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After graduation from the Cornell University Hotel Management program and a short time as a Director of Inspection Services for the Duncan Hines Institute, he joined the Cornell University staff and began his consulting career. He consulted for the Ministries of Tourism of France, Morocco, Tunisia, Brazil and Mexico and for major corporations such as the Ritz Carlton, Bulgari, Four Seasons, Accor, and Omni. Over the course of his career, Raoul Andrews has developed twenty six hotels, key-in-hand. He also writes regular columns for Spa Management, Healing Retreats, Pulse, and American Spa and has been featured in Medi-Spa, Skin Inc, Spa Asia, and Nouvelles Esthetique. His hands on expertise in fitness, spa treatments, esthetics and alternative medicines give him a unique, holistic and global vision of the industry and thus brings to the spa industry an expertise second to none. Raoul Andrews is currently acting as the Senior Advisor to Aspen Spa Management and is the President of Aspen Resorts International.

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MOST HOTELIERS ADMIT THEY CANNOT DO WITHOUT SPA SERVICES

SUB CONTRACTING A HOTEL SPA: A GOOD IDEA OR A NIGHTMARE?

By Raoul Andrews, Aspen Spa Management

HOTELIERS, worldwide seem to think alike! When it comes to having spa services in their hotels most will admit that they cannot do without one, but most will look for an easy way out, as for the most part they do not understand spas or their management. Many will be tempted to subcontract a space in the hotel to an outside service provider, content to take a rental fee. Others jump at the opportunity to delegate the spa function to a recognizable cosmetic firm. Most of the leading cosmetic companies have jumped on the spa bandwagon and are eagerly seeking to bring their brands to hotels. They all have created spa management structures around the use of their products. Hoteliers, in general, are brand conscious and are attracted to the idea of piggy-backing on a well-known consumer brand.

Some hotel operators have chosen a local day spa operator to manage their spas. So which of these options are the best?

Absolutely: NONE OF THE ABOVE!

Now let's analyze each alternative and try to understand why they are not a "good idea".

An outside service provider: there are a number of companies that have emerged in the last five years to fill this demand. Some are decent, most are rather mediocre, but the problem does not lay on quality of services but rather on their management attitude and demeanor which rarely is in harmony with that of the hotel.

There usually is a great deal of difference in the way guests are handed and served. Often the subcontractor will be pushy and more

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concerned by their bottom line than by the satisfaction of the hotel guest. The hotel guest will not make this distinction if something does not go well at the spa; they will blame the hotel systematically.

In this type of situation the hotel management has no recourse and no way to control the situation.

Leasing space to a "cosmetic firm" spa, might be appealing but in most cases does not work very well! First there is an "image association" problem: if the brand is viewed by consumers as a female only brand, men (who compose 42 to 80% of hotel spa goers) will not patronize it. If the brand is associated to a middle class market and the hotel is a luxury property, the hotel's image will be diminished in the eyes of its clients with possible repercussions. In all cases, such spas have one objective: to sell their products.

Gross profit over the sale of products is 100 to 300%. Treatment G.P. is around 30%! Does it not make logical sense that their motivation will be driven by the economic returns rather than the satisfaction of the clientele on treatment services?

Turning over the spa management to a local day spa operator is another common mistake. Most of these are nothing more than glorified beauty salons.

Their management methodology is totally different from "hotel service and client relationship". Their lack of hotel practice knowledge creates a paradoxical cohabitation

that is always to the detriment of the hotel operator. Add to that, the total lack of control of the hotel management on the business practices of the tenant and you have a good formula for "catastrophe"!

So, what should an hotelier do? Well as evident as it may be, hoteliers need to learn how to manage spas! After all, a well run spa will be the second best income producing service in the hotel next to room sales. To do so there are a number of solutions: the best one is to hire a

"consulting firm" that offers a "management assistance" contract. "Aspen Spa Management" has been doing this for over a decade under the supervision of the management company. The hotel retains its identity and control.

The staff of the spa is on its payroll, but the spa director is monitored and directed by the management company which technically manages the operation. This formula enables the team to perform at maximum efficiency until that time when it is able to fly on its own power at which time the umbilical cord is cut and the hotel manages its own spa.

Another solution is to send one of their hotel executives (like an F&B director who might be tempted by changing services) to a hotel spa director's intensive course for one month or so and secure the services of a management consultant to accompany that executive in establishing a "spa management system". It can work if the executive is totally committed to learning new skills and is able to learn quickly.

Bottom line: the hotel will always be better off to run its own facilities. ■

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