. Thus, loyalty can be defined in behavioural terms (e.g. frequent flyers) or by nominated disposition (e.g. involvement). Within this area, Lau and Lee (1999) stated that a customer who places trust in a company is likely to trust its brand.

Brand loyalty is a customer's preference to buy a particular brand in a product category. It occurs because customers perceive that the brand offers the right product features, images, or level of quality at the right price. This perception becomes the foundation for a new buying habit. Basically, customers initially will make a trial purchase of the brand and, after

satisfaction, tend to form habits and continue purchasing the same brand because the product is safe and familiar. According to Bloemer and Kasper (1993), brand loyalty implies that customers bind themselves to products or services as a result of a deep-seated commitment. Thus, there can be a correlated phenomenon of brand loyalty to repeated purchase behavior, where as the latter notion can be seen as “the actual re-buying of a brand” and the brand loyalty includes “antecedents” or a reason/fact occurring before the behavior. In order to create and maintain brand loyalty there are certain aspects that should be taken into accounts, such as bare in mind that favorable brand attitudes are the determinants of brand loyalty. Although we could assume that in order to achieve brand loyalty from the customers’ perspective they have to like the product in order to develop loyalty to it. In order to convert occasional purchasers into brand loyalists, habits must be reinforced. Customers must be reminded of the value of their purchase and encouraged to continue purchasing the product in the future.

A gained customer relationship, where we might consider the service encounter as the “moment of truth” to be the first impression of the whole establishment is an important factor in the whole process. We might correlate these previous notions to the service marketing which will be explained further on:

4.3. Service Marketing

Before actually delivering the product, a service has to be taken into account to deliver it. It is in the service encounter or “moments of truth” when the most vivid impression of service occurs, and this is when the customer interacts with the service company (Zeithaml and Bitner, 2003, p. 99). Moreover, we believe that if a customer is interacting with a company for the first time, that initial encounter will create a first impression of the organization. This is the only phase where the customer might judge the organization while, there is no other basis of judging the organization. Thus, a common feature of interaction and service marketing is to build direct, face to face relationships with customers. There can be some barriers in building relationships, and one of them is the amount of customers that are actually involved (Bridgwater and Egan, 2002)

Kotler (2003, p. 231) stated that most of the services are provided by people, the selection, training, and motivation of employees can make a huge difference in customer satisfaction. Ideally, service employees should exhibit competence, a caring attitude, responsiveness,

initiative, problem solving ability and goodwill. We believe that it is important to define the right customers and to focus on pleasing them which will be seen as the key to success. The right customers are those that are influenced by value based factors, such as excellent customer service or company culture. These customers, we can see as the relationship buyers, and this will reward the companies' efforts with their loyalty. Ferguson et al. (1999) claimed that the goal of effective service marketing is to have customers who judge the overall service quality to be good, who are highly satisfied, who are willing to recommend the company to others and who intend to re-purchase or are pre-disposed to purchase additional services from the company.

Zeithaml and Bitner (2003) also argued that many positive experiences add to a composite image of high quality, whereas many negative interactions will have the opposite effect. On the other hand, a combination of positive and negative interactions will leave the customer feeling unsure of the company's quality, doubtful of its consistency in service delivery, and vulnerable to the appeals of competitors.

Gronroos (1990, cited in Bridgewater and Egan, 2002), suggests that excellent service may be different at each stage of the relationships. Establishing relationships involves making promises, maintaining them involves fulfilling promises, while enhancing a relationship involves making a new set of promises based on fulfillment of earlier promises. Nevertheless, it is argued by Kotler (2003, p. 231) that the service outcome and whether or not people will be satisfied and remain loyal to a service provider, are influenced by a host of variables. We might assume that some of the variables might be an unskilled therapist or just that the first impression about the spa place is not really what the customer had perceived from the beginning. Gronroos (2000, cited in Axelsson and Wynstra, 2002, p. 153), argued that quality is defined by the customer, with experienced quality being a function of expected and realized service delivery. Nevertheless, an example might be when the customer have obtained recommendations from others and this has in itself created certain expectations of the service and the supplier's capabilities.

4.3.1. Relationship Marketing

However, the whole relationship marketing has its roots in service marketing (Berry, 1983; Gummesson, 1994, cited in Bridgewater and Egan, 2002), and it goes back to the basics to determining what customers need and want. Zeithaml and Bitner (2003, p.120) stated that

relationship marketing emphasizes strengthening the bonds between companies and their existing customers. And he also pointed out that this form of marketing is a philosophy of doing business, a strategic orientation that focuses on keeping and improving current customers rather than on acquiring new customers. Berry (1983, cited in Bridgewater and Egan, 2002) described relationship marketing as the development, maintenance and enhancement of customer relationships.

Arguably, we may assume that it is much cheaper to keep a current customer rather than to attract new ones. Therefore, it might be beneficial to develop long term relationships with the customers. We might withdraw that some of the benefits a customer can establish by having a maintained relationship with the service provider can be seen in three types as Gwinner et al. (1998, cited in Gronroos, 2000, p. 36) concluded them:

- *confidence*: reduced anxiety, faith in the service provider, feeling of trustworthiness of the service provider,
- *social benefits*: personal recognition by employees, customer being familiar with employees, the development with friendship with employees; and
- *special treatment*: extra services, special prices, higher priority than other customers.

Successful relationship marketing demands that the firm defines its business as a service business and understands how to create and manage a total service offering, i.e. manage service competition (Gronroos, 2000, p. 32). Hakansson (1982, cited in Bridgewater and Egan, 2002) argues that successful relationships tend to be based upon trust rather than formal commitment. Nevertheless, trust will be developed through social interactions between individuals in the firm, which is more important than legally binding contracts.

4.4. Branding

To carry on with the literature contribution, this chapter will be discussing of what is branding, and how did the word originate from the past centuries in order to become an important marketing tool? This section, branding definition and history according to several authors will be brought up, as well as the motivations that influence the decisions of branding a product.

4.4.1. The origins of branding

We will thus, discussing what do we need to know about the history of “to burn” and marked the cattle, became the trend on branding the concept of a product and identifying to

customers. The art of branding is not a new phenomenon. While, it has arrived many centuries ago, where the history of branding is to be believed to be started in the Greek and Roman times, where what the message needs to be sent to the customers were promoted either by written message or an out loud announcement about what is going on and where. Today's spa is an interesting combination of ancient traditions and modern mechanical wonders. Moreover, the word brand itself came from Anglo-Saxon “to burn” and marked the livestock or cattle, and afterwards moving on and brand the work itself. The modern branding was started around nineteenth century, where the concept of branding grew out of the customer packaged goods industry and the process of branding has come to include more than just creating a way to identify a product or company. The work of someone assumed that the branding today is used to create emotional attachment to products and companies (Murphy, 1992). Drawing from the latter notions, we may assume that branding efforts create a feeling of involvement, a sense of higher quality, and an aura of intangible qualities that surround the brand name, mark, or symbol.

Nevertheless, the word branding itself is an indication of why we brand and it is also a vague term. According to Nilson (1998), to brand is to put one's mark on one's property, or on items one has produced.

There are numbers of rather well examined definition of branding, while this term is broadly used and can be seen in sources such as books, internet, oral source, and in many other related areas. Furthermore, we have been able to become familiar with some good definitions of branding, which are easily assigned to the area of marketing. According to Nilson (1998), the word branding is in itself sometimes the cause of some confusion and even misunderstandings as to what brand development is really all about.

Furthermore, the branding concept is used to describe the graphical “artistic” execution of a brand identity, i.e. the shape and form of the logo, the design of corporate literature and other areas. On the other hand, the brand is a distinguishing name and/or symbol (logo, trademark, or package design) intended to identify the origin of the goods or services and to differentiate those goods or services from those of competitors. A brand signals to the customer the source of the product — and protects both the customer and producer from competitors who would attempt to provide products that appear to be identical (Stanley, 2005).

Arguably, the term refers to the building of values represented by the brand. A definition has been made by the American Marketing Association, where they defined branding as “a name, term, sign, symbols or design or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition” (Kotler, 2003, p.216)

While branding is the essence of a product, it concerns the potentials if the product is attractive or not for the customers, and how it is differentiating from other competing products as well as being the image of a great combination of words and letters, symbols, and colors. Not only should a product be differentiated from competitors but it might also be correlated to the concept of “power brand” which is according to Gale (1994, cited in Moorthi, 2002) exemplified as a “name that means satisfaction, quality and value to the customer”, in other words understanding needs, delivering superior quality on attributes that matter to customers, low “cost of quality”, overall cost leadership and effective positioning as some of the steps lead to build a powerful brand.

Drawing from above, the definition of branding has the main idea of why the producer would like to have their product branded, and how they should design the product in order to be recognized by their customers, so the customer could identify the brand from a far distance. However, with the successful potentials of product branding the customers will play a major role in the purchase and repurchase process, while this will lead to positive outcomes such as satisfied customers, word of mouth and even brand loyalty. Arguably, a brand is a promise made to its customers and shareholders. Promises that are kept yield loyal customers and produce steady streams of profits.

Gofton (1999) on the other hand stated within the aforementioned area, that branding is also known as of a key marketing tool, covering the name of the product, design, even jingles. Often, by promoting the brand through advertising media it is usually created the desire to purchase the product, as well as educating the customers about our product, what we are offering, what can they trust about our product, and in case of you mentioned the name of the product and people could say that they recognize our product, we have successfully educate our customers.

Drawing from the latter notions, we can see that a brand has certain ingredients that make them successful and that are their specific personalities. The work of someone assumes that the secret to successful branding is to influence the way in which people perceive the

company or product, and brands can affect the minds of customers by appealing those four mind functions, or combinations of them (Temporal, 2005).

4.5. Why branding a product?

What are the necessities of branding a product? In this section, we will be giving the advantages as well as the disadvantages of branding, which will allow us having ideas of deciding whether to brand or not.

Organizations develop brands as a way to attract and keep customers by promoting value, image, prestige, or lifestyle (Rooney, 1995). We may also indicate that competitiveness is the key to business success and strong brands can make the difference between winning and losing the market place. Gronroos (2000, p.66) stated that the competitive advantage of a firm is said to depend on the quality, and value, of its goods and services.

Moreover, increasing competition, the rising numbers of mergers and acquisitions, the characteristics of diverse public, and the power of the media and the public opinion can all make it difficult to communicate with customers (Barich and Kotler, 1991, cited in Simoes and Dibb, 2001). Moreover, in order to establish long term competitive advantage many companies are trying to associate their brands with intangible symbolic values. Thus, strong brand propositions provide the foundation for growth in franchise and market share through the extension of the brand into new product categories and international markets (Hankinson and Cowking, 1993, p. 6).

4.5.1. Branding: Advantages

- Better identification and awareness
- Better chance for product differentiation
- Possible brand loyalty
- Possible premium pricing

4.5.2. Branding: Disadvantages

- Higher production cost
- Higher marketing cost
- Higher legal cost⁶

⁶ <http://www.vuw.ac.nz/~caplabtb/m302w00/lecture10d.html>, 2005- Branding advantages and disadvantages

According to Johnson (1998) branding is not a useful tool if the product is identical to the others on the market place, and no desire to set the products apart from the rest. Businesses use branding to differentiate their product and service offerings from those of competitors (Baker, 1996; Dibb et al., 1997; Kotler, 1997; cited in Simoes and Dibb, 2001). However, a brand is still the means of differentiating ones products from the competitors.

Arguably, the brand is the symbol of a company or product(s) and a tool to build and communicate the trust and the reputation of the items and/or services (Nilson, 1998). A product is predominantly consisting of intangible values, and a service brand is something that you do for somebody or a promise that one will make to them. Davis (2000) stated on this area that a brand differentiates products and services that appear similar in features and attributes, and possibly even benefits.

Thus, health tourism helps countries and destinations diversify their overall tourism product and their position for a changing customer market. The incorporation of health tourism also helps broaden the marketability of destinations or country's product, bringing increased attention to the general tourism offering of the country/destination.

On the other hand, Gofton (1999) identified the main following reasons for branding:

1. It is a product differentiation, to identify the product, and increasing locate.
2. Creating separate product identity.
3. Improving acceptance by wholesalers and retailers.
4. Facilitating self-selection in self-service stores.
5. Reducing the importance of price differentials

A brand is a necessity for a business and it can provide the organization with some distinct advantages as Nilson (1998) identified: first, it is financially beneficial for the company and secondly it gives the employees a sense of purpose, in other words that the employees can be proud of, and feel a sense of belonging to, can have considerable positive effect on the morale of the company. Moreover, a brand's reputation refers to the opinion of others that the brand is good and reliable. Brand reputation can be developed through advertising and public relations, but it is also likely to be influenced by product quality and performance (Lau and Lee, 1999). In this area brand communication can arise and it has two main roles, to attract attention to the brand and to build the brand profile. However, the two objectives will be differently balanced depending on the market position of the brand, if awareness is

low attracting new customers is the main objective; if it is a well-established brand the main concern is probably more to enhance the brand position, ensuring that the brand is seen as more attractive than the competitive ones (Nilson, 1998, p. 165).

According to Temporal (2005) brands can even assist moves across industries to penetrate new markets. Thus, Murphy (1992) argued that in developing new brands one should seek those which are meaningfully differentiated from competitive products, which afford the customer reason to change whereas a continuation will be established with meeting the requirements on an ongoing basis and which will be difficult to imitate.

Indeed, we believe that companies need successful new products:

- to replace the volume and profits from established products either under attack from competitors, or nearing the end of their life-cycles,
- to develop their business by seizing fresh opportunities to satisfy customer demand (Murphy, 1992).

Drawing from the aforementioned concepts of branding, we might imply that a brand also stands for the immediate image, emotions, or perceptions people experience when they think of a company or product. A brand represents all the tangible and intangible qualities and aspects of a product or service. It also represents a collection of feelings and perceptions about quality, image, lifestyle, and status. It is precisely because brands represent intangible qualities that the term is often hard to define. Intangible qualities, perceptions and feelings are often hard to grasp and clearly describe.

Although, a brand has different aspects that makes it recognizable, but we might highlight certain factors that makes a brand to be considered as strong. A company may benefit with the following issues that are contributed by the formation of a strong brand:

- a strong brand influences the buying decision and shapes the ownership experience
- branding creates trust and an emotional attachment to the product or company
- it might can command a premium price and maximize the number of units that can be sold at that premium
- branding will aid in the choice of doing the purchasing decisions easier
- it will help the company to “fence off” the current customers from the competition and protect the company’s market share while building mind share

- strong brands will provide the potentials to build customer loyalty, and not only just to sell the product or service
- branding builds name recognition for the company or product
- a brand will assist the company to articulate its value and explain the purpose of why the company is competing in the market

(Stanley, 2002)

We might argue that there can be a difference in how we might brand services or products. In order to understand the distinction we might see it on the following way that a service is a complicated phenomenon, and most often a service does involve interactions of some sort with the service provider (Gronroos, 2000, p. 46). Nevertheless, Gronroos (2000) identified *three* basic characteristics concerning services:

1. Services are *processes* consisting of *activities* or a *series of activities* rather than things.
2. Services are at least to some extent *produced and consumed simultaneously*.
3. The customer *participates in the service production process* at least to some extent.

