

## GALLEN'S SPA NOTES



# Going Global

**AOIBHEANN GALLEN delves into the Global Spa Economy Report 2007 and discovers some interesting stats.**

I took part of the first-ever Global Spa Economy Report which was conducted between February and May 2008. The summary of the results are based on primary and secondary sources as well as the aggregated data received from roughly 1,000 respondents. The results of the survey were presented in May of this year at the second annual Global Spa Summit in New York City and provided an important snapshot of just how robust the spa economy was in 2007.

To estimate the size of the global spa economy, SRI International (Stanford Research Institute) employed an industry cluster framework that is widely used by industry and government leaders around the world for high level strategic planning and organizing stakeholder groups for action. When viewed through this framework the spa economy – consisting of core industries, enabled industries and associated industries is much larger than it may initially appear.

Core industries consist of Spa Facility Operations; Spa Capital Investment; Spa Education; Spa Consulting; Spa Media Associations & Events; Spa Branded Products.

Enabled industries consist of: Spa-Related Hospitality & Tourism; Spa-Related Real Estate.

Associated industries consist of: Beauty & Beauty Products Industry; Fitness & Fitness Products Industry; Beauty & Wellness Medicine Industry; Health Foods & Nutrition Industry.

The SRI estimates that the total size of the Global

Spa Economy in 2007 was \$254.7bn. The estimates include \$60.3bn in core spa industries and an additional \$194.4bn in spa-enabled industries, which is divided into Spa-Related Hospitality & Tourism (\$106.05bn) and Spa-Related Real Estate (\$88.30bn).

Spa Facility Operations represent \$46.8 billion in revenues or 78% of the 'core' industry. The global number of spas are 71,673 which is divided into:

The spa industry has been experiencing rapid growth in many regions around the world and this growth is reflected

Global Spa Revenues		
Day/Club/Salon Spas	45,113	\$21bn
Hotel/Resort Spas	11,489	\$12.6bn
Other Spas	9,310	\$2.4bn
Medical Spas	4,274	\$4.6bn
Destination Spas/ Health Resorts	1,485	\$6.2bn

in a significant level of capital investment, estimated at over \$12.9bn in 2007. While the other areas of the 'core' industries such as education, consulting, events and media associations earned an estimated \$0.51 bn in revenues in 2007.

The 'Spa Lifestyle Associated Industries' – such as beauty and beauty products, fitness and fitness products, beauty and wellness medicine industry and healthy foods and nutrition industry represented a global market that exceeded \$1 trillion in 2007.

The number of spas in Europe is 22,607 and the industry generated \$18.4bn in 2007.

Recent statistics from Fáilte Ireland estimate that 93,000 visitors to Ireland used a spa facility here of some kind in 2007. ♦

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