

# spa business

**INTERVIEW**

**CHRISTOPHER  
NORTON**

*Overseeing 50 new  
spas for Four Seasons*

**SPA SPOTLIGHT**

**Montenegro,  
Morocco  
and the UK**



**SPA PHILANTHROPY:**  
*The art of giving well*

## JOAN LUNDEN

*The woman who created the Camp Reville spa getaway*

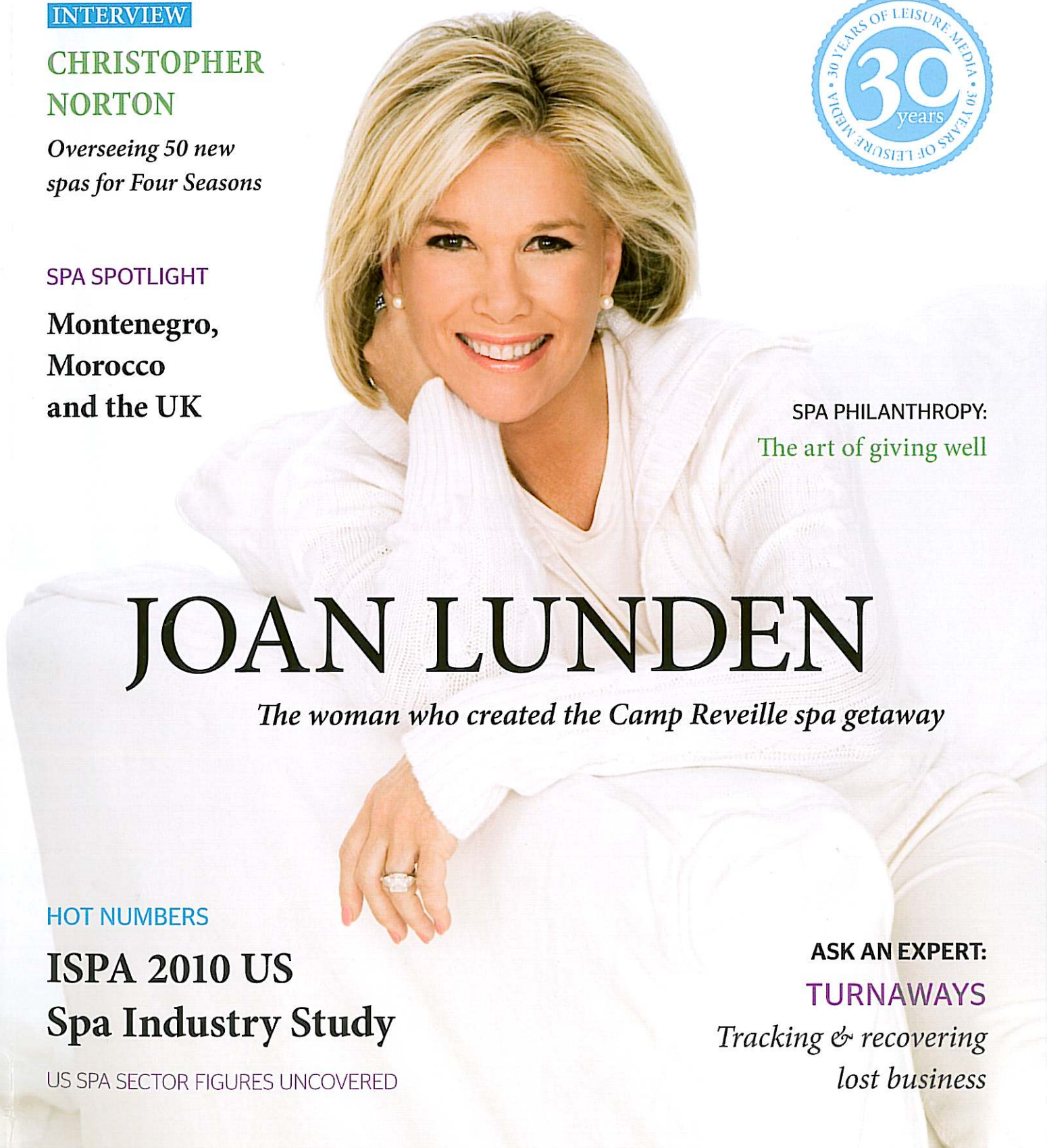
**HOT NUMBERS**

**ISPA 2010 US  
Spa Industry Study**

US SPA SECTOR FIGURES UNCOVERED

**ASK AN EXPERT:**  
**TURNAWAYS**

*Tracking & recovering  
lost business*





*Vita, an integrative wellness facility (above), successfully combines spa and medical services*