The task of marketing (including sales) is to find out what product features the customer is interested in and to give promises about such features to a segment of potential customers through external marketing activities such as sales and advertising campaigns and to take the product to locations where customers are willing to purchase (Gronroos, 2000, p. 53).

4.6. Corporate identity and brand identity

The effectiveness and the growth of a corporation, has a lot to do with the successful of branding your business, which will instill the identity of your corporation into your potential brand receiver.

We have earlier mentioned how the international spa market is influencing on the Swedish market and how international companies are looking into global marketing of their products and services. We might in this sense see it as that most companies with international coverage not only own a collection of brands, some purely local and others spread across a number of countries. In other words, they also have a corporate identity which varies both in perceptions and strengths in different countries. Murphy (1990, cited in Hankinson and Cowking, 1993, p. 94) defines corporate identity as “the branding and packing of an entire company”. The communication process of the corporate identity requires that a company

should consistently reflect its strategic intent through all its interfaces with the various audiences it seeks to serve. Arguably, we might correlate the following aspect to the communication process. We emphasized that if a brand is successful in making a connection with people and communicating its distinct advantage, people will want to tell others about it and word of mouth advertising will be developed naturally.

On the other hand, Kapferer (1998) stated that corporate identity is what helps an organization, or a part of it, feel that it truly exists and that it is a coherent and unique being, with a history and a place of its own, different from others. Brand identity will be clearly defined once the following questions are answered:

- What is the brand’s particular vision and aim?
- What makes it different?
- What need is the brand fulfilling?
- What is its value or values?
- What are the signs which make it recognizable?

Thus, effective corporate identity relies on visual communication as well as verbal communication and corporate behavior (Hankinson and Cowking, 1993, p. 94).

Consequently, identity is considered to be a new phenomenon and it has according to Kapferer (1998) emerged in the field of communication and therefore allows a closer connection with reality. There are certain aspects that make identity to be the contemporary concept as it is nowadays. Firstly, we might not be able to over- emphasize the fact that we are currently living in a society saturated of communications. Secondly, there is an urgency to understand that brand identity is the pressure that is constantly put on brands. In other words, when a brand gets innovated it creates a new standard. Thus, the other brands must in this case be in competition with the new innovated brand in order to stay attractive on the market. Nevertheless, the last notion is that technology is responsible for the growing similarity, whereas diversification also jeopardizes identity.

4.7. Brand identity and image

Kotler (2003) defined brand image as customers' perceptions *that are reflected by the associations they hold in their minds* when they think of the brand. This concept is based on the proposition that customers buy not only a product (commodity), but also the image associations of the product, such as power, wealth, sophistication and most importantly identification and associations with other users of the brand. Brand image can be reinforced by brand communications such as packaging, advertising, promotion, customer service, word of mouth and other aspects associated with the brand experience. Shiffman et al. (2000) stated that brand image is everything. It is the sum of all tangible and intangible traits – the ideas, beliefs, values, prejudices, interests, features and ancestry that make it unique. It is also visually and collectively represents all internal and external characteristics – the name, symbol, packaging, literature, signs, vehicles and culture. Thus, brand image is anything and everything that influences how brand or a company is perceived by its target constituencies — or even a single customer.

We postulated that brand image may be the best, single marketable investment a company can make. Creating or revitalizing a positive brand image is a basic component of every business – and lays a foundation on which companies can build their future. We also believe that creating a brand image involves getting customers to know that the brand exists. Once the brand is separated from the other brands, it will be easier to develop the image. Allen (1992, cited in Rooney, 1995) stated that the branding process itself may be the starting point for product differentiation.

Kapferer (1999, p.94) stated that brand image is on the receiver's side. The phenomenon focuses on the way in which certain groups perceive a product, a brand or other things. The image refers to the way in which these groups decode all of the signals emanating from products, services and communication covered by the brand.

Moreover, brand identity is on the sender's side. The aim is to specify the brand's meaning, and self image. Image is both the result and interpretation thereof. Nevertheless, we might point out that in this case identity precedes image.

A more clear view of the aforementioned can be related to the model⁷, where firstly there are certain companies that choose to mimic, while they have no clear idea of what their own

⁷ See appendix 2

brand identity is. They focus on their competitors and imitate their marketing communication. Secondly, there are companies which are obsessed with the need to build an appealing image that will be favorably perceived by all. Nevertheless, the third source of “noise” is that of fantasized identity: the brand as one would ideally like to see it, but not as it actually is. Nevertheless, the identity concept serves to emphasize the fact that, with time, brands do eventually gain their independence and their own meaning, even though they may start out as mere product names (Kapferer, 1999, p. 95).

Thus, numerous saturated markets are known for their increasing brand inflation, decreasing advertising efficiency as well as changes in customer behaviour and new value orientations. A brand is not born as a personality; it must be made into one. Achieving a powerful, unique brand personality requires more than just sticking on a logo or brand name. These new conditions further accentuate the requirements for successful brand leadership.

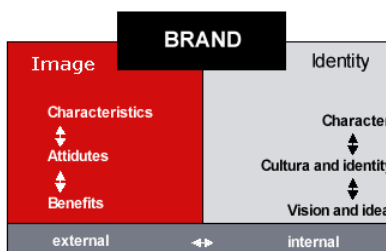


Figure 5: Six Important facets in Branding

Source: http://www.imptools.com/page_ku_markenanalyse_engl.html, August 24th, 2005

In the above figure, six important facets of a brand are illustrated, whereby an inwards oriented brand identity must be differentiated from an externally oriented flexible and mouldable image of the brand.

4.8. Brand value and shared value

Brand value is a term that is loosely used. In some instances it refers to the total value of a single brand owning business or division, at other times it refers to a single intangible asset within that business unit (Howcroft and Alwill, 2005). Thus, when valuing a brand it is important to specifically define what intangible assets it incorporates.

Within this area, Nilson (1998) pointed out that to build real brands you need to build strong values. It is by having strong values linked to the brand that the brand will have commercial power and stay in the minds of the customers for a long time. Linking to the aforementioned, Gronroos (2000) stated that a brand also provides value to the organisation.

The more customers consider a brand valuable, the more sales can be expected to be achieved. He also clarified that strong shared values in an organisation is improving the performance of the employees. Deal and Kennedy (1982, cited in Harris and de Chernatony) argued that successful organisations are placing large emphasis on making their value explicit and ensuring they are known and shared by employees.

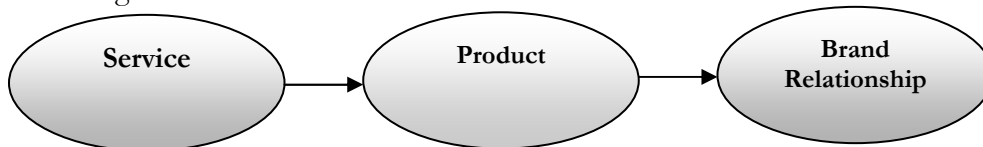
We can say that shared values are playing an important part in facilitating congruent brand perceptions and coherent actions both in the internal and external environment of the organisation. The shared values may become as guidelines for the employees of the organisation on how to perform their daily tasks. We might postulate that when an organisation increases its value, which is good for the economy. Inventing a new product, or finding a way to produce using fewer inputs increases the value of the organisation and also increases the wealth of the economy and makes everyone better off. We can say that brand value is about understanding how brands are valuable and how they can be leveraged.

4.9. Brand relationship

We might also see the brand as a relationship. However, it is mainly concerning the reflection of the brand in a relationship between the buyer and the service bought. As all other relationships this is based on trust, the fulfilment of promises and common values. The brand will deliver these features and the emotional benefits to the customer. In this sense we may see that the brand relationship is fragile, where a single event such as failure of delivering the promise or diminish the reliability might affect on the whole process.

Drawing from the brand relationship we may develop a model how a correlation between the company and the customer are linked.

We believe that the process of brand relationship can be combined with both the service and the product together where we can define it as show in the model below:



Model 1: Brand Relationship - Source: Own, 2005

Without the service the product can not have been sold or used, and the combination makes the customer aware of the brand, which in conclusion will develop a brand relationship. It is important that a communication channel is established between these three latter factors as

shown in the model. The communication and actualization of the whole concept will benefit in a brand promise, which will afterwards create a bond between the customers and ultimately lead to brand loyalty. Thus, we have to keep in mind that this takes time to build it up in the stages (Szenderski, 2003).

We must understand that nowadays branding is everything, while brands are not simply products or services. Brands are the sum totals of all the images that people have in their heads about a particular company or a particular mark. We might state that brands are not the reason of buying; rather the brand justifies the purchase.

Moreover, a brand is the identity of a good, or a service, which the marketer wants to create, whereas brand image is the image of the good, or service which is formed in the customer's mind (Gronroos, 2000, p. 287). As soon as the customer is given an active role in the branding process, the understanding of the brand changes. Many factors are actually contributing to the brand changes, such as people's own opinions around us which in other words also known as word of mouth, the internet as well has a major role in today's daily life, where it provides us with diverse information. The aforementioned aspects cause a relationship between the customer and the brand emerges and develops. Thus, the brand and the brand image, is the consequence of how a customer perceives the relationship with a brand, or brand relationship over time. Swartz and Iacobucci (2000) argued that company/brand relationships occur in situations where the customer perceives that he or she has a principal relationship with a company or brand, rather than with a person. To take the brand relationship into account it should include features and benefits that the customers are interested in and relate to (Gronroos, 2000, p. 291).

5. EMPIRICAL RESULTS

After that our interviews and surveys has been conducted, we are then able to evaluate the results of data collected for our investigation. These areas that has been taken into account during the investigations are about the trends of the spa, how much both customers and spa experts are aware of the word spa, the concept, as well as the importance of the brand image and services provided by the various spa destinations, which will allow the customers to return or not. Additionally, we have also investigated how the spa market will be in the future from different perspectives. The results will be combined together from the gained quantitative and qualitative data, whereas we believe this will allow us to gain a better view over the validity and reliability of the results.

5.1. Introduction to the empirical part

5.1.1. The respondents

Earlier mentioned that we have targeted eight interviews with various actors in the spa industry, and 100 targeted respondents for our survey. All the eight interview respondents (see: Table 1) is a mixture of the real spa and the non-spa entrepreneurs, as well as spa consultants and spa magazine founder. In addition, most of our interview respondents are professionals in their field, with international educational backgrounds and experiences. We have also succeeded in interviewing two respondents who has experience with the ISPA, where one is situated in Canada and the other in Sweden.

Furthermore, our survey respondents were randomly picked through email addresses we managed to gain from various sources.

5.1.2. Presenting the data

Taking the fact into account we have two methods of finding the data, we also have different questionnaires to present for each quantitative and qualitative respondents. However, we will be combining all the questionnaires and answers collected from both methods, and define it into different chapters as follow:

5.2. The spa goers: the core, middle and periphery

From the 100 targeted respondents, we have achieved 68% (68 respondents) valid answers from our survey respondents from the Swedish market, especially from the Gothenburg region. In addition, we have achieved all the eight interviews we targeted which is our primary data source; of all the survey results, 60% are male respondent, and only 40% are women respondent (see figure 5).

This result is beyond our expectations when it comes to the male gender who responded more than the women. The figure specifically shows in detail how the attention from the male gender for health and wellness has increased, and women are not the only clusters that wanted to answer our survey questionnaires.

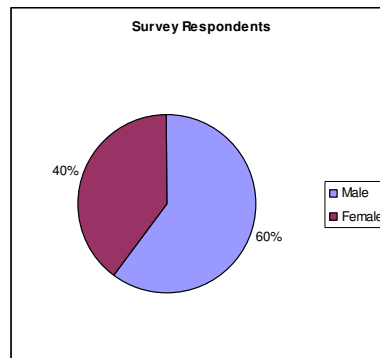


Figure 5: Responds percentage from the Swedish Market, 2005

Further more, the surveys has proven that 64.71% are aged 21-30, and there are only 1, 47% who are above 60 years old. Apparently the spa has also attained the younger citizen's awareness, and drawing from all of eight interview results with both spa and non-spa agreed that there are more of younger people attracted to experience spa nowadays. In today's society spa is seen as the first step in the process of maintaining one's health and wellness, and the perception of spa is considered to help you to look younger and healthier at the senior age. This is somehow enforcing the people to actively and frequently go to spas.

On the other hand, according to *Anna Bjurstam*, Managing Director of Raison d'Etre, Sweden is one of the European countries who are left behind when it comes to spa experiences. Swedish people are having difficulties to adapt with new trends and new concepts. And this is also agreed by *Andreas Norman*, the owner of the Spagos, as well as the owner of Göteborg Spa; *Vesna Stefanovic* who stated that Swedish people are not rather anxious about trying out new things, and are not really seen as true spa goers; especially the

Gothenburg inhabitants. Although, comparing few years ago, the spa market nowadays is more mature and this can be due to that people’s knowledge about spa is increasing. Additionally *Bjurstam* indicated that spa is still seen as a luxurious destination in Sweden. And the Swedish inhabitants in general are fanatics in believing in statistical proofs, like if the government would state that something is “good” then the people will go and try it out. By looking into the statistical results of how many percentage of people that have made spa visit(s) in the past two years; both in Gothenburg (27,7%) and outside Gothenburg (49,2%), we might with its help indicate what type of people that goes to spa in the figure below :

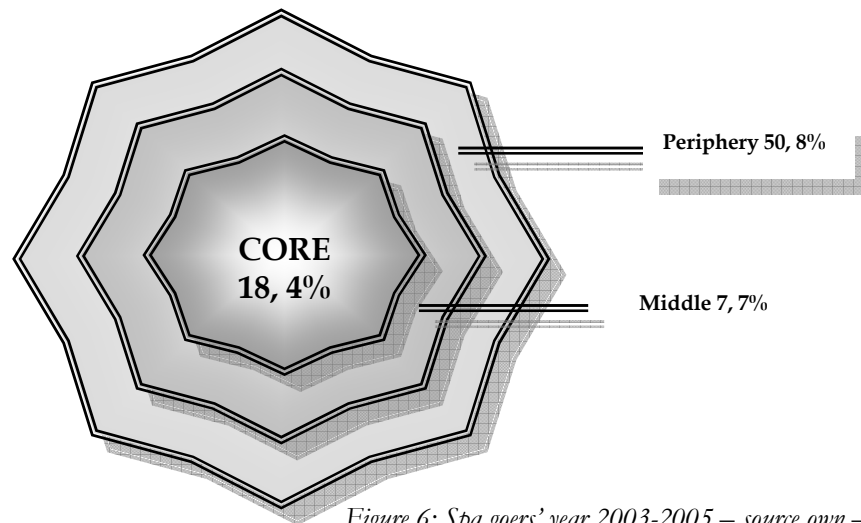


Figure 6: Spa goers' year 2003-2005 – source own – 2005

The core spa goers: those who are aware about the importance of healthiness and wellness, and have done more frequent visits to spa(s). The result shows that of all our respondents; 6,1% (Gothenburg area) + 12,3 % (Outside Gothenburg) = 18,4%; are those who can be categorized as the core spa goers.

