

WHAT'S NEXT FOR WELLNESS?

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HELENA GRZESK, YVONNE EBDON, PAMELA GRIFFIN

This report and its contents would not have been possible without you, our members and community. We all have an immense passion for what we do, for our industry and a wish for guidance in how to move forward following this unprecedented time. We would like to thank each and every one of you for your contribution, commitment and support.

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NOTE FROM OUR GENERAL MANAGER

Helena Grzesk, General Manager

Our vision: More people in more spas, more often

As the only not-for-profit and collaborative trade body representing UK Spas, across England, Scotland, Wales and Northern Ireland, we recognised that in the weeks prior to enforced closure there was unsettlement and confusion across industry.

At the UK Spa Association, we understand that spa and wellness services are vital to our local communities and will be key following the COVID-19 lockdown to support the physical, emotional and mental health of our nation. Spas will be more essential than ever before, for the country's recovery, following the effects of Covid-19.

The "What's Next for Wellness" survey was created to allow us to begin to understand what the wider impact will be, both on the businesses and people in our sector. We know that there has been severe disruption across the industry, and we wanted to explore the challenges that we are all facing to fully understand what support the industry needs in order to thrive post Covid-19.

The survey was created with the following in mind:

To find out what the short term impact this pandemic and the enforced period of lockdown has had on the spa and wellness industry so far, as well as the estimated impact our industry feel it will have long term.

To establish the effectiveness of existing government support measures (SME grants, the Coronavirus job retention scheme etc) on our industry.

To establish what reopening support, post Covid-19, will be required from government and from us as your trade association.

A survey such as this allows us to understand the thoughts and sentiments in our industry around the key topics of conversation right now. Most importantly the use of personal protective equipment when spas re-open, the impact that we might see on our guests, ways that spas will need to shape shift and adapt their operating procedures and protocols in order to be able to comply with social distancing.

NOTE FROM OUR GENERAL MANAGER

If spa and wellness facilities are not supported to survive through this crisis the impact could be catastrophic; resulting in extreme hardship and probable closure of many small and medium size enterprises within the industry.

It will be difficult to restore this vital health and wellbeing infrastructure once the crisis is over if we do not provide the necessary financial support and correct guidance now. By understanding the government's consideration we will then be able to assist in its exit strategy, ensuring any safeguarding can be put in place to ensure the safety of our teams and customers in our businesses.

This survey will allow us to collect the data to represent you, our industry, to understand the questions and get you the clarity that you need from us, your trade body and the government in order to re-open our sector safely. We will champion you, our spas, as we come together to represent our industry as one united voice.



Helena Grzesk, General Manager

KEY FINDINGS

IMPACT ON BUSINESS AND PEOPLE

- 92.3% of participants reported a severe or significant impact that COVID-19 has had on their business
- With 87% reporting the majority of their staff are furloughed, this leaves huge concern around the re-opening of the spa industry
- 27.7% of participants anticipate the need to make redundancies once re-opened
- 20% of participants stated there was a possibility that their business may not re-open at all following the lifting of restrictions

RE-OPENING; INCLUDING PERSONAL PROTECTIVE EQUIPMENT AND SANITISATION

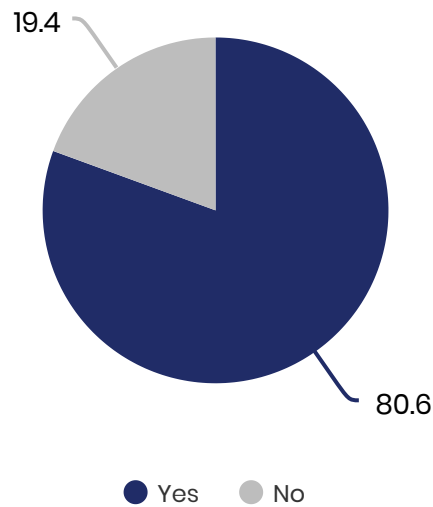
- 54% of participants stated they would re-open immediately following the lifting of restrictions
- The vast majority of participants, stated they would re-open in July and June
- Only 13% of participants asked, stated they anticipate re-open in full
- 78.2% of participants believe that therapists should wear face masks whether the government advise us to or otherwise
- 56.9% the participants asked are concerned around the cost and sourcing of face masks
- 71.9% stated it was important to them that masks are sustainably manufactured
- With only 17% of participants strongly agreeing with the fact they "feel adequately prepared to train my team in the use of PPE"
- 38.3% of participants asked plan to restrict the use of their thermal facilities, with 21.8% planning to phase the re-opening of their pool areas
- 75.7% believe that spas should remove testers from their retail displays, with 78% believe that retail products should be merchandised in a non-contact way
- Participants believe that training and supplier meetings should take place online where possible or in small groups with social distancing

