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Selling and marketing a spa successfully

After staff management and customer care, sales are the next priority. Without proper focus on the sales, revenues can easily slide, the effects of which are never pleasant.

Poor revenue performance undoubtably leads to cost cutting and given that staff costs are the largest cost segment in a spa operation, cuts often start with reducing manning hours and increasing workloads. Alternatively, if the sales results are positive, this can open up possibilities for investment, renovation and even opportunities for the staff.

Because sales are such a crucial part of the business, the spa manager needs to understand the importance they have. However, most of all, they should, as leaders, be able to sell the spa themselves effectively and be a role model for the rest of the team. Sales training or experience in selling is highly recommended for anyone thinking about managing a spa.

- **Attitude and selling:** a can-do positive attitude and belief is the starting point for any sales activity. Belief and motivation are the fuel behind the energy needed to reach sales targets.
- **Activity** is the second most important factor in selling. The more sales and marketing activities there are, statistically the higher the chances there are of meeting targets. Waiting and hoping for the business to come in, even if the spa has a super dream location and an amazing product, is asking for trouble. Continuous ongoing activity is essential.

Types of guests

In a hotel spa you normally find three types of guests:

- 1 Hotel guests and/or guests purchasing spa packages: in a hotel this will normally be the responsibility of the hotel sales.
- 2 Walk-in local guests: normally the responsibility of the spa manager or spa sales person.
- 3 Membership guests: normally the responsibility of the spa manager or spa sales person.

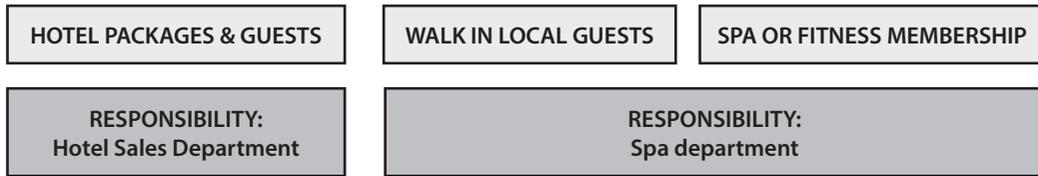


Figure 4.1: The sales responsibilities for different types of guests.

Hotel sales & marketing department

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The hotel sales department is responsible for filling up the hotel rooms, and in a spa hotel or spa resort this will involve selling spa stay packages. The hotel sales department's job is to research the market (who will be the guests and where they will come from) and through various channels sell the product and collect the payment. There are two types of channels, direct and indirect:

Direct sales

- **Website:** this is the preferred channel as it has a huge market, the client pays net rates and the hotel pays no commissions to third parties.
- **Repeat regular guests:** again, this is a preferred channel as through regular, repeat guests good rates can be charged with no commission to be paid to third parties. In many European traditional spa hotels, up to 70% of the guests are repeat guests!

Indirect sales

- **Travel agents:** a person or company who sells spa stays or packages (normally within a small geographical area with a low commission charge of between 7% – 10%).
- **Tour operators:** a company or person that purchases different items in an inclusive holiday in bulk and combines them to sell a package holiday direct to the public or through travel agents (a large market, with a higher commission charge of between 15% – 20%).
- **Wholesalers:** an intermediary between the supplier and consumer, they are involved in putting together and marketing inclusive tours and individual packages. The operation of the tour will be left to individual suppliers (a worldwide market, with a huge commission of between 25% – 40%).
- **Specialist market tour operators:** deals with niche products to certain geographical areas (commissions of between 15% – 30%).
- **Internet booking sites:** (e.g. booking.com, Tripadvisor etc, around 20% commission).

■ Hotel marketing

The hotel marketing will normally consist of:

- **Direct mailing:** (newsletters, special offers, promotions, greetings etc) – this will target regular guests through databases within a hotel or destination. Alternatively, the hotel can purchase databases for money and target travel professionals. The advantages of direct mailing is that it is relatively cheap and it specifically targets the right market. The main disadvantage is that it only reaches a small group of people
- **Advertising:**
 - **Newspapers:** a relatively cheap form of marketing, it is able to target a specific market, but newspaper ads have a short lifespan.
 - **Professional magazines:** they target the required market but can be expensive.
 - **Brochures:** relatively cheap to produce, easy for clients to take away, but have a huge waste potential.
 - **Ambient advertising:** advertising placed on bus tickets, till receipts and petrol pumps etc. (can be too general for hotels or spas).
 - **TV, Radio, Internet:** expensive, whilst sometimes used for spa or hotel chains, for individual hotels or spas this medium can be too general.
 - **Outdoor advertising:** billboards, bus shelters, transport, relatively inexpensive but localized only for an area with a limited time period.
- **Public relations:** PR refers to communicating to an audience an idea, a product, getting them to support a cause, or recognize an accomplishments or event. Here is what the Public Relations Society of America (PRSA) agreed upon: *“Public relations is a strategic communication process that builds mutually beneficial relationships between organizations and their publics”* (Wynne, 2016). The PR person in the spa hotel plays an instrumental role in generating articles about the spa, showing off the facilities to journalists, organising events that will spread the reputation of the spa and generally carrying out any tasks that will generate attention and interest.
- **Study tours and fam trips:** showing journalists, travel staff, famous people, writers the hotel and spa facilities in order to spread the word.
- **Exhibition and trade fairs:** hotels and spas will often attend exhibition and trade fairs to promote their products, meet potential customers or partners and/or raise the company profile. There are two main types of exhibition and trade fair:
 - **B2B** (Business to business) hotels/spas meeting travel agents, tour operators, group organisers, etc to build business partnerships.
 - **B2C** (Business to customer) promoting the hotel and spa direct to the customers.