The Middle spa goers: this cluster is a group of people who have done less frequent visits to spa(s), but still trying to increase their awareness about healthiness and wellness. Our respondents of 3.1% (Gothenburg area) + 4,6% (outside Gothenburg) = 7, 7%; are middle spa goers.

The Periphery spa goers: are people who go occasionally; when they received a free coupon to spas, gift certificates, or parties, as well as conferences in the hotel who has spa. Our survey shows 18, 5% (Gothenburg area) + 32.3% (outside Gothenburg) = 50,8%; is what we categorized as the periphery spa goers.

The rest of 23, 1% is those who did not make any spa visit at all within the last two years.

5.2 Spa concept

Drawing from our interview results, we can examine the level of knowledge that people have about the word and concept of spa.

From eight of our interviews, and by our own personal interpretation the data that has been recorded and thereafter transferred into documents allowed us to state that there were three out of eight that did not have any sufficient amount of knowledge of what a spa really was. Two of them were the non-spa whom we had been interviewed.

Moreover, six respondents agreed on that spa can be seen as health through water; despite of additional treatments such as self-healing treatments, massages, and fitness training. Yet, both of our spa consultant and spa journalist have a slight different vision on how one should define the concept of spa. A classical definition of spa is indeed health through water, however *Bjurstam* and *Ann Dimon* the Travel/spa journalist and founder/editor Travel to Wellness.com signified that the spa concept is just a term that can be used to cover many different types of qualities of facilities, and as long as your destination could provide holistic of the mind, body and spirit, as well as multiple being. *Bjurstam* argued that the concept of spa that has been indicated by organisations such as ISPA, SHR (Svenska Hotell and Restaurangföretagare) is based on groups of spa actors who have concluded their own definitions.

Looking at some examples of how the spa has been used as an emblem to attract customers, though it does not have anything to do with spa. *Bjurstam* stated that no one is right or wrong about defining the concept of spa, since the word spa does not belong to anyone. Hence, as long as you can characterized your spa correctly and clearly to your costumers, what do you offer and what makes you different than others, those who have been misusing the spa concept should not be seen as a threat.

Additionally, we might want to specify in more details on the following chart that indicates who agrees and disagrees that the spa concept has been misused:

Establishment	Agree	Disagree	Non-spa	Real Spa	Consultant
Spagos	×			×	
City spa		×	×		
The International Beauty School, Gilda		×		×	
Göteborgs spa	×			×	
Varberg Asia Spa	×			×	
Varberg Kurort Hotel and Spa	×			×	
Raison d'être		×			×
Anne Dimon (ISPA consultant)	×		×		×

Table 1: Spa concept misused Agree vs. Disagree - 2005

Our first interview conducted was with *Andreas Norman*, the owner of the Spagos, who agreed that the concept has been misused in some way. He admitted himself as one who is using the word spa to attract the customer, although he wished he could change the fact that he bought the company along with the spa name attached to it. He believed that a spa is a broader and wider in the range of treatments that he is providing. The only thing that he can provide is a Jacuzzi; therefore, he stated that his company does not really have anything that is actually related to spa.

Nevertheless, *Gabriella Jankovska*, the Spa manager at the City Spa claimed that the spa concept is only a bit misused, and therefore disagree with the statement. She sees her competitors more from the actual spa destinations rather than the non-spa destinations. This is mainly not applicable here in Sweden, but it might be more of a threat in the future when all the salons are opening and start calling themselves spas. This might establish confusion for the customers where they will be misleading from the proper spa definition and its purpose.

Kajsa Sandgren, student from the International Beauty School, Gilda who was in charge of the establishment that day when the interview was conducted. She took help of lecturer notes in order to be prepared for the questions that we were suppose to ask her. While the school is considering being a non-spa establishment and it is educating its students of what the

various expectations might arise during the different spa experiences. Gilda is also considered to be one the main Beauty schools in Sweden, and it is preparing its current students to follow the spa trends accordingly. *Sandgren* disagreed with the statement and said that people in general do not know what a spa is, and they are not informed about it either so this is contributing to the fact that they do not know if the concept is misused or not. Additionally *Bjurstam* resonance, that there is no point of eagerly in stating the actual concept of the spa, because the Swedish people does not really know and care of the definitions of spa.

On the contrary, *Stefanovic*, the owner of Göteborgs Spa, really agreed on the statement, where she mentioned that the spa concept definitely has been misused on certain products that have nothing to do with the spa. The spa concept is actually a place where you can enjoy and have treatments, and it definitely has to do with water. Also *Anna Riis*, the Spa sales executive of Varberg Asia Spa claimed that there are many salons that are using the spa emblem. She strongly suggested; in order to be called a spa you need to have a specific diploma that indicates that you can call yourself a spa. This is also agreed by our next respondent; *Carina Wallgren*, the Spa chef at Varberg Kurorts Hotel and spa, who stated that the word of spa is being misused due to that other external establishments that are not having anything related to spa are trying to develop products that are named Spa. Their only purpose is to make money out of using the spa term while it is in fashion nowadays. But however it is important to have the four corner stones (healthy eating, training, relaxing and face and body care activities) in order to be able to use the Spa word. Although the concept of spa is being misused, according to *Dimon*, there is nothing you can really do to prevent the expansion of the spa word users.

We might also need to see how far the customers know about the spa concept. If we look at the table below (see: table 2), it shows that there is a rather high percentage of 41.9% people who at least have a little knowledge about the spa concept and what types of treatments they usually offer. There were 29% of the respondent claimed they also have good knowledge of how to differentiate the actual spa and the non-spa (see: table 3)

Table 2: How much do you know about the spa 2005

Response	Frequency
Extremely unfamiliar	1.6%
Very unfamiliar	1.6%
Unfamiliar	9.7%
Somewhat	16.1%
I know a little	41.9%
I know quite a lot	24.2%
I know it by heart	4.8%

Table 3: Determining the spa and non-spa 2005

Response	Frequency
Extremely unfamiliar	1.6%
Very unfamiliar	3.2%
Unfamiliar	12.9%
Somewhat	29.0%
I know a little	29.0%
I know quite a lot	17.7%
I know it by heart	6.5%

5.3. The spa trend

5.3.1. What do the spas offer to their customer?

When it comes for us to ask our respondents, of what sort of remedy treatment and varieties of activities and environment a spa destination should have. None of our spa destinations respondents sees their establishment as a luxurious spa destination, rather as a middle spa that provides enough relaxation for their customers, since they did not have everything such as self healing treatments which is a trend nowadays; Yoga, Qi gong, etc. *Wallgren*, acknowledged us about the “price” that Varberg Kurorts Hotel and Spa, as the winner of the best spa in Europe 2003, due to all the varieties that they provide, as well as self-healing treatments. However, she would not dare to categorize her spa as a luxurious one, for the lack of several self-healing treatments they do not have in their spa; although to the Swedish market, it could be categorized as one luxurious spa.

Come across to this think, we can suppose of what they think they should have to offer to their customers. The entire spas we have interviewed believe, in order to be called the true spa, they should therefore also provide the trends in self-healing treatments, such as Yoga, Qi gong, etc. However, *Dimon* disagree and alleged that it is unnecessary to have everything in one spot, and what is best is to focus on one or two thing really well, which also agreed by *Bjurtsam*, who gave an example of a Mandarin chain hotel who did not have swimming pool, but still earned the Best spa in the world award. Further she mentioned it is how you differentiate your spa and well formulate it well to your customer what is important. And by

all these self-healing treatments numerous mentioned, is what Dimon consider as a way to differentiate one spa to another.

5.3.2. Spa area: the Urban and Rural

While some of the spas are located in Gothenburg and outside its regions, we asked our respondents to identify the advantages and disadvantages of having spas located in the urban versus the rural area.

Jankovska mentioned that people taking a part of a spa offered in the rural area such as Varberg might have to include accommodation in the whole spa visit while it is a bit far away from home. However, it is more relaxing atmosphere due to the nature surrounded by the spa establishment. Additionally *Sandberg* stated that a spa on the countryside sometimes provide its customers with different activities in forms of horse riding or walks in the nature. With the urban spas, location is an important factor so that the customer can visit the spa any time and choose what they want. Some other differences between the urban and the rural spa is that the spa located in the city usually can provide the kind of “drop in” offers, while the rural located spas are requiring some sort of planning before the actual spa experience. Urban spas might be more attractive according to *Sandberg* due to the easy access which might be a bit difficult to the rural spas. However, you can also have the weekend spas where you get accommodation and food included, and the one day spa is not considered to be a proper spa because they do not have all the treatments or facilities. *Stefanovic* mentioned related aspects of advantages and disadvantages of urban versus rural spas. She also claimed that her spa is a good example of a one day spa.

Some important points were postulated from the interview with *Dimon*, who stated that the selection of a location depends on what a person is looking for in a spa experience. A rural setting has the perception of being more conducive to relaxation and proximity to nature. An urban spa can offer a good choice for customers who do not have a lot of time or want to mix it with a city rather than wellness experience. The advantages and disadvantages depend on the customer that each spa is trying to attract.

Bjurstam mentioned some interesting factors of the differences. She implied that if you are in the urban area, then you are more prices sensitive. Although you might have different products, and this is then much easier for the relationship with the market segment. The urban is all about the differences on how you adapt to the market and the demand. She also

considers that in the urban spas is more into beauty (i.e. facials, scrubbing) than the rural that mainly focus on health

Drawing from the interview with the rural spa, Varberg Kurorts Hotel and Spa, *Wallberg* stated that it is much better to have the spa located outside the city, while it is more relaxing and closer to the nature. She also mentioned that her spa is often providing activities in the nature during the summer, like yoga or some water activities. Comparing to the latter notions, *Wallberg* also mentioned that the urban spa can be done whenever a person finds the time and it is said that it is better to have “smaller portions but more frequent” than none at all. The big difference is that the ones that are in the outside the city, are the genuine spas and have all of the corner stones. The ones in the city, do not have it all, they are more like day spas, exclusive fitness clubs with treatments.

We have asked our targeted respondents how interested they were in visiting spas in the urban areas.

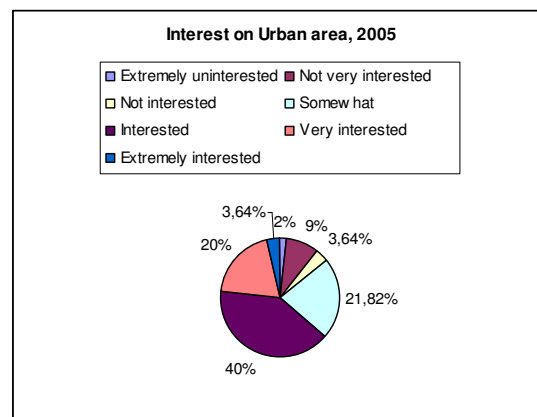


Figure 7: Urban area: (i.e. City Spa, Göteborg spa, etc). Source: Own, 2005

The figure 7 indicates that 40% of the respondents were interested, while 20% stated that they were very interested in visiting a spa in the urban area.

However, 21, 82% considered it as somewhat important of visiting an urban spa. 9, 09% were however not really interested in visiting city spas, and there is an equal amount of extremely interested and not very interested respondents, of 3, 64%. Whereas, 1, 82% are extremely uninterested.

The answers collected of why 40% are interested in the urban spa might be due to that is more convenient due to the location, easy access. Many respondents considered the urban

spa as not time consuming in sense of planning, and can be visited anytime after work or when it is suitable for that person.

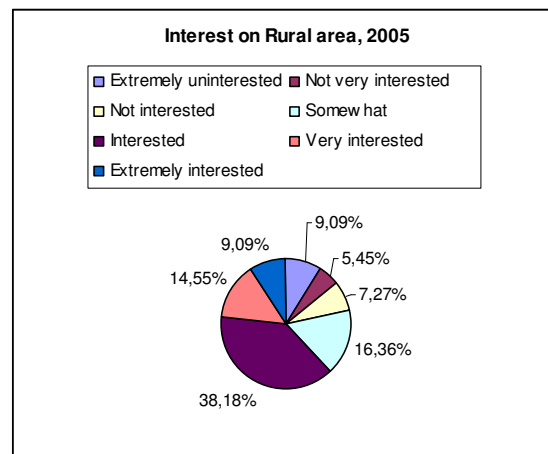


Figure 8: Rural area: Varberg, Source: Own, 2005

Moreover, figure 8 show the interest for the rural located spas is slightly different from the urban ones. 38, 18% of our respondents are interested in visiting a spa outside the city, while 16, 36% are somewhat interested. Thus, 14, 55% are very interested in the rural locations, with additional statement that it is a way to escape from the hectic life in the city and to relax. There is however an equal 9, 09% of the extremely interested and the extremely uninterested of rural spa visit. What is more that 7.27% respondents are not interested and 5.45% are not very interested, and this is due to how the respondents do not consider the rural spa as beneficial due to that it requires planning and in that sense it is time consuming. It is also important to take into account that many of the respondents stated that the rural located spas always requires some transport due to the access, and it might become much more expensive than visiting an urban spa.

5.3.3. Mobile spa

One of the current trends we have noticed internationally in countries such as in US and in some European countries is the home delivery spa, or also called mobile spa. On the other hand, there can be both pros and contras of the opinion with the new trend of mobile spa in the market. According to the results we have collected we found out that in Sweden there are not too many spa destinations that are offering mobile spa, various respondents gave different answers of why they like or do not like the idea of mobile spa.

Dimon and *Bjurstam*, both are fond of the idea of mobile spa, as it is a great idea that will become a big trend in the future. But it is all return to how well your service and the level of the therapist performing the job are, to get people’s attention. However, although it has become a big trend in London, New York, and even Norway, *Bjurstam* stated, it has not become a trend in Sweden yet, as the Swedish are not a home-delivery kind of people.