SURVEY RESULTS

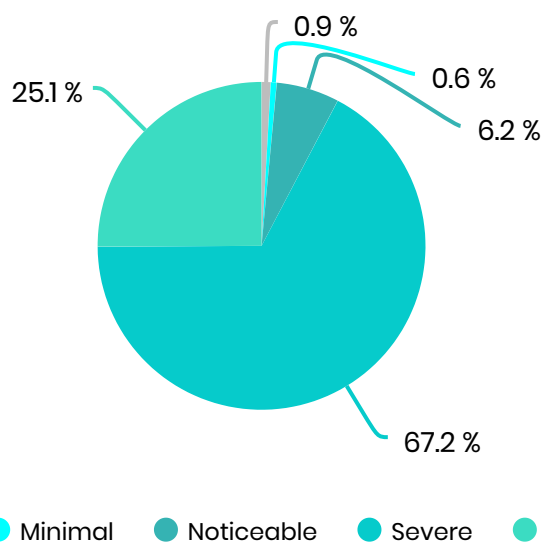
IMPACT ON BUSINESS AND PEOPLE

The participants included within this survey were combined from a cross section of the industry including operators, suppliers, consultants and therapists.

Is your business currently closed due to COVID-19?

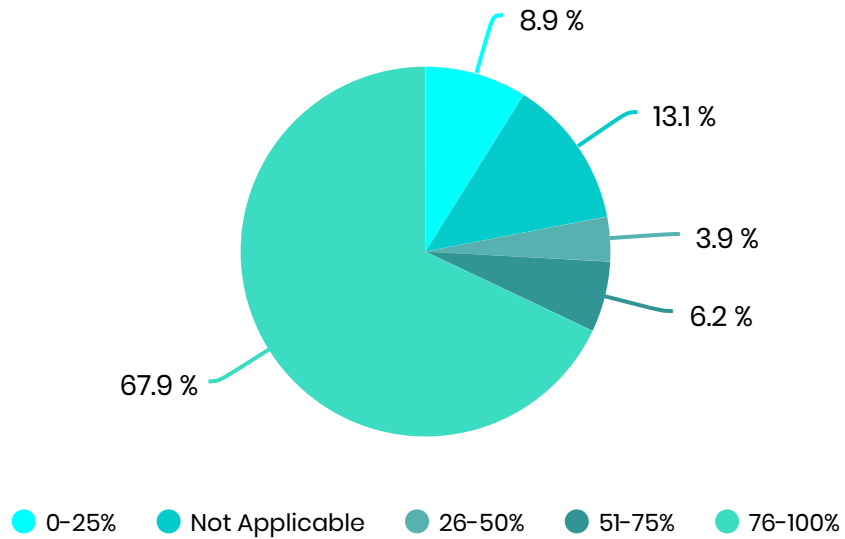


Which of the following best describes the impact that COVID-19 has had on your business?

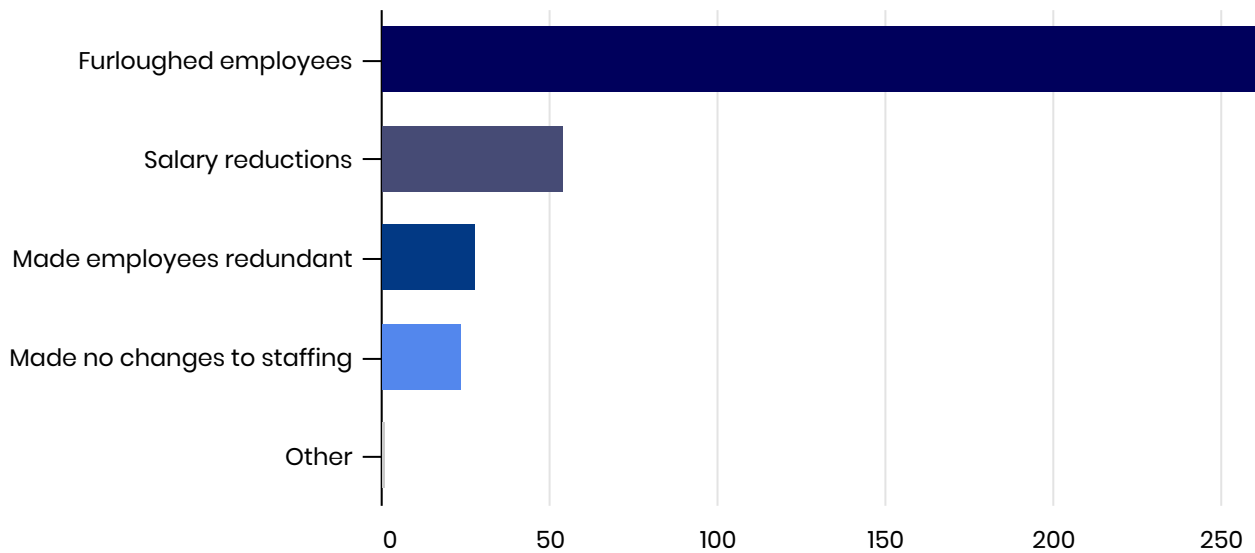


This icon represents key areas which have been brought up at the All Party Parliamentary Group for Beauty and wellness.

