

# HOTEL SPAS REVENUES GO UP



Hotel spas are gaining more and more popularity all over the western world. People are changing their life styles and tend to live healthier. Investors and players in the hotel business are well aware of that and that is why the number of hotel spas increases as well as the profits.

In 2006 the hotel spa revenues in the U.S. has increased by 11.3 %. According to Trends in the Hotel Spa Industry published by PKF Hospitality Research, the reason for the increase was the growing demand for the classical spa services as massages, body scrubs/wraps, and facials. Important revenue is also generated from local membership fees, fitness lessons and personal training, and the sale of merchandise and clothing.

As the popularity of spas grows people want to enjoy spa services as much as possible. They buy items that help them enjoy the spa atmosphere while at home. That is the reason why the sales of spa boutiques rise. Spa goers buy things like clothing, music and literature. According to PKF Hospitality Research the hotel spa revenue grew from \$2,886 per available room in 2005 to \$3,166 PAR in 2006.

The biggest expense every hotel spa has is the cost of labor. The facilities need skilled and educated people who can provide various treatments to the customers. The labor connected expenses accounts for 73.6 percent of all spa department operating expenses. Mr. Bruce Baltin, a Los Angeles-based Senior Vice President of PKF Consulting, says that because the treatment prices continue to rise, the spa therapist's percentage of revenue rises as well. Also, the cost of the experienced therapists rises.

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