Value	Label	Count	Frequency
1	Extremely bad idea	2	3.64%
2	Very bad idea	5	9.09%
3	Bad idea	11	20.00%
4	Somewhat	10	18.18%
5	Good idea	17	30.91%
6	Very good idea	5	9.09%
7	Extremely good idea	5	9.09%
	Valid Responses	55	100.00%

Table 4: What do you think of the new trend of Mobile Spa – 2005

From a slender interview we had with spa customers, they affirmed that home delivery spa is not as relaxing as if you go to the spa destinations, and the idea of going to spa is to be away from home or your daily activities, and with spa coming to you can be said a bad idea. Although, showing the survey results on the table 4 above; there are 30.91% respondent consider the mobile spa as a good idea, although we could state here, the ones that consider it as a bad idea came to a second place; 20% respondents.

5.4. What factors are affecting the customer’s choice?

5.4.1. The brand image

Having asked our interview respondents about their method of promoting their brand image to their customers, *Bjurstam* pressed on the importance of branding. If you want a spa, it is all about branding, and when it comes to branding your spa, you need to put on force the HSP or holistic selling point method, where you use all five senses, and in some cases even use the six senses. But *Norman* unfortunately did not have any proper plan on how he would achieve brand image recognition from his customers. He agreed that a spa should have

something that is easy recognizable, something that easily catches the eyes, such as bright colors or a catching logo.

Regardless of not having a proper plan, he is in fact rather proactive with promoting his brand image in terms of advertising, with the help of modern technology, such as big screens in different shopping malls, and in terms of launching his brand image, he is mainly concentrated on the achieving his recognition in a night life magazine online called *Pause*. In this way he can easily provide the website’s members with a weekly news letter.

On the other hand, *Jankovska* believes that her spa has already established a brand image that is easy recognized by its customers. The City spa is connected to the Quality Hotel Panorama, which has allowed them to gain their image through the hotel when they are providing accommodation packages including the spa visit. Nevertheless, we might say that the Quality Hotel is a strong brand itself and in this case the City Spa is promoted with it. *Sandgren* also considered that the International Beauty School Gilda, do not have any specific way of promoting themselves. It is mainly done with the word of mouth method with the current customers, as it is supported with our survey results. The frequency on table 5 shows that 29.0% of the survey respondents agreed on the importance of the word of mouth method.

Response	Frequency
Extremely unimportant	3.2%
Not very important	1.6%
Not important	1.6%
Somewhat	17.7%
Important	29.0%
Very important	24.2%
Extremely important	22.6%

Table 5: The Importance of Word of mouth method, 2005

Additionally, we can say that the word of mouth is the method that is developed by people who will promote or not recommend others to go to that specific spa destination where a bad experience has been achieved.

Furthermore, *Stefanovic* was one of our interview respondents who confirmed us that brand image is an important factor for the whole spa experience. With her spa, they are providing a peaceful atmosphere where not many people are running around. By having a follow up with the customers and by the same time always have a therapist that is working with the same customer all the time provides the company with customer loyalty. In the sense of promoting their own brand image they do it in a rather proactive way where they are located in some health magazines, and another form of good promotion is that the Göteborg spa has its logo on room keys in some hotels in town.

With *Riis*, she did not have any comments about the brand image recognition, but she mentioned about the staff working in their marketing department that is specifically focusing on promoting the spa. The promotion is done through newspaper, but majority is done through internet while as the City Spa, this establishment is mainly connected to the hotel.

Wallberg proudly confessed that her spa has already established a brand image that is easily recognized by its customers as well as for its potential customers. She also mentioned that they are working proactively with relationship marketing which is one of the main factors in building up their brand image, and not focusing so much on advertising in the mechanical way. This enables the customers to learn about the difference between the spas and different choices of treatments. Something that might differentiate the Varberg spa compared to others is; that they opened the spa first before they built the hotel into it, while with others, it is the other way around. This lead to that the spa brand image was already established before the hotel was built.

5.4.2. Service Provided

However, only enforcing to promote your brand without meeting what your customers are expecting from you to give and have is not enough. Therefore, many of the results we have been able to gather have shown clearly that they are working hard in the area of not losing their customers. It is considered to be more expensive to attract new ones than to maintain the old ones.

In addition, our survey result shows that 41.8% sees the importance of getting a good service which will assist them in becoming loyal to the spa product brand (see: table 6). This is also strongly suggested by *Dimon* as well as *Bjurstam*, who agreed that the customer service is the

most important thing in developing and maintaining customer loyalty, besides giving the best product and treatments. You must always consider in providing the best service ever, which starts from the phone contact, to the welcoming procedure and the final goodbye. This will strongly fastened in the customer’s mind, of a certain brand who is giving the kind of treatments and service they are looking for. However, the Swedish spa market has a lower level of service quality compared to any other country in the European market, as it is stated by *Bjurstam* as well as by other interview respondents.

Response	Frequency
Extremely unimportant	1.8%
Not very important	1.8%
Not important	1.8%
Somewhat	9.1%
Important	14.5%
Very important	29.1%
Extremely important	41.8%

Table 6: The importance of the service, 2005

Further more *Norman* pointed out that it is important to have everything in the same spot, combined with good service. On the other hand, *Jankovska* stated that it is an difficult task, they put a lot of effort in looking over that their customers are happy when they leave the spa, and the personnel has to be a good listeners. Drawing from the fact that the International beauty school *Gilda* has already established their loyal customers since many years and many of them are still customers today.

Stefanovic, mentioned that her customers will be loyal if they want to be loyal. Her spa is providing many new forms of treatments, and this is attracting new customers while they want to try out new things, but it is the loyal ones that will stay with them.

Wallberg on the other hand, has a rather unique method to attract and keep their customers by building relationships instead of competing with big companies such as *Jaguar*, *Porsche*, and *Hästen sängar*. This is done by giving out spa gift voucher on every product purchased or service they made with the car companies.

5.4.3. Customer’s preferences and choices in a spa destination

Here, we would like to present what is our survey results gave us when it comes to questions of what preferences costumers would like to have in a spa destination.

		Female	Male	Total
Milieu, Jacuzzi, treatments and restaurant	Count	4	11	15
	% by Col	16.7%	31.4%	25.4%
Milieu, water treatments, massage treatments, fitness center, restaurant, self-healing(Qi-gong, Yoga, etc)	Count	9	9	18
	% by Col	37.5%	25.7%	30.5%

Table 7: Customer’s preferences and choices in a spa destination, 2005

If we look into the answers from the gender cross banner report (see: table 7), 31.4% men would prefer the spa to have a good environment, Jacuzzi, some massage treatments and a restaurant, while 37.5% of women would like to have all kind of treatments, self-healing, restaurant, environment, as well as fitness center all in one.

Important	Count	9	10	19
	% by Col	40.9%	32.3%	35.8%

Table 8: Accommodation on a spa destination, 2005

When someone is in order to experience a spa visit, the table 8 above is showing 35.8% that of the respondents sees the importance that a spa destination is providing a good accommodation; in this term hotel, services, and transportation to and from the location.

5.5. The rising of the spa

5.5.1. Booking the destinations

As we all are becoming aware of the technological trends such as internet, this is allowing the tour operators to provide easier and a more convenient way for people to book their spa visits.

This is also allowing the spa destinations to use it as their method of promoting and allowing the customer to book things on their own and adjust their booking to their own needs.

Each of the spa destinations we have interviewed, many of them have created easy methods for booking the services via internet and tour operators. Although the old used methods such as phone call services for booking is also still attractive.

Drawing from the latter notions, the spa destinations had the opportunity to understand the trends, and the bonding that people have nowadays with internet, and in this sense they would prefer to do the spa visit booking through internet which is more convenient.

This consideration can be clarified with the results we have collected, where 20.4% have booked their last spa visits through internet, and simply 1.9% through tour operator.

5.5.2. An excellent doctor acts before there is anything wrong

From our interview results, there is range of 10-35% who stated that they are financed by a company to visit spas. *Bjurstam* further stated, not everyone would like to go to the gym and train their muscles, but most people would not say no to massages, especially after long working hours. And as *Wallberg* also mentioned their existence is to help in improving the society’s health, and thus, they also have some sort of educations towards the company, and linking economy and the health. They have questioned the companies; of how much it will cost to have healthy people? How much you have to pay when your employees are sick? An excellent doctor who acts before there is anything wrong is the contemporary understanding of medicine from the ancient China, Spa treatment is to be considered as the excellent doctor and by that thought; there are 35% of their customers are financed by their company to regularly visit the spa. *Dimon* additionally stated, healthy and happy employees make a better company, and agreed on that preventing the illness is a lot cheaper than curing. This is also a way of keeping your employees loyal to your company and such treatment is considered to be as a kind of reward and appreciation for their employees.

However, looking at our survey results (see: table 9), 55% valid answers (answered by employees) out of total 68% of our respondent that we have collected, only 7.27% are being financed by their companies to visit spas.

Value	Label	Count	Frequency
1	No	51	92.73%
2	Yes	4	7.27%
	Valid Responses	55	100.00%

Table 9: if you are an employee, does your company finance your visits to spa?

Wallberg continued, companies often combine conferences that are mainly organized in hotels with some relaxing activities such as spa. They consider this to reduce the stress during the conference.

5.6. Spa market in the future

We have been able to establish the following results from our respondents of how they predict the spa market in the future, and if they see it that it will gradually increase, decrease or stay stable.

Drawing from the results with the spa professionals in the industry, *Norman* claimed the spa market will be rather stable or not changing that much from how it is nowadays, as *Riis* also claimed that the spa market will be at the same level as it is today. An important factor that *Norman* stated was that the customers in Sweden are rather scared of trying out new things, and this has led to that the market might be as stable as it is today. In addition *Jankowska* assumed spa has become a trend, and it seems like every hotels with international level have built a spa within their establishments, and she is afraid that the market can not survive with any more spas. *Sandgren* believed that the interest for the market will gradually increase due to the increased knowledge that people will gain about health and its impact on wellness. *Dimon* agreed on how the demand will continue to increase and quite rapidly. We are in the verge of wellness revolution and spas are the centre of it all. It is a rather good time for the spa industry but at the same time it is also becoming enormous competitive. *Bjurstam* moreover stated that it will increase, but it depends on the demand of the market. However, the new spas that will be developed in the future must on the other hand be serious about their business due to the increased competition. *Wallberg* thought that the spa market will stabilize in the future, while we have seen the results.

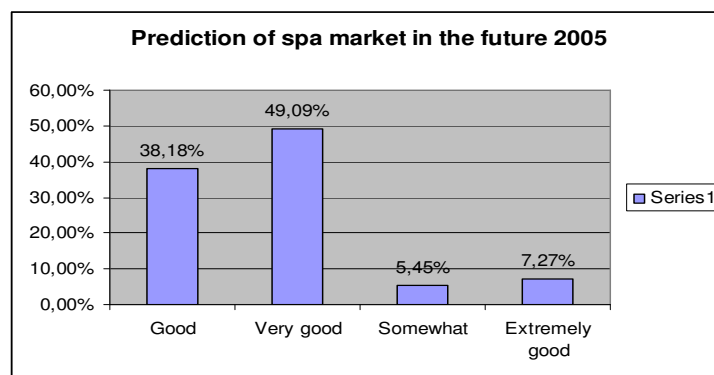


Figure 10: How would you predict the spa market in the future, source: own, 2005

Supporting our interview results, we have asked over our other target respondents of how they would predict the spa market in the future. 49, 09% predicted that the spa market will be very good, while 38, 18% stated that the market will be good. 7, 27% however predicted the market as extremely good, and only 5, 45% saw the spa market as somewhat changed in the future (see: figure 10).

6. ANALYSIS

In this chapter, the results within the empirical chapter and in combination with the literature as well as our own opinion will be analysed and discussed. The result of our analysis has come to a conclusion of the spa market trends within the Gothenburg and its region. The analysis will be divided into three different sections, which will also answering our research questions. Firstly, the behaviour of the spa customers in the Swedish market, especially Gothenburg, followed by deeper analysis of strategies done and should be done to maintain the spa concept, and ended by the analysis of the future spa market.

6.1. The Clusters of the Spa Goers

Drawing from the findings in the empirical phase we might see that the various clusters of spa goers are rather diverse from each other. The clusters are all combined of the respondents in Gothenburg as well as outside its regions. The *core* visitors, even seen as the frequent users and these customers are well aware of the importance of health and wellness. Some of the factors of why these people are actually categorized within this cluster might be due to that they are finding the time out in their daily life for the various treatments available on the market. We might withdraw from the aforementioned that today's spa is a center for healing and nourishing mind, body, and spirit. People go to spas for fitness, stress management, peace of mind, pampering and pleasure, and health and wellness. And all these factors have become a part of daily life.

Many of the customers included in the core category are rather loyal to the spa establishment that they prefer to be a member of. An important factor of the core visitors is the lifestyle patterns that they have selected. Solomon et al. (1999) on this area stated that lifestyle refers to a pattern of consumption reflecting a person's choices of how he or she spends time and money, but in many cases also to the attitudes and values attached to these behavioural patterns. While the lifestyle patterns are contributing factors for the success and the development of new spa products and services. However, many of them are also offering special benefits according to what type of membership card they have.

We might agree that the latter notions may assist the marketers in segmenting their markets by customer lifestyles. This is how the Varberg Kurorts Hotell and Spa has tried to adapt according to their customer's lifestyles, by working hard with maintaining the customer loyalty in all forms of service relationship. The Varberg Kurorts Hotell and Spa is focusing

on the importance of customer awareness and recognition of their establishment which will allow them to develop a brand relationship.

However, Varberg is not the only establishment who is concentrating on maintaining the loyalty of the customers. Other spas such as Spagos and Göteborg spa has some form of rewards for their current customers when they are introducing and gaining new customers to that specific spa. Thus, core category has also a broader awareness than the other categories of what different spas are providing in forms of treatments and activities in both urban and rural areas. This group is also aware that a quick visit to the spa in the urban location is always attractive to reduce stress and be pampered.

Furthermore, we have categorised our second cluster the middle category, and they are aware of the availability of spas both in urban and in rural areas, but they are not as frequent users as the core category. This group can be categorised as the followers, but still they do not have the full desire to become core or periphery, due to the high prices on spa treatments and activities. Even though that the prices might be still too expensive for them, they are trying to follow the trends as well as they can and according to their spending power.