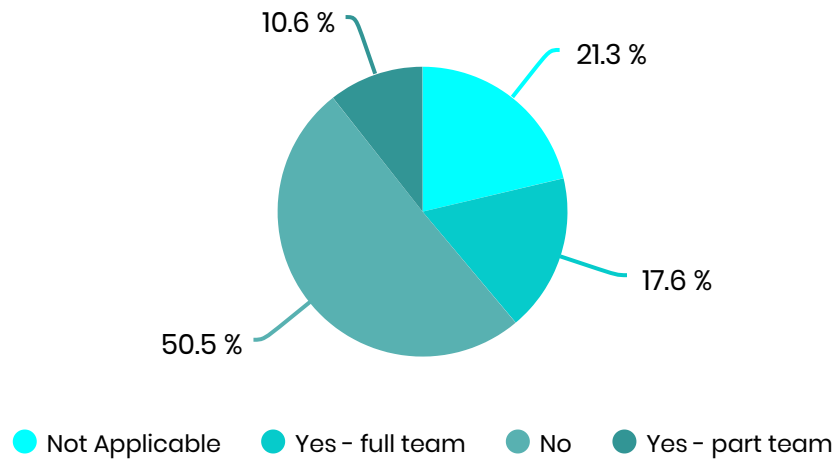
What percentage of your team are presently being furloughed under the job retention scheme?



Which of the following workforce related actions have you implemented as a result of COVID-19?

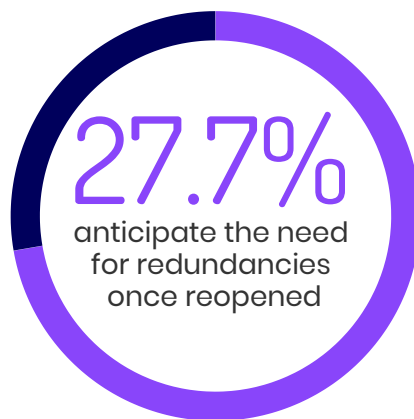


Have you chosen to top up the 80% government job retention scheme?



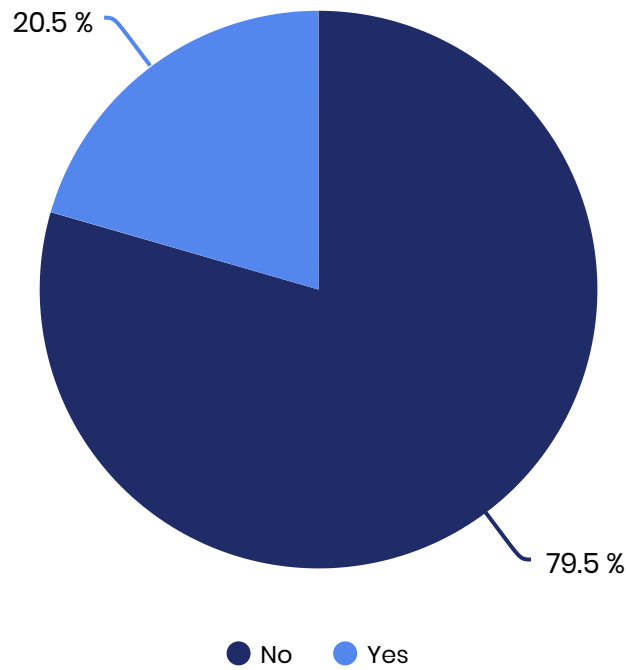
Most respondents reported they had not topped up the scheme. Those who reported 'no' sited affordability as a reason for not doing so however some reported that wages had been paid in full for the month of March. For those responding 'yes' the majority were only topping up until the end of June.

Do you anticipate the need to make redundancies once re-opened?