## Spa and medical services industries can successfully merge

Mindy Terry, president,  
Creative Spa Concepts

I read the Scientific Proof feature in *Spa Business* (SB10/3, p20) and wish to share a very successful collaboration between the spa and medical communities.

The experience the Creative Spa Concepts (CSC) team had was with Vita. Opened in 2009, Vita is a groundbreaking wellness and lifestyle facility from Henry Ford West Bloomfield Hospital in Michigan, US, which combines traditional Western medicine with Eastern therapies, other healing treatments and educational classes. Each programme – focusing on everything from skin and body health to lifestyle and stress management – integrative therapy and class went through a rigorous review by a scientific committee made up of physicians, scientists, nurses, and CSC's team, ensuring each experience to be safe and effective.

Early in our process, CSC reviewed the potential West Bloomfield market. The doctors initially wanted to offer only medical-based treatments. Though, when we

analysed Vita's potential consumer, they matched the average spa-goer. We also discovered a lack of quality local day spas, which led to a great opportunity for Vita to be a key community resource.

When Vita opened, the preventive health services (physical assessments, nutritional counselling, acupuncture) were empty. It was the traditional spa therapies (massage, yoga, facials) that pulled Vita through the first year. Now better educated, Vita's patrons are engaging in the preventive health offerings and programmes.

This proves two major points. Firstly, the consumer should always come first. With integrative wellness centres, it is not 'build it and they will come', we must be very thoughtful about the programmes we create to ensure they will appeal to the mass consumer. And we have to help consumers understand the benefits of being pro-active about health.

Secondly, as spa professionals generally seem to be right-brain dominated and the medical community tends to take a left-brain approach, we must work diligently to create a mutually-respectful marriage. We must learn each other's language, be open to and respectful of each side's methods, and believe in collaboration. Coming together with a blend of both approaches will create a far richer experience that will appeal more people.

**Coming together with a blend of approaches will create a far richer experience that will appeal to a greater percentage of people**

## Saying sorry really does cost nothing

Dr Johannes Abeler, Nottingham School of Economics, University of Nottingham, UK

There's a harsh truth for businesses, including spas, everywhere: there's no hiding from disgruntled customers in the internet age. Bad service was once met with either a face-to-face confrontation or a strongly worded letter. Now, however, a grievance has a potentially global audience within seconds.

How complaints are handled has become more important than ever. So it should be comforting for managers to learn that a study has confirmed that saying sorry really does cost nothing.

Our recent research at the Nottingham School of Economics investigated whether customers continue to do business after being offered an apology by a firm that's let them down. Chief among our findings was that people are more than twice as likely to forgive a company that says sorry than one that offers compensation.

We worked with an organisation responsible for 10,000 sales a month on eBay, controlling its reaction to neutral or negative feedback. Some customers were offered an apology in return for withdrawing their comments, while others were offered €2.50 (US\$3.50, £2.20) or €5 (US\$7, £4.40).

Some 45 per cent of participants withdrew their evaluation in light of the apology, while only 23 per cent did so in return for compensation. A higher purchase price further reduced the number of customers willing to forgive for cash, yet it had no effect on the willingness to settle for those magic words: 'I'm sorry.' As customers had no idea they were taking part in an experiment, we can conclude their behaviour was completely natural.

So, although cynics have traditionally dismissed it as cheap talk (which in strict economic terms is precisely what it is), a simple apology really does work. Consumers will always possess the capacity to register a complaint; but, treated properly and with sincerity, they will also retain the capacity to forgive.