We also have a third cluster of spa goers that has a rather high amount of occasional visitors as we defined them as *periphery* spa goers. Drawing from the fact that the majority of our respondents were of the male gender, we may believe that this gender group is still not aware of that some of the spa treatments or even spa establishments are providing treatments for men. Many of the men are still considering the spa to be a female thing. However, as we have mentioned earlier, the lifestyles are drastically changing and people are becoming more aware of health and its impact on wellness, and thereof we also see that the male target group is starting to increase gradually. We are assuming that the increased interest from the male visitors might be due to that they are tagging along with their love ones. Nevertheless, it is therefore important to encourage visitation for first timers, is to offer more guidance and human interaction to initiate the newcomers into different spa experiences. Nevertheless, these customers are not the frequent spa visitors and this might be a good target group to educate more in order to make them overall aware of the importance of spa, as well as that will establish a more equal percentage between the three clusters.

Many of the spa goers that we have had the opportunity to identify are starting to understand the importance of wellbeing and we have seen a broader interest of spa in the leisure and pleasure activities. There seems to become a wider interest from the younger generation as well, and many of the spa establishments are trying to adapt according to this new age group, by combining various spa treatments and choices that are considered to be relevant for them.

Arguably, we have noticed that the demographic aspects are influencing on the spa industry. Demographic factors are the most popular bases for segmenting customer groups. One reason is that customer needs, wants and usage rates often vary closely with demographic variables. Another is that demographic variables are easier to measure than most other types of variables (East, 1997). On the other hand, changes in demography increase the importance of expanding market share, upgrading customer's preferences to premium products, and operating on a worldwide basis (Murphy, 1992, p. 115).

6.2. Analysing the past, present and future concept of the spa.

This part will allow us to present our analysis of the spa concept; the past, present and the future perception (see: model 2).

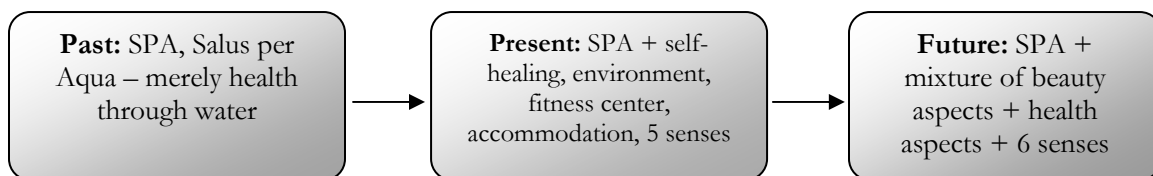
Referring to the first chapter of our thesis⁸, the therapeutic and enjoyment of spa was used frequently by the Roman soldiers as well as high society people from other cultures, to cure their wound, eased their ache, or just for pleasure while socializing with their acquaintances. As the meaning of the Spa word itself *Salus per Aqua*, health through water and the kind of treatments that are mainly associated with this concept is mere water as well as combined mud and sea water. Drawing from the findings from the last decade's spa market growth, the classical spa concept that is related with mere water has changed drastically nowadays. From this point, we may consider that today's society has increased the stress level gradually in form of combined work, household and family relationships. These factors might affect on the individual's body and mind, and it has effectively increased the desire of people to search for remedy of their own sake.

Thus, referring to Mitchell's model (see: figure 4) the present spa has become a part for the desire that people are searching for in terms leisure and pleasure activities. People have

⁸ <http://www.body-balancing.com/> 2005 – ancient therapeutic and enjoyment of spa

become more concentrated and focused on themselves and it has become as a selfish phenomenon, with expressions such as; it is all about me, I need to be fresh are rather common.

By understanding these needs from individuals, we assume that different markets in the health industry see the benefits they could create by fulfilling the needs. However, it is considered to be more beneficial in combining with classical aspects that has existed in more than hundred years. That is what we assume that the spa entrepreneurs have in mind; of all the classical remedy such as Yoga, Qi gong, and additionally fitness with modern equipments. They are trying to pursue the spa customers and the potential costumers by offering their kind of treatments along with the classical spa treatments, plus addressing all the five senses in spa; *smell, touch, feel, taste, and sight* in one holistic approach.



Model 2: Past-Present and Future Spa Concept, source: Own, 2005

Based on the interview results we might predict that the future spa concept will be a mixture of all different kinds of beauty and health aspects, including the five senses together with the sixth sense. The latter notion will allow us to assume the forecasting of human being's health.

However, as we can see concerning the rapid growth of the spa market at the present time, we believe that in the future, there will be excessively spas arising in the market, which will cause the decrease of the demand from the customers.

6.2.1. The misuse of the spa concept

Looking at the list of spa businesses through the Swedish yellow pages (www.eniro.se), we have achieved more than five hundred names that are using the spa word onto their business, but only few of them are being defined as the actual spas. The rest of the spa word users are those who are selling bath tubs, beauty saloons, massage therapists, and they have nothing to do with the real spa industry. Based on the fact about the non-spa growth, in other words those who are using the spa emblem in order to attract the customers, *Bjurstam* was the only

interview respondent who hesitantly agrees about the misuse of the spa concept. At one point she stated that no one has the right to judge what people would like to use (in this matter the non-spa) to attract customers, and the concepts that has been stated by different associations are just words that anyone could design and claim as the real concept. In some cases, we agree with her in the sense of not judging those who are using the spa concept as a fraud. Nevertheless, if we look at the historical concept of spa, in addition to the results from interviews, surveys and different authors' perspectives, it is her words against everyone. We also accept as true that the genuine spa goers will always care about the existence of the classical spa concept, and they would not like the idea of the non-spas. This can be withdrawn from the results of the surveys we have conducted, that approximately 29% of the respondents could determine the real spa from the non-spa; meaning they are familiar with the real spa concept, and only 12.9% are unfamiliar. (See: table 3)

Dimon in addition mentioned that we have to understand and adapt to the rapidly growth of the non-spa. The spa establishment therefore needs to take into account to clearly state their spa concept of what they are offering to the customers.



Figure 11: The influence motivation model, Own, 2005

If we look at the figure 11 above, it is shows the correlation between the spa establishments and spa actors: spa establishments and surrounding. With this figure, we can have a better view of how we can affirm that the spa establishment's concept has more or less been influenced by the surroundings such as the environment; as well as the lifestyle of the society and individuals that own or sponsor the spa establishment. However, the concept has

adapted and been influenced to the surroundings and the individuals on the spa market. In other words the concept that is offered to the market will either adjust them to the environmental demand or the other way around.

6.2.2. The Urban and Rural Spa

Having gained the quantitative and qualitative results from our respondents, of their opinions about the advantages and disadvantages of spas located in each area, most respondents gave the answers that we already did predict. The Urban spa has vaguer concept, and attaining the working group people. They barely have time for a long journey, but have a rather high level of stress, which is often seen as a need of an instant remedy without having to spend too much time on planning and a lot of money.

Less time consuming and quicker service is what the urban customers are looking for, and therefore the concept of the spa needs to adjust to this demand and provide as much convenient leisure and pleasure treatment for the customers. However, due to the limited space in the urban, people could not really expect to have an attractive view while experiencing the spa.

One thing that is strongly attracting the people to come to the rural spa is the nature and the relaxation offered there which allows the customers to spend time on the planning, journey and the money. This assumption is supported by Owens (1984; cited in Hall and Page, 1999) who stated that the interest in rural area has a long tradition, and as a focal point for geographic research, the potential of rural areas is not a new theme to consider. Escaping from the hectic urban life is the main reason for our respondents of going to rural spas. And for this reason, the rural spa establishment's concepts are differing from the urban spa concept. The concept therefore should be representing and using the natural surroundings. Developing health tourism particularly spa tourism might act to preserve natural resources, in that it makes use of special features, such as the forest, sea water, sandy beach (features examples from Varberg Kurort Hotell andSpa). Thus, in the urban most of the treatments are with express methods. Going to the rural spa establishment means that you will be expecting a longer period of treatment, thus the kind of massage, facial treatments, even the menu on the restaurant offers are differ, where customers should be enjoying minutes by minutes of their time being in the spa, fun, pleasure and worth the money.

6.2.3. The Spa locations in the Swedish Market

We might question ourselves where the spas are located in the Swedish market, and why? Based on the information we gained from the Eniro website, we managed to locate and mark out the areas (see: appendix 6, of where the spas are located in Sweden. This has allowed us to notice that there are more of spas which are located in the rural area rather than the urban area.

We made our postulation about the Swedish spa market and that the rural spas are mainly located on the outskirts of Gothenburg and its regions. We believe that this is due to the uniqueness of the panorama; the ocean and the surrounded areas of nature as well as the climate. The latter notions are being considered as the Swedish paradise, and therefore by planning and setting the spa establishment in these areas seen as a perfect settlement.

On the contrary, if we look furthermore on the map we could also notice, there are few spas located in the upper part of Sweden. The number of population in the upper part of Sweden that is less than the rest of Sweden is seen as the reason behind why spa actors would most likely not to build any spas in the upper part of Sweden.

Considering the latter notion, we might reflect on the important factors that the spa establishment needs to take into consideration before building a spa. Thus we have to understand the climate of the chosen area that might enable the customers to come and experience the spa. Regarding this matter, the Northern part of Sweden which is often considered to be too cold and people's preferences of living there are less attractive for them. It has most likely overturned the desire of the spa entrepreneurs to build their business in this area. But it seems that there are still spa establishments existing in this cold area. There are two areas marked on the map, which are located in the Northern part of Sweden (Umeå and Östersund). This is approving that the myth we mentioned earlier in the problem definition about that spas are limited to the warm weather area, is far from the truth. Based on the interview with *Bjurstam*, who informed that there will be another spa destination with a larger area and wider varieties of treatments (combining the spa and ski resort) exist in the near future in Östersund. We might assume the reason behind this, is nonetheless the effort the government and the private corporation's do to prevent the remaining Sámi people (*Samerna*) to vanish. By providing facilities such as spas and ski resorts in this area, this will hopefully attract people to come. Thus, along with the spa visit that people will make, it

provides the Sámi the opportunity to promote their cultures where the spa visitors might become interested and would like to visit the local Sámi traditions and culture. This will obviously in one way or another supply capital to the council that will support the Sámi to keep their cultures alive. Tourism is a booming aspect that could help a destination to survive, and spa is part of the health-tourism (see: figure 4). Although, we might also have to consider who the actual target customers are. The spas in the Östersund area will most likely attract people from the range of ten miles, and unlikely the twenty five miles away and more will especially come to the spas in this area too often. This is a good opportunity for the existing facilities like ski resorts to arrange cooperation with the spa establishments to make a package with both service and products combined from the ski resort and spa experience.

On the other hand, the spas which are located in the more convenient climate area of Sweden (Gothenburg and its region), most of the rural spas offering a convenient locations and varieties for the periphery spa goers, the one that adhere the words Fun, indulgence, playfulness, and decadent. As earlier mentioned, spas in these areas have more attractions, and effortlessly to attract people to come.

We have to keep in mind that Swedish people are not yet the true spa goers as the rest of the Europeans.

6.3. Spa Varieties

We have been mentioning earlier how the concept of spas have been changing from the mere water as the treatment tool, to mixture of different classical and modern remedy. We have noticed that Yoga and Qi gong is the main self-healing treatment our respondent mentioned numerously, and so does the importance of eating in a spa restaurant for customers. Over all, to maintain the flow of the spa concept within a spa establishment, it requires special assistance from spa consultants.

6.3.1. Quick service? Urban Spa

What can we say about the motto customers have nowadays? Hall and Page (1999) defined urban area, as a multi function area where it could be the meeting places, major tourist gateways, accommodation and transportation hubs (hotels, inns, airports, etc), as well as central places to serve the visitors needs. Thus, the products and services are as efficient and quick as possible. Time is money, and money is the value of what we intend to purchase. The urban spa therefore are setting up their concepts, as well as location and varieties that

suitable for the modern lifestyle which is quick, simple and valuable. From the locations itself, we can see that urban spas are easily accessed by its costumers, close to their habitation, and they do not need to leave their daily activities and family for a longer period. We earlier mentioned that it is also less time consuming on planning the visits to spa. Hence, types of customers who come are the people who need an instant treatment whenever they feel like having a remedy, between their busy hours.

To make the spa visit more relaxing and convenient, the spa producers are often designing the spa locations firstly based on their concept, taking an example of the Varberg Asia Spa, they managed on creating the Japanese interior that is comfortable and relaxing.

Many spa establishments in the urban area also offers other treatments attached to the spa experience, such as Yoga and Qi gong classes, as well as fitness center. The Gothenburg spa market in our observation, have understood that there are a lot of people in the younger age clusters. This cluster would like to experience all in one treatments when they are going to the spas, and thus organize various self-treatment as earlier mentioned on their establishments.

6.3.2. Escaping and more relaxation? Rural Spa

The term rurality reflects a lifestyle, a set of values and a landscape desirable for its “difference”, relative isolation and pace of living (Long and Lane, 2000, cited in Oliver and Jenkins, 2003). Recognizing the distance of the rural spa, therefore, enabling people to experience the rural spa, it requires longer time to plan, and in addition it needs more money to be spent. Each of the rural spas we have interviewed (the ones which we considered to be located outskirts of the Gothenburg city), are providing accommodation; hotel and restaurant. Unfortunately, the transportation to and from the spa establishment has not yet come to the agenda of the spas to provide them for their customers. We assume this is due to the fact that Gothenburg’s transportation company; *Vasttrafik* is providing easy and rather cheap access possibilities to almost every location. This might be seen as an advantage for the spa establishments, since they do not need to worry about the transportation to and from their establishment.

Although, taking from the private experience’s journey to a rural spa in Varberg, we still see the necessities of the transportation to and from the spa establishment, while it should be trouble-free their costumers.

In a sense of escaping and relaxation, the rural spa therefore, has created the closest to the nature environment as possible. The intention in the first place is for the spa goers to heal the stress life by being in another environment, far from the city life.

Varberg Kurorts Hotell and Spa, as an example of the rural spa establishment has received the best spa award while they have understood the importance of creating the nature environment, surrounding the spa.

6.3.3. Spa restaurants

Nevertheless, the spa establishments are aware of the physiological need of food, therefore many of the spa establishments in Gothenburg and its region (including many other cities in Sweden); they have the facilities for the spa goers to consume meal from their restaurants. Hence, the nutritious meal they are trying to provoke to the customers, make them selectively choose the ingredients of every meal they are serving in their restaurants.

Many spa restaurants are adapting to the present facts that many Swedish people who have severe allergies to certain kinds of food ingredients⁹

This would make any professional chef extra careful with the certain ingredients they are about to use in the meal.

However, we still have not noticed that many spas are offering merely health and nutritious meal to their customers, but they still include normal and less healthy meal on their menus. We assume, there is still a greater number of people who would like to be served as quick as possible, and that would include the meal they are about to consume. We should be aware of nutritious and healthy meals needs to take time and patience to be prepared, especially for people with allergies; it will need even more special attention and method to prepare.