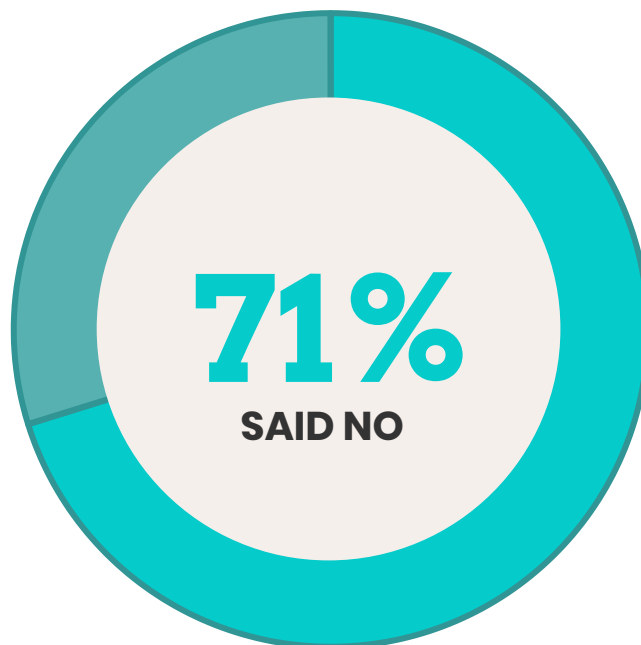


Many of those who responded that they did not anticipate redundancies, qualified this by stating it would depend on the extension of the furlough scheme. It would also depend what services could be offered upon reopening and the level of demand overall. Those who responded yes, did so as they are concerned about the impact of social distancing within their operation and how this will affect the number of staff required along with number of clients able to book in. An overall decline in business is anticipated due to these restrictions meaning that fewer staff will be required.

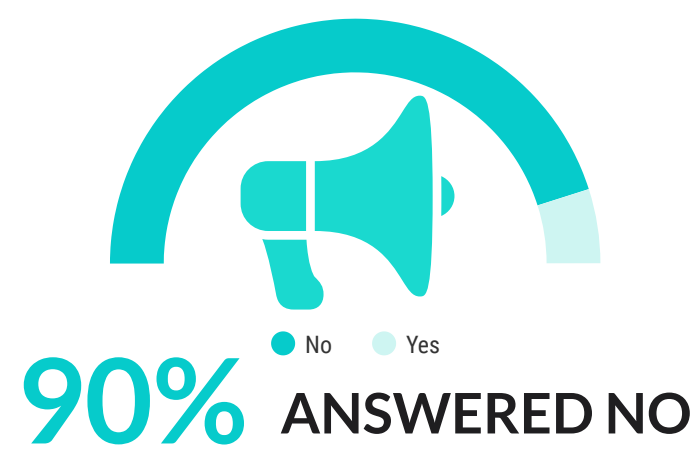
Have you applied for a Business Interruption Loan?



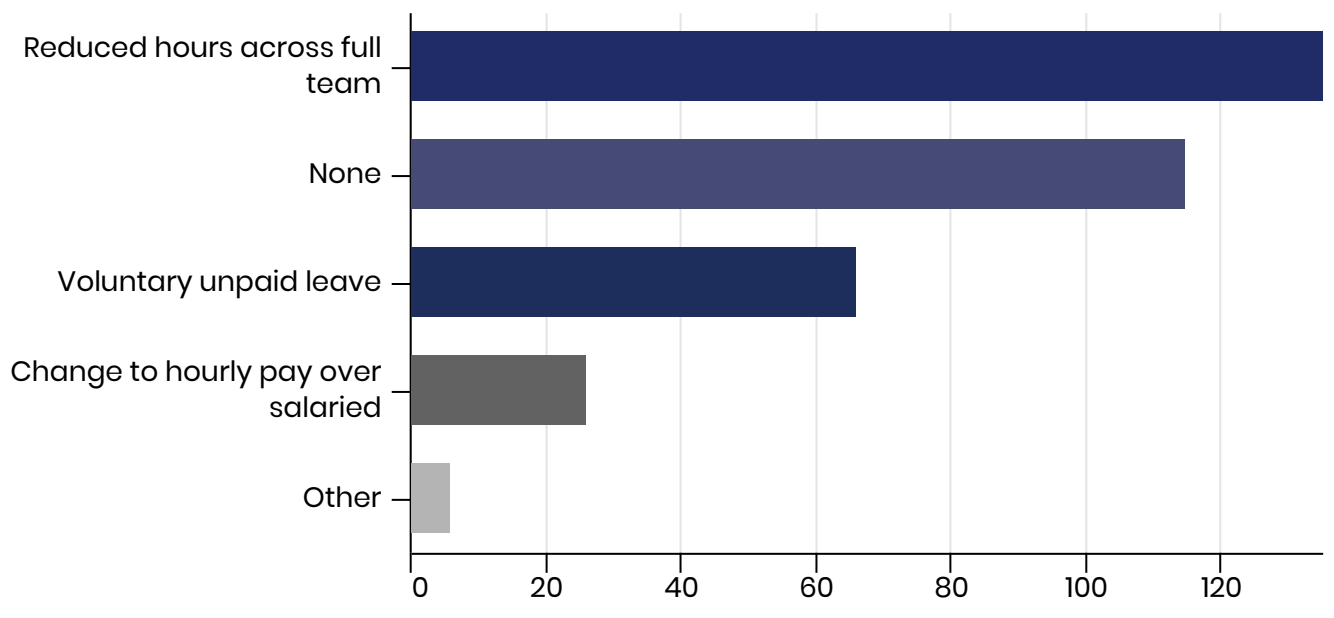
Have you applied for a business grant?



