



# Renard International 2015 Spa Report





## Introduction

### SPAS COME OF AGE AS PROFIT CENTRES

One of the missions of hoteliers is to “make guests feel at home”. Early on, this simply meant offering a clean room with a comfortable bed. Yet, as lifestyles have changed, hotels have reacted by adding to their facilities and services. Mobile check-in, big screen television, and high speed internet access are now examples of some trends that have become commonplace in hotels.

A quick look at fashion crazes might foreshadow facilities and services that will need to be included in tomorrow’s hotels. Follow a commuter and you’re likely to find them stopping at “the gym” before or after work. Once considered an extravagance, massages and facials are now booked as routinely as haircuts.

In a 2015 spa facility, they acknowledge the mind/body by providing a menu of services designed to do everything from overcoming jet lag to restoring “personal balance and harmony”. The tranquil spa environment is also a trend mirrored in many homes, as evidenced by the proliferation of books and consulting services designed to ensure that a home has healthy “chi” and is properly “feng sui’ed”.

### Spas and Lodging

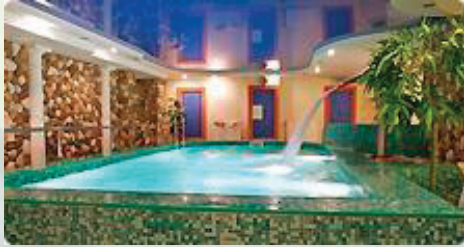
Once reserved for European destination resorts where guests went to “take the waters” to restore a healthy balanced life, the term “spa” has become overly used to describe the many different types of facilities in the global lodging industry. At one end of the “spa spectrum” there are dedicated destination resort spas that have a market orientation aimed primarily at those seeking a specialized regime of health, fitness, and pampering. Treatments include special diets, massages, lectures, and adventures which can include, but are not limited to an array of activities ranging from non-surgical facelifts to helicopter skiing. At the other end of the spectrum there is the ubiquitous The-star commercial hotel that has added “...and spa” at the end of their name as a result of sub-contracting a massage therapist and converting the guest room into an exercise and spa facility.



**Definition of a Spa** – *Latin for “solus per aqua”; or you enter by means of water. Others have interpreted this to mean “health through water”.*



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Somewhere in between these two extremes you have resorts and other large hotels that have spa operations within their facilities. At these hotels, the spa has historically been another component in the line-item similar to a restaurant, gift shop, or golf course.

The popularity and demand for all types of spa operations has risen in recent years. People seeking (or needing) a concentrated specialized health experience use their vacation time for a visit to a dedicated destination resort spa. But for others whose travel plans dictate they stay at a convention hotel, the offering of true spa services is becoming an important criterion for hotel selection and satisfaction.

## **Profitable Operations**

In recent years, spa operations were treated by management as similar to other revenue departments like food and beverage or telephone. These departments were simply perceived to be amenities needed to attract guests to the hotel. As long as these departments broke even, or didn't lose too much money, their ability to increase occupancy was deemed sufficient justification for their existence. However, in recent years, hotel spas have followed the path of the other operating departments and transformed from support facilities to profit centers.

From 2008 to 2013, Renard International's poll showed that when spas are operating in conjunction with a hotel, they represented 9.8% of sales.

While spas are a relatively small source of revenues from the sample properties, spa revenues are growing at a relatively strong pace. In 2008, spa revenue for the subject sample represented just 2.9% of total sales. However, 2011-2012 spa revenues grew 8-12%. This compares to revenue growth rates of 6.7% for rooms, 11.6% for food, and 1.6% for telecommunications (telephone and internet charges).

## **A Spa in Every Hotel, yes!**

All existing hotel operations are trying to figure out a way to include some level of spa facilities and services in their operations. We now have seen almost every large resort, convention, and casino hotel either build a spa facility or lease out the operation to a "brand name" in the spa industry.





## In Conclusion

Managers who best represent their owners have already displayed their ability to increase the profits of their food, beverage, and telecommunications departments, and use these departments to improve the competitive positioning of the property. Look for these same innovative managers to treat spa operations the same way in the future.

### SPA TYPES & SERVICES PROVIDED

- **Club Fitness**
- **Cruise Ship** Fitness and wellness
- **Day Spa** Wellness
- **Destination** Lifestyle improvement and health enhancement
- **Medical** Medical wellness as well as conventional and complimentary therapies, treatments, surgical & non-surgical procedures
- **Mineral Springs** Offering an on-site source of natural mineral, thermal or seawater used in hydrotherapy treatments
- **Resort/ Hotel** Fitness and wellness