6.3.4. The existence of Spa consultants

Many spas strongly work with architect and interior designer that will help to bring out the actual concept of the spa establishment. Furthermore, as for the Tylösand; a spa establishment that recently has been refined, they cooperated with spa consultants (Raison D’etre- *Bjurstam*) who are helping them with the designing, creating the space plan, the environment and the flow.

⁹ See appendix 7 for Swedish allergic diversity

The existence of these spa consultants is strongly needed, especially for the Swedish market, which is well-known as the most unpleasant service provider in Scandinavia (based on interview results with various respondents). It is important to have cooperation between the spa consultant and the spa management in order to create a development training plan for the spa staff, as well as ensuring the flow of the spa to be 100% efficient.

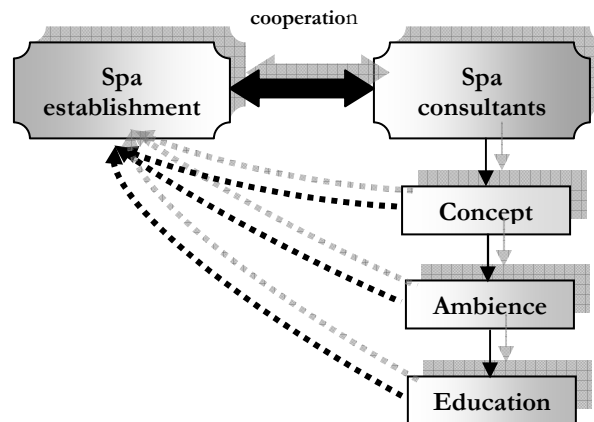


Figure 12: The existence of Spa consultants, 2005

The figure 12 above shows the relationship between the spa establishment and spa consultants. Whereas the consultants will be helping the spa to clearly define of their basic idea of the spa concept. Thus, based upon agreement, it will continue on creating the suitable spa ambience. The further step will be the education terms, which will basically educate the staff as well as the management itself, to completely understand the whole spa concept. All the steps need to lead to a successful spa establishment.

6.3.5. One spa treatment to go please!

One development of the varieties in spa is the home delivery spa, also known as mobile spa. The therapist and all the equipment are coming to your house, or any location upon request. We have gained results of 30, 09% who find the mobile spa as a good idea, although came to the second place of 20% respondent find it as a bad idea.

Considering that the majority of our respondents are men, we might regard according to the number gained of those who find it as a good idea are rather uncomfortable to actually go to the spa and by having the treatment at your place is seen as a solution to still able to enjoy the spa.

However, Sweden is seen as a non home delivery country. If we look from the negative side, this new trend would hardly become a favourite among the spa customers for a longer period. But from the positive side, the hesitation of the customers to order mobile spa would be an advantage for the spa establishments, as they will be having more people coming to their spas.

The trend of the mobile spa is conversely considering as a growing trend in spa market outside Sweden, in example England, USA. Many people in these countries would like to some extent to order the spa treatment into their place, for private parties such as bachelor party and else. Nevertheless, we have to comprehend that the home delivery spa would hardly be the same as the actual spa establishment, due to the limited environment and equipments that are needed to perform the treatment. Thus, to allow the spa customers experiencing the closest treatment as if they are in the actual spa establishment, we believe that a highly skilled therapist is needed. Besides the aforementioned aspects, the service that is provided to the customers should be a great deal for anyone who has taken a part of the treatment.

6.4. The Value of the spa word

Further on, we will be discussing about how far the spa word could be extended until it loses its value. We will also discuss about the non-spas versus the real spas. The analysis in this chapter will therefore be answering our second research question.

We consider *value* to have different interpretations: from a marketing or customer perspective it is *the promise and delivery of an experience*; from a business perspective it is *the security of future earnings*; from a legal perspective it is *a separable piece of intellectual property*. Brands offer customers a means to choose and enable recognition within cluttered markets.

Understanding the high demand on the health aspects, and how superb the spa word itself is affecting the people’s mind, we have noticed that there is a rapid increase on businesses that are competing to attain as many customers as possible.

When it comes to have a discussion about what sort of businesses are taking part in this competition, we could therefore divide the group into two clusters; the Spa establishment and the non-spa businesses. The spa establishments, as we have mentioned earlier, they are the businesses which are offering the actual concepts of spa, the combination of both the

classical concept and the modern concept. These businesses do not only have the products, but also the services and the establishment. People who are coming to their establishment would therefore gain as much value as possible with the amount of money they have spent. Meanwhile, the other group of businesses is the one who are using the spa emblem into their business, without actually providing the spa concept. We are highlighting the fact that the non-spa businesses are not merely beauty saloons or massages establishments, but even well-known textile corporations such as Hemtex. This corporation is an example of a non-spa business that is using the spa emblem to attract customers, by selling spa products (i.e. shower gel, body scrub), besides their own textile products. These businesses are in most cases only having few equipment such as one Jacuzzi (i.e. Spagos), and nothing else.

Although we have noticed that the competition in attaining customers to purchase the products and services is higher between these two clusters of businesses, rather than the mere spa establishments itself. Although, some interview respondents claimed that the existences of the non-spa businesses will most likely become a threat to their customer's knowledge of the spa concept rather than to their establishments. We understand the fact that the Swedish spa customers are in some extent behind the other European countries customers when it comes to the knowledge level of the actual spa concept. Within this area Bjurstam declared it is not really necessary to put effort on defining the concept to the Swedish customers, since they would not really care of the concept; as long as the establishment offers the holistic health and beauty, they would be satisfied. However, on the contrary, the Swedish spa association sees the threat that most likely might trap customers and business by keeping the habit of not educating the customers. Thus, they stated publicly to the market of the criteria a spa establishment should have¹⁰. Gaining information from them, it can be sure that the criteria have to have something to do with water.

This publication is one of the strategies the association takes into account in order to increase the awareness of the costumers of the spa concept. Later in the next chapter we will discuss how important it is to gain customer's recognition upon the spa concept.

¹⁰ <http://expressen.se/expressen/jsp/polopoly.jsp?a=206702>, 2005- an article about the concept of real spa published in Swedish newspaper.

6.4.1. The future spa market upon customers recognition

6.4.1.1. How can spa branding influence on the future spa market?

As we have argued earlier, brands are important in the customer market and for the spa establishments it can be risky when they are developing and launching new brands. Arguably, a successful new brand has usually “settled down” within a year or so of its launch. Many of the respondents agreed with our statements that the spa market is starting to become saturated and thus will make it hard for new non-spa establishments and the real spa industry to achieve their goals. Something that we have noticed with the spa establishments we have interviewed; is that they are working hard in understanding the customers’ needs and try to fulfil them. We have to keep in mind that brands are the interface between customers and the company, and the customers may develop loyalty to the brands (Lau and Lee, 1999, p. 341). The spa establishments might have the opportunity to become a member of the ISPA, which provides its members with the appropriate and updated information about the new global spa trends. This will provide the spa establishments with new treatments and guidance of what is the new trends in the spa industry. Thus, they might also have the opportunity to stay unique and have the new gained information as a competitive advantage.

While we mainly focused on the Swedish spa market we can see clearly that the branding methods the various spa establishments are using are rather efficient and allowing them the recognition that they are striving for.

The leisure and pleasure activities customers are the most important factors which will determine if a brand loyalty will be developed or not. Brand loyalty is a customer’s preference to buy a particular brand in a product category. It occurs because customers perceive that the brand offers the right product features, images, or level of quality at the right price. This perception becomes the foundation for a new buying habit. Hence, a brand identity will then be established where the customer will not only buy a product but also the image associated with it, such as power, wealth, sophistication and most importantly identification and associations with other users of the brand.

Correlating to the aforementioned we might imply that external and internal factors that the customer perceives are also important for the spa establishment to maintain in order to achieve brand loyalty.

Brand image can be reinforced by brand communications such as packaging, advertising, promotion, customer service, word of mouth and other aspects associated with the brand experience. Hereby we can say that brand loyalty is the ultimate goal a company sets for a branded product or service. We might highlight the latter statement which what Bjurstam, from Raison D’etre stated that if one wants a spa it is all about branding as well as the five senses of the customers.

We believe that certain customers choose specific spa brands due to many factors, such as demographical factors and their lifestyles. The respondents were mainly male and a small category was women and we might predict that women are not the only ones who want to look their best. The spa industry is taking full advantage of every opportunity to tap into new markets with treatments, programs and products specific to age and gender.

6.4.1.2. Enhancing the potential customers.

The Travel Trade Gazette (1998, cited in Hall, 2003) recognized that the tourism industry recognizes spa and health tourism as one of the fastest growing area of contemporary tourism. Drawing from this recognition we noticed that the spa establishments in our investigation are acting proactively in order to gain awareness from the potential customers and to adapt according to this new growing phenomenon. As we recognized with the spa establishments, many of them have available plans in how to gain a relationship with potential customers. Both Spa and non-spa establishments such as Varberg Kurorts Hotell and Spa, Spagos, and Göteborg Spa have benefits for their current customers when they promote and attract new customers to that specific spa. This way of gaining a new recognition can be efficient whiles it including the word of mouth method of marketing. An important factor that might influence on the growth of the potential customers is the word of mouth concept that might establish already a perception about the spa establishment. The spa establishment’s service encounter is also something that will attain the first impression about the spa establishment which can affect on the word of mouth marketing by current customers to the potential ones. Arguably, we may agree that it is much cheaper to keep a current customer rather than to attract new ones.

6.4.1.3. Educating the potential spa customers

If you visit a spa in Sweden nowadays you will come to a wellness establishment that is built on the European treatment tradition. We have started to understand the meaning and purpose of these establishments and the interest has increased both for visiting and also for opening spas. With the growing interest for the spa market in Sweden, a Swedish association Föreningen Svenska Spahotell has been developed. This association is taking care of the spa industry and looking after the already existing spa establishments in the country to maintain high standards. Föreningen Svenska Spahotell distributes the information of various requirements they have in order to achieve the high standards that the customers are striving for. They also have the potentials to find out how to maintain and reinforce their position in the competitive spa industry.

Thus, we have noticed the importance of educating the current and the potential spa customers about the spa concept and what benefits you gain by being involved in the spa experience. Many factors are also creating the educational stage for the customers, if the therapist has a lack of spa education this may contribute to a negative message of the whole spa concept and the negative message can be spread to the potential customers. The spa establishments in our investigation believe that companies should focus more on the well being of their employees, while it is said that happy employees are productive employees. Nevertheless, in Sweden there is the range 20-40% of spa goers on each spa we have interviewed and they have the opportunity to take part of the spa culture while they are financed on the behalf of the company for their treatments. Earlier mentioned, it is cheaper to keep current customer rather than to attract new ones. We might postulate the terms into something such as; it is cheaper to maintain the healthiness of your employees rather than to cure them. Companies in Sweden have started to realize the importance of keeping their employees healthy. According to Wallberg (Varberg Kurorts Hotell and Spa), many of their customers are companies who are staying for conferences and giving their employees the company's appreciation in form of free spa treatments. We might categorize these customers as the periphery spa goers.

7. SWOT ANALYSIS ON THE GOTHENBURG SPA MARKET

In this chapter, we have finally reached the phase where we will provide the analysis on the spa market on the Swedish market, especially the Gothenburg and its region. We will be able to determine what their strengths, weaknesses, and opportunities are and nonetheless the threats they should be aware of. At the end of this analysis, we will be giving suggestions and recommendations, especially to the spa establishments, as well as for the customers to have a better view on the spa concept. Therefore, we might want to postulate each steps on this analysis to make a clear view as follows:

Strengths

When we did the survey of what the reason is that hinders the people to re-experience the spa, mostly of them answered the unskilled therapist. Unlike many other European countries, we could acknowledge that the Swedish market has a soaring point on the therapist's skill that is performing the treatments. Supporting this declaration, Bjurstam and Wallberg (2005) agreed on how high level of education and experience one should have in order to become a good therapist in Sweden. They acclaimed that of all individuals who would like to work in this industry should therefore have the degree in the exact field. Additionally Bjurstam mentioned, that to be able to become a true manager or staff of a spa establishment, a person should not only have a degree in the business management field (preferably the spa management), but also knowledge in health aspects such as massage therapy, aerobic instructor and much more. We see the importance in having knowledge with in this area while this enables the person in the business to have the empathy for their customers, and thus the management background is needed to understand how the business should operate. There have existed a lot of spa management schools for those who would like to be professional within the spa area; the knowledge within the function of human's body which contained of psychology, physiology, anatomy, the spa culture itself and how to perform all these important aspects into the business¹¹.

Gothenburg in addition, have at least two beauty schools which includes the spa therapy subject matter. The international beauty schools teach the students mostly on how to perform the therapies. Additionally to this, Handelshögskolan in Gothenburg also offers

¹¹ <http://www.oru.se/html/program/spa.html>, 2005- please view for Spa management programme offered in Örebro universitet

Tourism and Hospitality management subject, which in combination to any health knowledge would be a great contribution to the spa business.

Continuously we will discuss more about the strengths that the Swedish market has. Some of the factors would include the panorama that Gothenburg and its region has, compare to any other cities and rural areas in the Swedish market. The location which is close to the sea and has beautiful nature, are most likely seen as main attractions to the customers. In addition, the warmer climate in Gothenburg allows people to inhabitant in these areas, rather than in other cold areas, such as Northern Sweden. Gothenburg, which also has a good access to any other cities, as well as countries, has become a good visible location as a good reason to build a spa establishment in. There are many cruises available in the city which can take people from different places within and outside Sweden, not to mention the convenient public transportation. As for the urban spas itself, the walk distance enables the spa customers to continuously experience the spa without worrying to leave their daily life and family as well as lower the economical cost of travelling.

Weaknesses

Everything can not always be perfect and by postulating this fact we will define and discuss the weaknesses the Gothenburg spa market has.

This will allow the spa establishments especially in Gothenburg to be aware of what they have less and which can hopefully be changed.

Based on the fact that there are still target respondents who were hesitating to answer our surveys and interview respondents who stated how the Gothenburg inhabitants could be categorized as cluster who has the fear of trying out new trends. Furthermore, Bjurstam also mentioned that the Swedish people are inhabitants have strong believes in what the government is informing the concerns of the health issues. We may postulate that what the government considers as “good”, the inhabitants have the courage to attempt. Unfortunately, the government still considers the spa as something luxurious and has not really become an approved phenomenon as a health provider.

Despite the fear of trying new trends that Swedish inhabitants has, Zeithaml and Bitner (2003) postulated, before actually delivering the product, a service has to be taken into account to deliver it. It is in the service encounter or “moments of truth” when the most vivid impression of service occurs, and this is when the customer interacts with the service

company. Unfortunately, on the contrary to the excellent therapy the Swedish market offers, the services are far from satisfaction. 41.82% of our respondent stated it is extremely important to gained excellent service from a spa establishment to assist them to return.