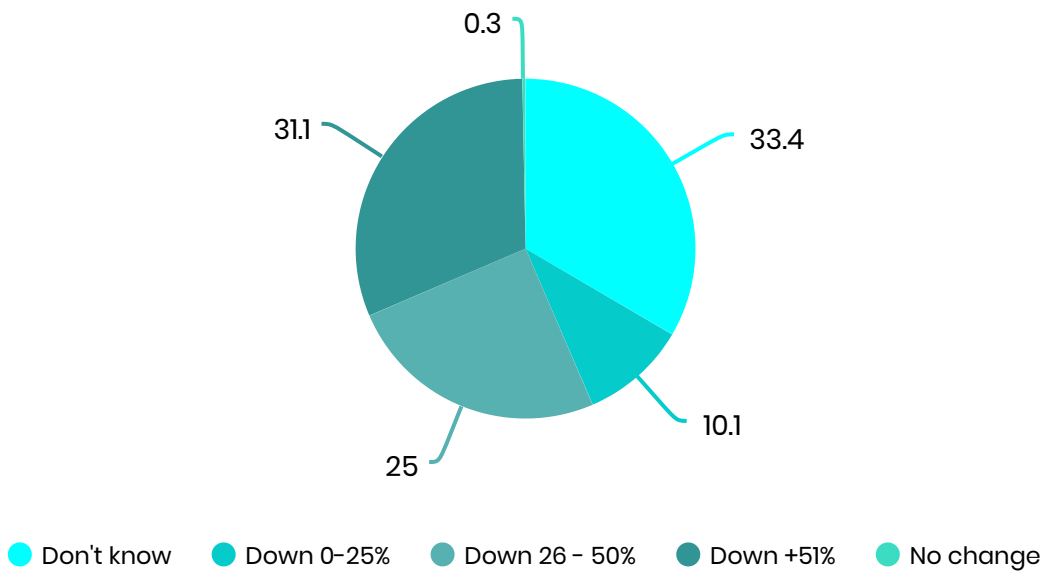
Have you applied for universal credit?



Will you be taking any additional measures to retain your team?

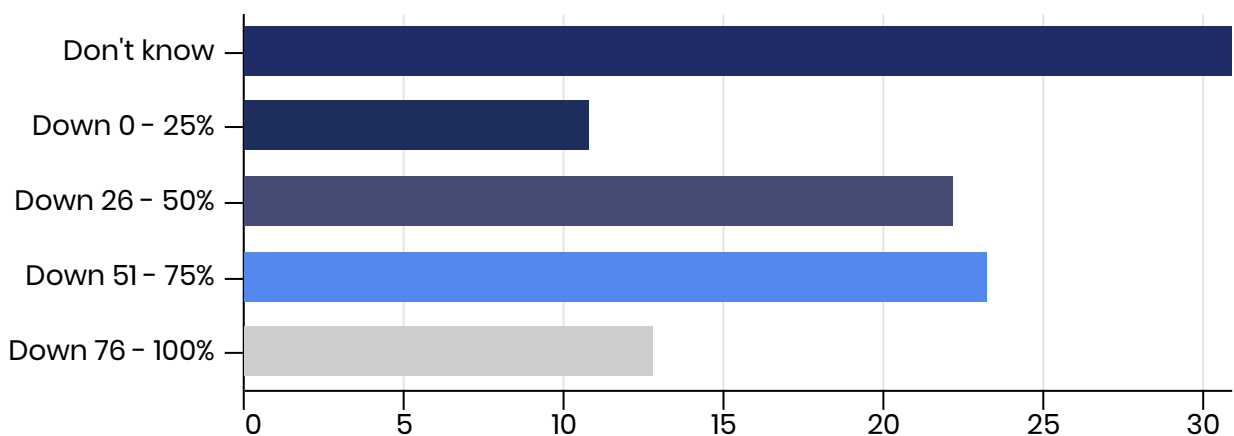


Please detail your anticipated gross revenue change?