**2015 INDUSTRY SALARY SURVEY IN USA \$ (000's)  
DAY SPA - HOTEL RESORT SPA – 5 YEAR COMPARISON**

Position	Day Spa				Hotel/Resort Spa			
	Canada USA		International		Canada USA		International	
	2011	2015 <sup>5</sup>	2011	2015 <sup>5</sup>	2011	2015 <sup>5</sup>	2011	2015 <sup>5</sup>
VP Spa Director Single Unit Manager Only	\$75-100	\$100-175	\$70-90	\$90-145 <sup>2</sup>	\$52-82	\$60-90	\$50-70	\$65-100
Spa Director / Manager (Sometimes a #2)	\$20-33 / hr \$50-60K / yr	\$25-50 / hr <sup>3</sup> \$60-80K / yr <sup>3</sup>	\$34-42K / yr	\$38-50K / yr	\$38-48	\$42-60	\$34-45K / yr	\$35-55
Licensed Massage Therapist	\$11-21 / hr	\$20-28 <sup>3</sup>	As country salary policy dictates (Europe is higher than Asia, etc.)	As country salary policy dictates (Europe is higher than Asia, etc.)	\$15-22 / hr	\$15-30 <sup>1</sup>	As country salary policy dictates <sup>3</sup>	As country salary policy dictates <sup>3</sup>
Reflexologist	hourly	hourly <sup>1</sup>	hourly <sup>3</sup>	hourly <sup>3</sup>	hourly	hourly+	hourly <sup>3</sup>	hourly <sup>3</sup>
Kinesiologist	hourly	hourly <sup>1</sup>	hourly <sup>3</sup>	hourly <sup>3</sup>	hourly	hourly+	hourly <sup>3</sup>	hourly <sup>3</sup>
Clinical Nutrition Manager	\$36-48K / yr	\$38-52	\$30-36	Average \$36-50K / yr	\$60-120K / yr	\$75-90	\$36-50	\$50-68
Chef <sup>2</sup>	\$15-20 / hr	\$30-36	As country policy dictates	As country policy dictates	\$15-20 / hr	\$20-28	As country policy dictates	As country policy dictates <sup>3</sup>
Aestheticians	hourly	hourly <sup>3</sup>	As country policy dictates	As country policy dictates	\$15-20 / hr	\$20-28	As country policy dictates	As country policy dictates <sup>3</sup>

**Note:**

- International expatriate roles, always includes tax free salary + accommodation.
- Canada and U.S.A. are gross salaries. No expatriate benefits except sometimes an allowance for cell phone, health program, meals on duty, and sometimes travel allowance. There is a huge variance in executive chef salary, depending on the duality of the spa, and whether it is a day or overnight spa.

<sup>1</sup> Hourly gross

<sup>2</sup> Expatriate benefits apply

<sup>3</sup> Hourly plus some expatriate benefits

<sup>4</sup> Self Managed, not outsourced or franchised to a spa management company

<sup>5</sup> The lowest figure of each range in the column is the average of all compensation data received. The highest figure of each range in the column is the highest salary figure reported to us.



**2015 INDUSTRY SALARY SURVEY IN USA \$ (000's)  
MULTI-UNIT POSITIONS – 5 YEAR COMPARISON**

Position	Multi-Unit Positions		
	USA Canada	International <sup>6</sup>	
	<b>2011</b>	<b>2015<sup>5</sup></b>	<b>2015<sup>5</sup></b>
VP Spa Director 2 or more units	95-105	100-165	120-200
Spa Director Single Unit Management Only	\$80-110	\$80-145	\$80-167
Spa Director / Manager (Number 2 in Spa)	No Information	\$40-50	\$48-65
Licensed Massage Therapist	\$22-38K / yr	\$25-60	Hourly based on country policy
Reflexologist	hourly	hourly <sup>3</sup>	hourly <sup>3</sup>
Kinesiologist	\$36-44	\$36-56	\$29-60
Clinical Nutrition Manager	\$50-60	\$50-75	More often outside consultant
Executive Chef <sup>2</sup> (more than one unit)	\$60-111K / yr	\$65-160	\$40-61 <sup>2</sup>
Aestheticians	\$15-25 / hr	As company policy dictates	As company policy dictates

**Notes:**

- These are average salaries and include in our calculation all spa types i.e. Day, Destination etc.
- International expatriate roles, always includes tax free salary + accommodation.
- Canada and U.S.A. are gross salaries. No expatriate benefits except sometimes an allowance for cell phone, health programs, insurance, meals on duty, and sometimes travel allowance.

Note: There is a huge variance in this executive chef salary, depending on the duality of the spa, and whether it is a day or overnight spa.

- Hourly gross
- Expatriate benefits apply
- Hourly plus some expatriate benefits
- Self Managed Spa, not outsourced or franchised to a spa management company
- The lowest figure of each range in the column is the average of all compensation data received. The highest figure of each range in the column is the highest salary figure reported to us.
- Expatriate benefits and special tax structure based on location



**2015 INDUSTRY SALARY SURVEY IN USA \$ (000's)  
DESTINATION SPA – 5 YEAR COMPARISON**

Position	Destination Spa			
	Canada USA		International	
	2011	2015 <sup>5</sup>	2011	2015 <sup>5</sup>
Spa Director Single Unit Management	\$73-85	\$75-130	\$73-80	\$85-110
Spa Director / Manager (Number 2 in Spa)	\$39-50	\$48-75	\$36-48	\$44-77
Licensed Massage Therapist	\$15-24 / hr	Hourly based on location	As country salary policy dictates (Europe higher than Asia, etc.)	Hourly based on location
Reflexologist	Hourly	Hourly	Hourly based on location <sup>3</sup>	Hourly based on location
Kinesiologist	\$25-31	\$30-44	\$20-24 <sup>3</sup>	\$25-45 <sup>3</sup>
Clinical Nutrition Manager	\$42-50	\$45-100	More often outside consultant	More often outside consultant
Executive Chef <sup>2</sup> Single Unit (one or two outlets only)	\$60-100K / yr	\$65-125	\$36-48 <sup>2</sup>	\$45-75 <sup>2</sup>
Aestheticians	\$15-20 / hr	Hourly based on location	As country policy dictates	Hourly based on location

**Notes:**

- International expatriate roles, always includes tax free salary + accommodation.
- Canada and U.S.A. are gross salaries. No expatriate benefits except sometimes an allowance for cell phone, health program, meals on duty, and sometimes travel allowance. There is a huge variance in executive chef salary, depending on the duality of the spa, and whether it is a day or overnight spa.

**Note:**

- <sup>1</sup> Hourly gross
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## SPA DEFINITIONS:

See the full list of Spa Definitions at  
[www.renardnewsletter.com](http://www.renardnewsletter.com)



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