We might assume that the reason why the Swedish service provider is hardly performing their duty superbly is due to the fact that they have lack of knowledge in the service encounter. In addition, the system of the salary given to the employees is barely based on their performances. In other words, it means no matter how well performed their service is they will still earn their salary. Unlike the Asia market, where services are the most well-known matter the spa goers could find. In some cases, service is more important than the skill of the therapist itself. Dimon also stated, service is extremely important, and strongly suggest that the future of any spa establishment is based on how much service they could offer to their customers, from the hello on the phone to the goodbye at the end of the service.

S.W.O. T	THE ANALYSIS:
STRENGTHS:	<ul style="list-style-type: none"> • Excellent therapist • Excellent choice for panorama • Easy access to and from Gothenburg
WEAKNESSES	<ul style="list-style-type: none"> • Fearful of trying new trends • Poor Services
OPPORTUNITIES	<ul style="list-style-type: none"> • Increased interest for health and spa • Spa management consultants • The increases of Spa management schools • European athletic championship 2006
THREATS	<ul style="list-style-type: none"> • Costumer’s lack of spa concept knowledge • Rapid growth of non-spas • Government’s perspective on Spa as a luxurious treatment. • Posh and Pricey

Table 10: SWOT analysis from Gothenburg and its region – 2005

Opportunities

Understanding the growth of the interest of the health and spa nowadays, especially among the younger generation; it is likely will give opportunities to the spa entrepreneurs to improve their facilities and expanding their business to fulfil the demand of the customers. But, since based on the interview facts that the service is not too well-performed in the Swedish spa market, the existence of the spa consultants such as Raison D’être is extremely important. These consultants will assist the spa establishments to assure that their flow is how it should be. Hence, spa consultants are those who might help to appoint the right level of service that should be performed by giving educations and seminars to the service performer. This is when the spa management schools are strongly needed, not only that they are providing certified educations to their students, but their knowledge is also coping with the trend changes in the modern era.

Mainly the spa management schools are not so widely spread out in Sweden as in other countries such as Switzerland. Therefore we might see this as an opportunity for the spa management schools to be launched in Sweden and spread out the proper knowledge about spa. Furthermore, Gothenburg is the city who has been appointed to become the host for the European athletic championships for the year 2006¹². It will most likely give enormous opportunities for many businesses to expand their product and service assortment. Concerning the spa market various hotels might start providing accommodation including the spa visit, which will create an increased awareness for the spa establishment. However, we also believe that this form of new packaging method including accommodation with the spa treatment might create a new relationship with potential customers. Not only will the spa industry create a new awareness but the town itself will also be known for its superb spa establishments.

Something we also have noticed is that the spa establishments might have the opportunity to expand their organisation with other forms of activities such as spa treatments. Gothenburg as a region is expanding its hotel capacity and this is also allowing them to provide spa establishments in the same location.

¹² <http://www.goteborg.com/default.aspx?id=3841>, 2005 –Please view for official website for European Athletic Championship 2006 association

Threats

As mentioned earlier, the level of the Swedish spa customer's knowledge of the actual spa concept is lower compared to other European countries. Consequences to this problem would fearfully affect the actual spa establishments, where they are most likely will lose their potential customers. We should bear in mind that the customers do not have a proper knowledge about the spa concept, and the non-spa clusters would see the chances to benefit their business by using the spa emblems. People would hardly know what they are purchasing from these non-spas, since they cannot really determine the difference between the actual and non-spa establishments. In addition, the role of the government has its effects to the spa establishment as well, as aforementioned that the Swedish inhabitant has a strong believe in what is “good” that has been approved by the government; it is something that they could and should try (Bjurstam). Therefore, since the government has not really approved the existence of the spa as the holistic health and beauty that should be instilled in the people's mind, the spa establishment will have a slight problem to influence their potential customers to experience and realize the importance of spa.

Another aspect caused by this would make it hard for the spa establishment to adjust their price to the income of the Swedish inhabitants. As we have notice from the price list checked in every spa establishment we went for interview, they hardly have the prices for the treatment below five hundred Swedish Crowns.

8. CONCLUSION

The Spa industry is a relatively new phenomenon in the global mass market for leisure and pleasure activities. Drawing from the findings from the ancient spa concept, it was merely treatments through water. The modern spa concept has changed and adapted itself into the trends according to demands that require the varieties in spa treatments. We might postulate that the new trend of spa is enhancing the holistic beauty and health aspects and thus international spa associations such as ISPA has spread out its message in enhancing global spa establishments. ISPA has also been able to gain information from different spa establishments; what the trends are as well as the preferences from various perspectives internationally. Sweden can be seen as a country that recently has grown in the spa market, whereas the interest towards the importance of having spa treatments have increased and one starts to see the spa as a part of a lifestyle. The new growing phenomenon is still relatively new comparing to the other Scandinavian countries.

Many hotels in Sweden with various spa facilities are situated in beautiful locations. However most of them are providing more or less the same type of spa services. Albeit, the increased interest on the Swedish market has allowed the leading Spa hotels to create an association called “Föreningen Svenska Spahotell”. The association has many purposes such as spreading out knowledge and observe the advantages with the spa experience, but also to clarify and set standards to differentiate one spa establishment from another.

We have also noticed the importance of each spa establishment to enhance customers and their potential buyer by positioning their spa concept and image through brands advertised to the public. The success when branding a spa establishment might repeat purchasing behaviour and brand loyalty. When it comes to the terms of brand loyalty, we might make another distinction between two types, spurious brand loyalty and true brand loyalty. This is the ultimate goal a company sets for a branded product. Brand loyalty is a customer’s preference to buy a particular brand in a product category.

However, brands are less beneficial without a proper service encounter, which unfortunately, is occurring in many cases on the Swedish spa market. It is in the service encounter or “moments of truth” when the most vivid impression of service occurs, and this is when the

customer interacts with the service company. The right customers are those that are influenced by value based factors, such as excellent customer service or corporate culture.

Conversely, the therapist skills in Sweden could be ranged into a high level, while they have schools and similar educations on how to perform the precise treatments in the field. But, in most cases, good services are more important to gain rather than the level of therapy obtained.

To conclude our study, we believe that the uniqueness of spa establishment combined with the appropriate service and varieties of treatments, may give the customers a memorable spa experience visit.

9. RECOMMENDATIONS

9.1. Education

Drawing from the findings in this investigation it has shown us that there is a lack of knowledge in many spa establishments, who are trying to adapt to the drastic growth of the new spa trends. Many spa establishments that are not having any form of spa education are trying to become a part of this new growing trend, and we believe that it is more for the profit gaining than the actual well being. We believe that an efficient cooperation between spa establishments and international as well as national spa management schools might increase the standards of the service encounter in the spa establishments, which we see as a strong point to gain competitive advantage. Educating the staff on how to perform an appropriate service towards the customer, might create loyalty and thus, the word of mouth where a positive message will be both created and spread out to potential customers. Thus, the spa atmosphere is an important factor which may create the over all perception of that specific spa. Not only do the employees of various spas have to be educated, but so does the customers of the spas. The brand concept of spas has to be reached out more in the direction of the target markets and potential customers, where a wider understanding and knowledge of the whole phenomenon may arise. The difference between an actual spa and a non-spa is something that the various spa associations both in the national and international region may consider to take into account. It is rather necessary for them to be proactive due to that this may contribute to misunderstanding of the required standards for being called a spa.

9.2. Branding and concept

The latter notions of education might benefit the spa establishment with brand loyalty, which in other terms will attain a brand relationship between the cooperation and the customers. In order to create a brand relationship, a clarification of the spa concept has to be taken into account, i.e. what sorts of treatments are being offered on the establishment.

We also managed to see the new trends in advertising a product in Sweden with creating story telling about the corporation and the product offered; this is either based on a true history or a made up story. This promotion method of a spa could be seen as a terrific way

to instil the spa concept and attract people to come and experience the spa, since we believe people are absorbing more by reading.

9.3. Adapting to the trends

Due to the new trends that start to occur on the spa market, many of the spa establishments try to adapt accordingly which may result in decreased demand, while the market is becoming saturated and the spa customers have many choices and each spa establishment can not survive. The new spa trends will allow them to differentiate themselves from others, and potential customers might find the interest for that spa establishment. We believe that the spa establishments should adapt gradually and not drastically due to the fact that the business may be taking to radical steps in the development.

Many spa establishments in Sweden are not part of any spa association such as ISPA and “Föreningen svenska spahotell”. This is an important issue to adapt, since these associations are the one who have access to different spa establishments around the world and determine the new trends in the market. Knowing what are the trends in them market and adapt it into the spa establishment, might increased the demand, and help to maintain their position in the spa market.

There is a great number of non-spas existing and trying to adapt to the new spa trends. Hence, the actual spa establishment could also coping to what varieties the non-spas are offering. Giving an example of a treatment a non-spa establishment has; nail massage and hair dresser, whereas the real spas are focusing more on the salus per aqua treatments. We need to take the fact into account that the spa concept has now differentiated from the ancient spa concept.

9.4. Economic scale in the spa market

The European Athletic Championship 2006 is closer to the Gothenburg agenda. However, looking at the official website as well as at the Gothenburg tourism website, there is nothing that is indicating the cooperation with any spa establishments.

Therefore we are suggesting that the spa establishments should pace up the efforts in establishing a cooperation between the various factors in the tourism industry before the actual event will take place.

Looking into the economical factors, combining various tourism elements and packages in one price value could increase the economical scale for every actor that will take part in this phenomenon.

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11. APPENDIX

Appendix 1:

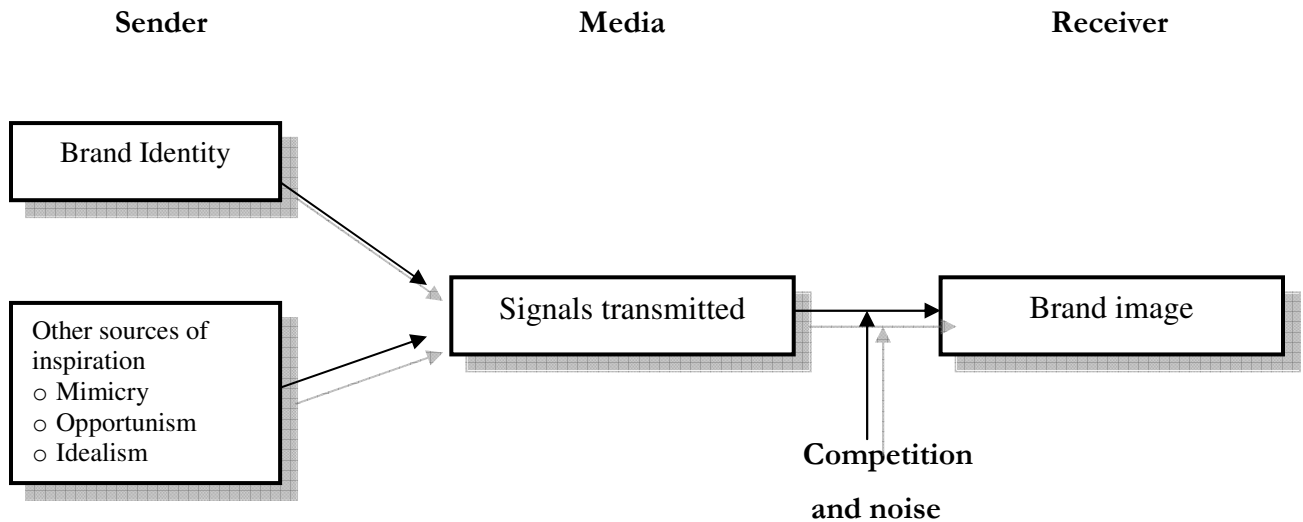
Different uses for four methods

Method	Methodology	
	Quantitative research	Qualitative research
Observation	Preliminary work, e.g. prior to framing questionnaire	Fundamental to understanding another culture
Textual analysis	Content analysis, i.e. counting in terms of researchers' categories	Understanding participants categories
Interviews	Survey research: mainly fixed-choice questions to random samples	Open-ended questions to small samples
Audio and video recording	Used infrequently to check the accuracy of interview records	Used to understand how participants organise their talk and body movements

Source: Silverman, D. (2001), *Integrating Qualitative Data – methods for analyzing talk, text and interaction*, Second Edition, Sage Publications, UK

Appendix 2:

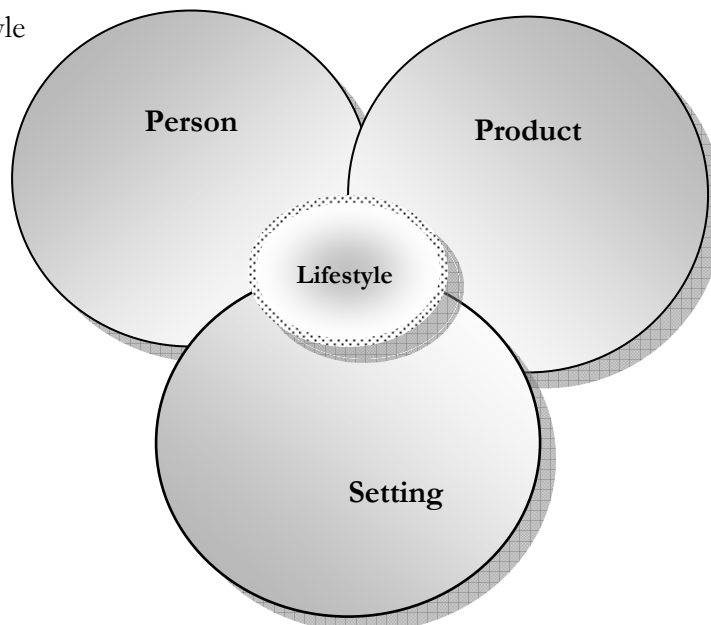
Identity and image



Source: Kapferer, J.N., (1998), *Strategic Brand management – Creating and sustaining brand equity long term*, Second edition, Kogan Page Ltd. UK

Appendix 3:

Linking products to lifestyle



Source: Solomon, M., Bamossy, G. and Askegaard, S. (1999), *Customer Behavior – A European Perspective*, Prentice Hall, US