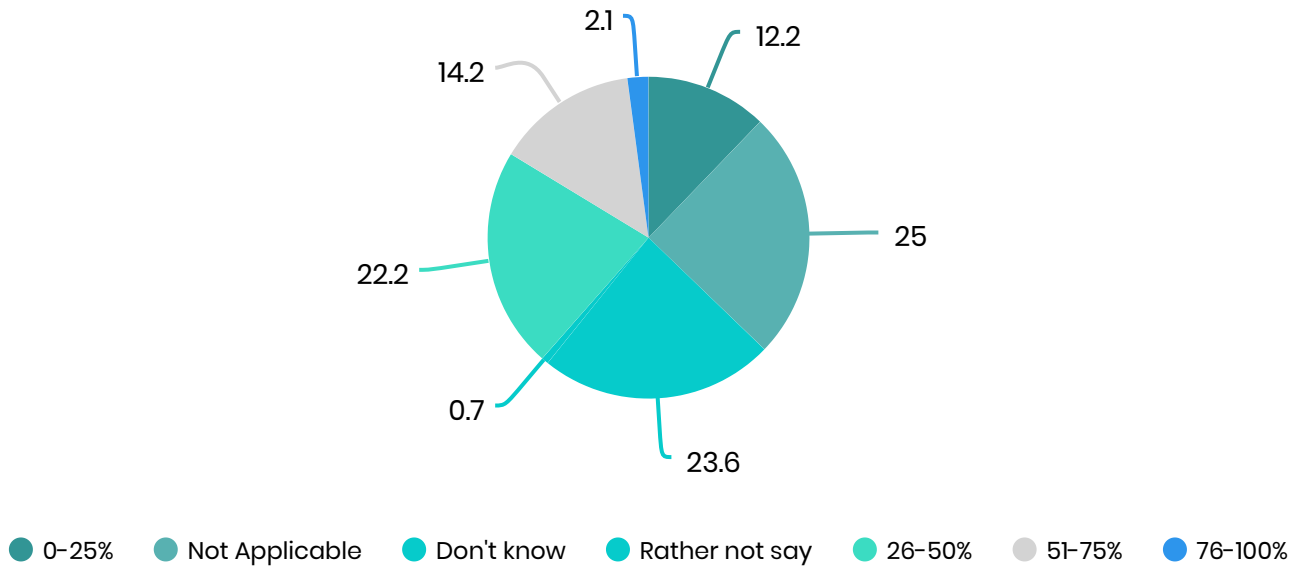
Most respondents felt that missing important events such as Mother’s Day, Easter and Summer holidays will have a negative effect on revenue. Those attached to hotels believe they will lose out for as long as the hotel is closed.

Please detail your anticipated gross lost revenue to year end against 2020 budget.

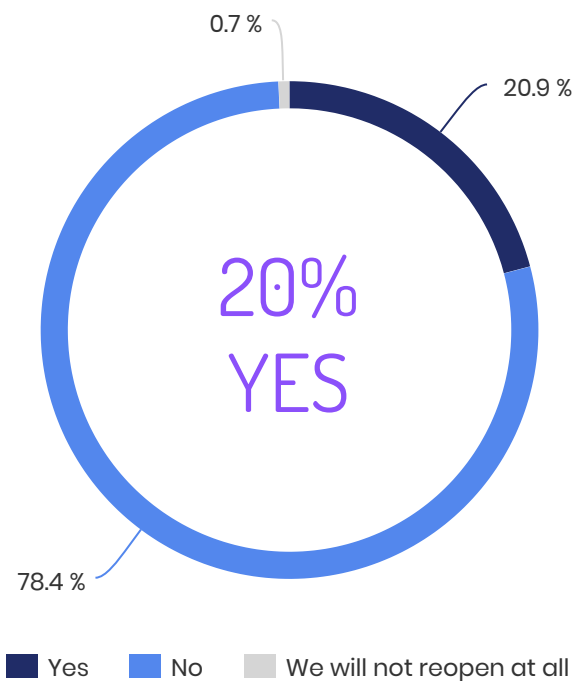


Regardless of the response chosen, all respondents reported that the amount of revenue lost would be related to the length of closure, which is something that we are still awaiting confirmation of.

What occupancy levels are you forecasting when you re-open?



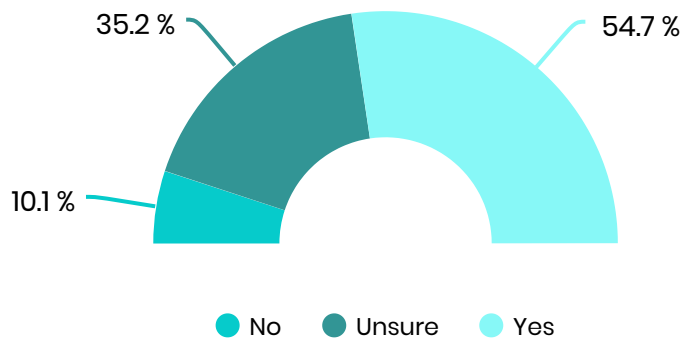
Is there a possibility that your business may not re-open at all following the lifting of restrictions?



Those responding 'no' to this question did so with some optimism that they would make it work however, there was also some caution and they cited the extension of the furlough scheme and a relaxation of social distancing as factors that would help avoid a closure. Those responding 'yes' did so explaining that their business model could not absorb the impact of social distancing or the possible reduction in the variety of treatments that could be performed.