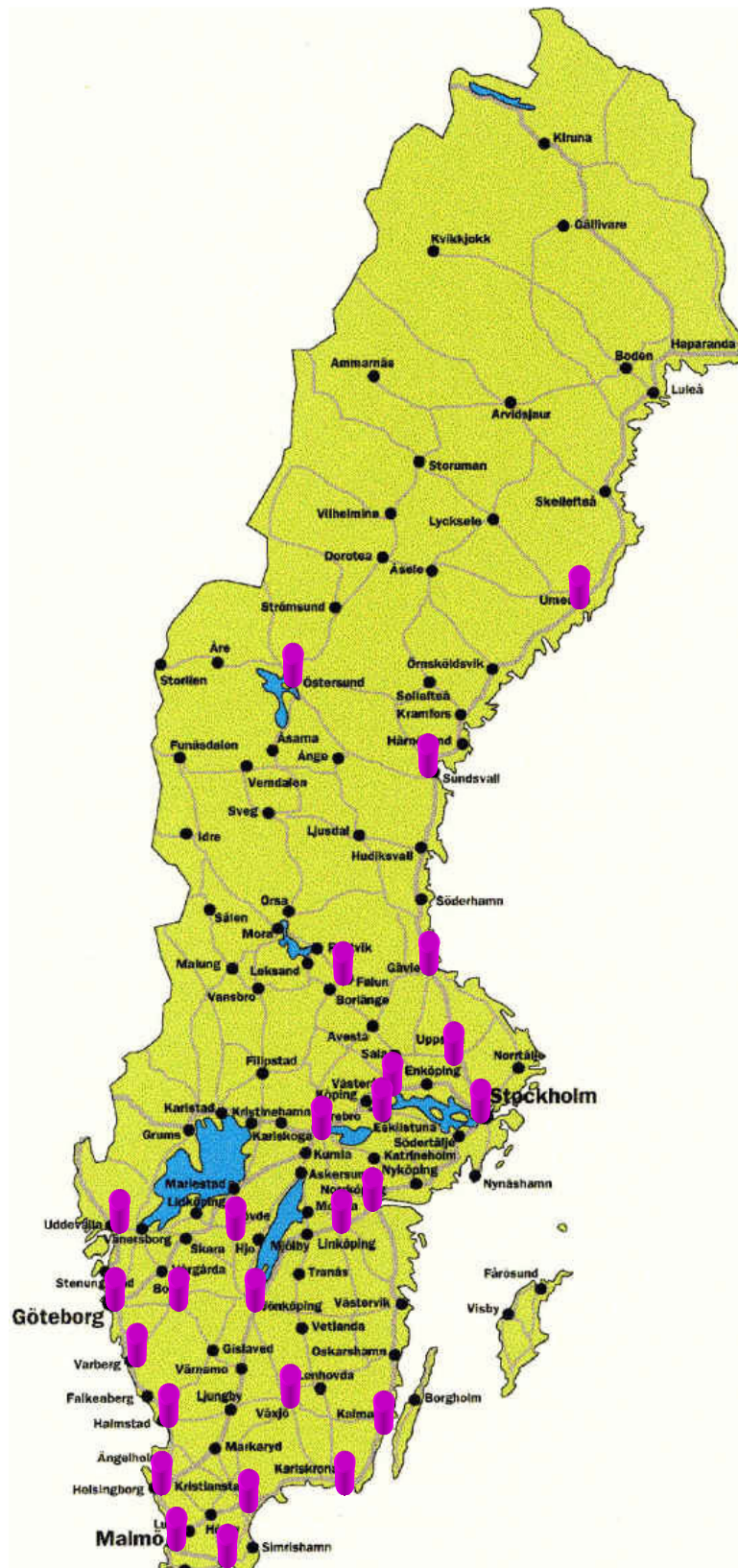
Appendix 4:

Differences between products and services

Products	Services
<ul style="list-style-type: none">• Tangible• Can be demonstrated before the purchase• Can be stored• Production occurs before consumption• Seller produces• Production, sales, consumption on different locations• Can be transported	<ul style="list-style-type: none">• Intangible• More difficult to demonstrate (not available)• Cannot be stored• Production and consumption simultaneously• Buyer/customer takes part in production• Production, consumption and (often) sales on the same location• Cannot be transported (but the producer and the customer can move)

Source: Normann, 1992, p. 31 (cited in Axelsson and Wynstra, 2002)

Appendix 5: The Spa Location in the Swedish Market



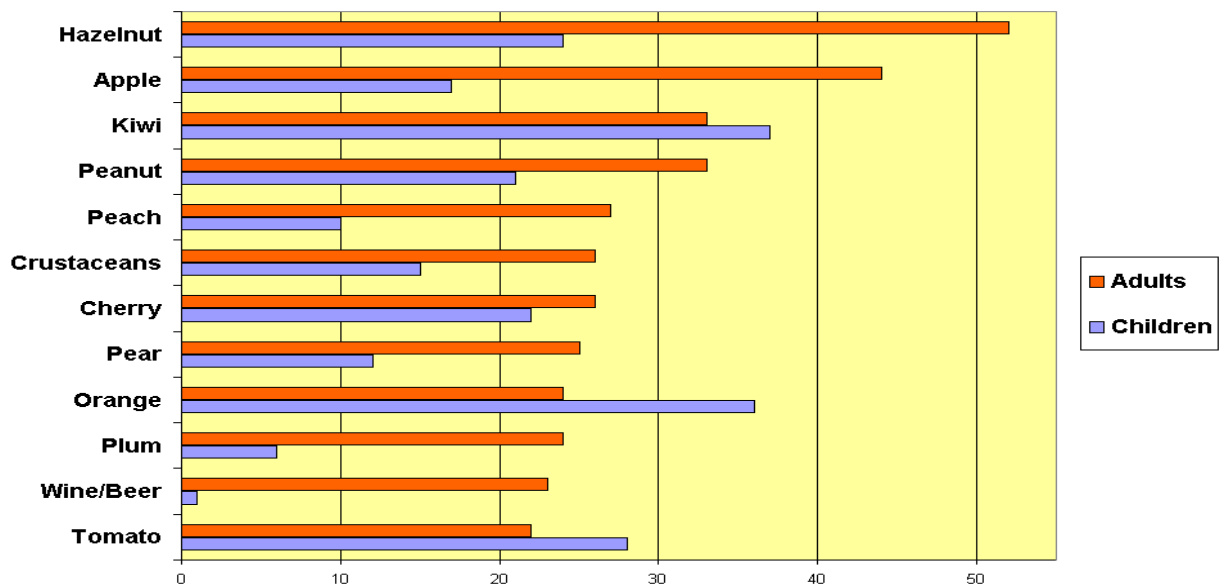
Appendix 6:

Diversity of Swedish allergies

Födoämnen som ger överkänslighetssymtom hos barn och hos vuxna

enl. svensk enkätstudie

Siffrorna anger andel (procent) bland personer som har en födoämnesöverkänslighet



Reference: Eriksson NE, Bengtsson U, Wibl JA, Möller Födoämnesöverkänslighet i Sverige Medicinska Riksstämman 1996 Abstr.) Svenska Läkaresällskapets handlingar Hygiea 1996

Appendix 7: Interview Questionnaires - Qualitative

I. *The Concept of SPA*

1. *From your perspective as an entrepreneur/a Spa expert, what do you think that spa really means? Do you think your spa has what it takes to be called real spa?*
2. *With the new existing non-spa entrepreneurs (beauty salons, etc) and products (spa shampoo, scrub, etc), who is using the spa emblem, how will it affect the actual spas, and the customers loyalty to the actual spa brands?*
3. *Do you see it as a problem that the concept of spa is being misused?*
4. *As we understood, there are Spas located in both rural and urban area. Please tell us from your own perspective, what are the differences, as well as advantages and disadvantages of having spas in each location.*
5. *Please tell us, the concept of your company; do you help spa business to re-modify their concepts, or help them with their marketing?*
6. *Who are your target customers?*
7. *Do you think that the spa business is more spread in the southern and western part of Sweden, rather than the northern/upper part of Sweden? Please give us your opinion why and why not?*
8. *There is a myth of Spa is limited to the warm weather area, and people in the cold weather area are hesitate to experience the Spa. What do you think about this myth?*
9. *We think that there are still higher percentage of people that does not know the real meaning of SPA, how would you change this fact? (what would you do as a spa expert?)*
10. *Is it necessary to educate the prospect Spa customers? Through articles, advertisement, even flyers?*

II. *Pretending yourself as a SPA (Here, we would like to as questions, about, if you happen to be a spa business?)*

11. *Do you think it is important of having a certain brand image that easily recognize by your customers, and your potential customers? Please explain how would you promote your brand, if you were a SPA?*
12. *Having read some articles about companies financing their employees to experience the Spa, instead of the mere gym/fitness center, why do you think those companies does that?*
13. *Many Spas we have been interviewed says, the actual Spa concept must have all types of treatments, as well as self-healing activities such as Yoga, Qi gong, etc. Do you think it is really necessary to have that? Or perhaps it is just a way to differentiate your Spa to others?*
14. *Would you recommend mobile Spa? (since one of the item in Spa is relaxation, and private property does not always a comfortable place to be)*
15. *And what would you do to keep your customer's loyalty to your spa brand?*

III. *The Spa market trends in General*

16. *Please tell us your opinion about the spa trends. As you would see the Spa market trends nowadays, it is not only popular among the female customer, but also men, and people in almost every age level, have it become a lifestyle/part of ordinary activity?*
17. *Please explain, how would you predict the future trends and market for spa, will the demand in spa increase or decrease?*

Appendix 8: Questionnaire – Quantitative

Greetings!

We are Lanny and Annika, from Masters Programme in International Business School at Handelshögskolan Gothenburg, majoring in Tourism and Hospitality Management.

To obtain our degree, we need to write our thesis, and we do our research study within;

The SPA: “the trend development” as our chosen area. And for this reason, we have designed these questionnaires to collect information needed for our research.

It is our hope that you would like to participate and help us out with filling in the questionnaires.

We could not thank you enough for your kind participate, and hope you will have the best of luck!!



Lanny and Annika

Questionnaire – SPA; How well do you know about the spa and its trend?

Gender: Female: Male:

Age: Under 20 21-30 31-40 41-50 51-60 Above 60

Marital Status: Single Married/cohabiting

Income Class 3000 – 10.000 SEK 11.000 – 25.000SEK
 Above 25,001SEK

Employment Status: Full-time Part-time Not Employed Retired

Spa visit **in** Gothenburg and its region made within the last 2 year:

0 1 2 3 4 5 More than 5

Spa **visit outside** Gothenburg made within the last 2 years:

: 0 1 2 3 4 5 More than 5

1. How much do you know about the original word of spa? (What does spa really mean; what kind of treatment the spa usually has?)

Extremely unfamiliar	Very unfamiliar	Unfamiliar	Somewhat	I know a little	I know quite a lot	I know it by heart
1	2	3	4	5	6	7

2. Can you determine the differences between an actual spa (with actual spa concept; i.e. water treatments) and non-spa facilities (beauty salons who uses the word spa to attract customers)?

Extremely unfamiliar	Very unfamiliar	A little unfamiliar	Somewhat	I know a little	I know quite a lot	I know it by heart
1	2	3	4	5	6	7

3. From your perspective as a customer, what is necessary to have in a spa?

Jacuzzi, milieu, yoga, Qi gong	Milieu and Kinds of treatments	Milieu and Fitness centre	I don't care	Milieu, water treatments, and restaurant	Milieu, Jacuzzi, treatments and restaurant	All mentioned in 1,2,3,5 and 6
1	2	3	4	5	6	7

4. How much does Spa advertising (billboard, TV commercial, flyers) influence your decision to experience the spa treatment?

Extremely unimportant	Not very important	Not important	Somewhat	Important	Very important	Extremely important
1	2	3	4	5	6	7

5. How much does the word of mouth method in marketing (i.e: your friends recommending you to go to a certain Spa) influence your decision to experience the spa treatment?

Extremely unimportant	Not very important	Not important	Somewhat	Important	Very important	Extremely important
1	2	3	4	5	6	7

6. There are spas which are located in the urban (city) and also rural (suburb or country side). Please choose your answer, to how much would you like to experience the Spa in the:

a. Urban area: (i.e. Haga Badet, City Spa, Axelsson Spa, Valhallabadet)

Extremely uninterested	Not very interested	Not interested	Somewhat	Interested	Very interested	Extremely interested
1	2	3	4	5	6	7

b. Rural area: Varberg, etc

Extremely uninterested	Not very interested	Not interested	Somewhat	Interested	Very interested	Extremely interested
1	2	3	4	5	6	7

Please give us a small reason why you would choose each of the locations?

Urban: _____

Rural: _____

7. How much does a Spa image and its values influence your decision for a spa visit?

Extremely unimportant	Not very important	Not important	Somewhat	Important	Very important	Extremely important
1	2	3	4	5	6	7

8. How much does the price of spa treatment influence your decision to visit the spa?

Extremely unimportant	Not very important	Not important	Somewhat	Important	Very important	Extremely important
1	2	3	4	5	6	7

9. How important is the accommodation (hotel, transportation to and from) of Spa destination influence your decision to visit the spa?

Extremely unimportant	Not very important	Not important	Somewhat	Important	Very important	Extremely important
1	2	3	4	5	6	7

10. How important is eating or restaurant facilities on the spa destination to you?

Extremely unimportant	Not very important	Not important	Somewhat	Important	Very important	Extremely important
1	2	3	4	5	6	7

11. How much does the price of the whole spa package (accommodation, treatment, and meal) influence your choice of spa destination?

Extremely unimportant	Not very important	Not important	Somewhat	Important	Very important	Extremely important
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1	2	3	4	5	6	7
<i>12. How important is the service provided by the spa destination to help you decide to return to the place?</i>						
Extremely unimportant	Not very important	Not important	Somewhat	Important	Very important	Extremely important
1	2	3	4	5	6	7

13. A new trend in spa, is to provide mobile spa for your convenient (just like home delivery spa; for parties, or those who does not really have time to be away from home) How would you like the idea?

Extremely bad idea	Very bad idea	Bad idea	Somewhat	Good idea	Very good idea	Extremely good idea
1	2	3	4	5	6	7

14. How would you predict the spa market in the future?

Extremely bad	Very bad	Bad	Somewhat	Good	Very good	Extremely good
1	2	3	4	5	6	7

15. How did you book your latest spa visit?

Through Internet Tour operator No booking required
Other alternative

16. Do you usually book a whole spa package (accommodation, spa treatment, and meal) or just a spa treatment?(In other case, if you would want to book a spa)

Whole package Spa treatment and accommodation Only spa treatment

17. What makes the spa experience bad?

Unskilled therapist Poor Spa ambiance Too expensive

18. Are you a regular customer to any particular beauty/spa destination?

No Yes (Please specify)

19. If you are an employee, does your company finance your visits to Spas? If yes, please tell us, why do you think your company do that?

No Yes (Please specify)

Appendix 9: Online Survey link (Quantitative Survey)

Shall We Go to the Spa?

<http://express.perseus.com/perseus/surveys/1734848031/50a3bd8c.htm>

Note: Link has been closed down November, 2005