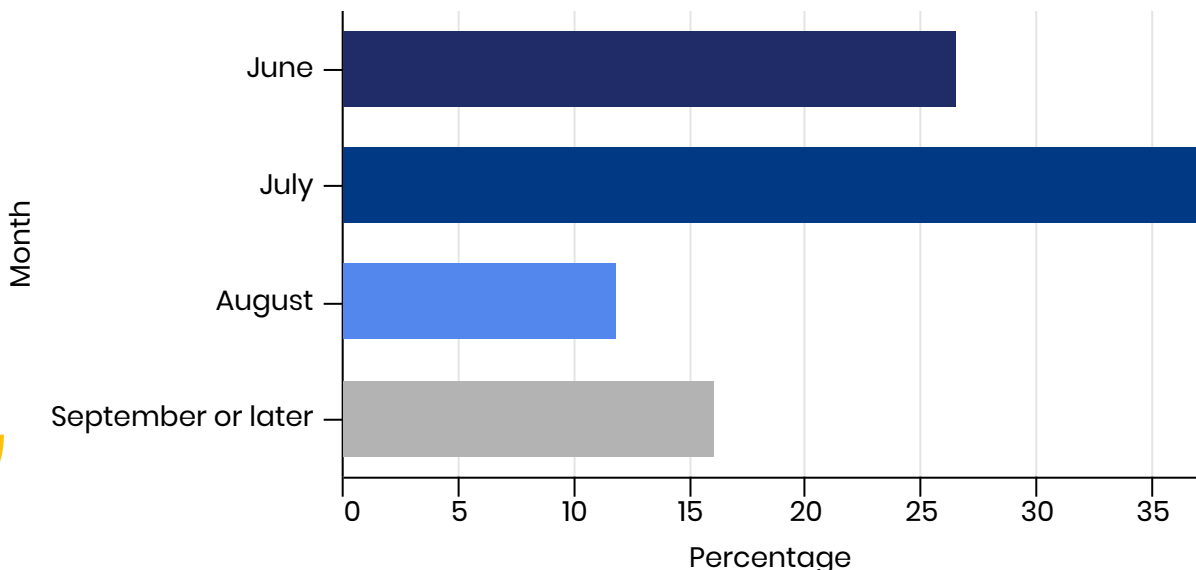
RE-OPENING; INCLUDING PERSONAL PROTECTIVE EQUIPMENT AND SANITISATION

Do you plan to immediately reopen when lockdown restrictions are removed or relaxed?

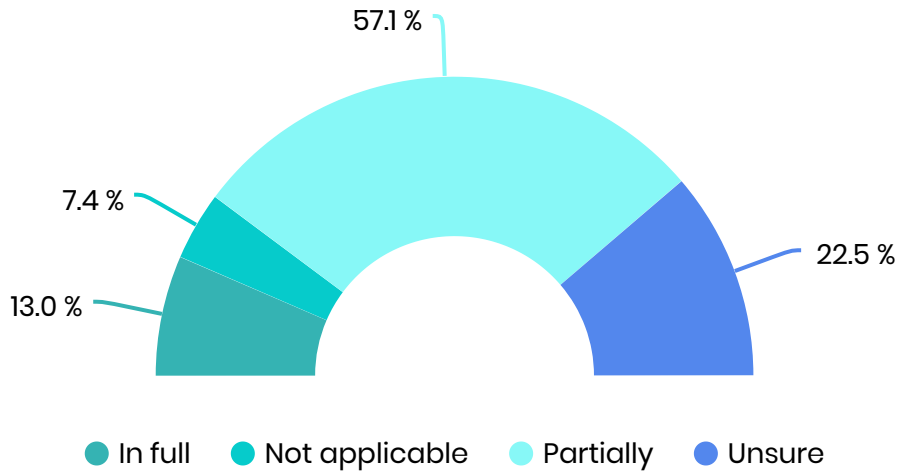


Despite the answers to this question being split between no, unsure and yes there is a common theme running through the responses. Everyone cited government guidelines around social distancing and PPE influencing their decision on when to reopen. Furthermore, the safety of both staff and clients would be paramount in any decision to reopen in any capacity. One can conclude from this answer that the industry desperately needs guidelines around the key areas of the use of PPE and how social distancing can be implemented in a spa/salon environment.

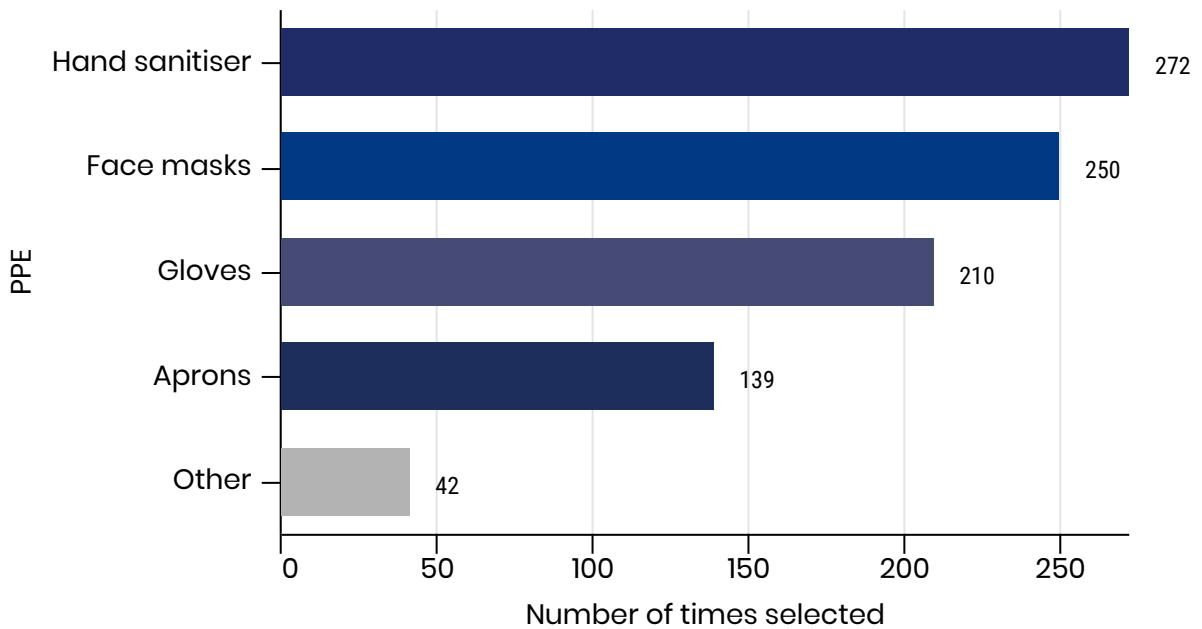
When do you anticipate your business will reopen?



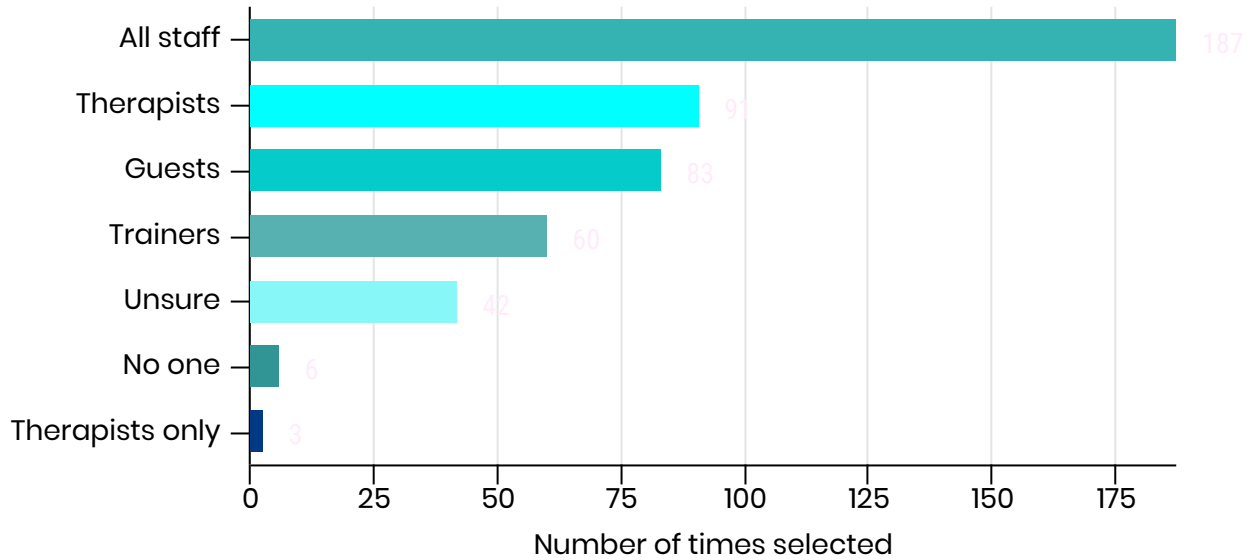
How do you anticipate you will reopen?



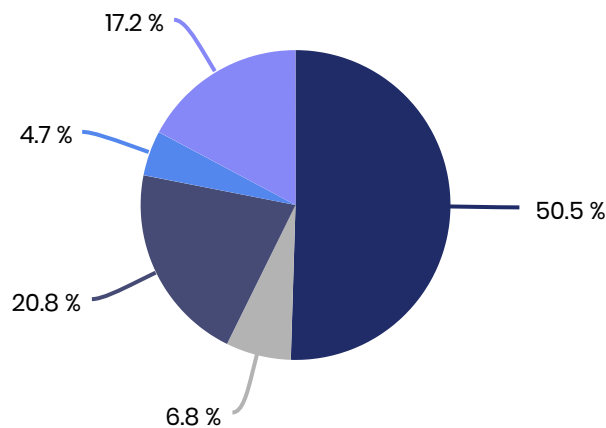
What PPE do you feel would need to be used by your team?



Who do you anticipate will need to wear PPE?



When will wearable PPE need to be used?

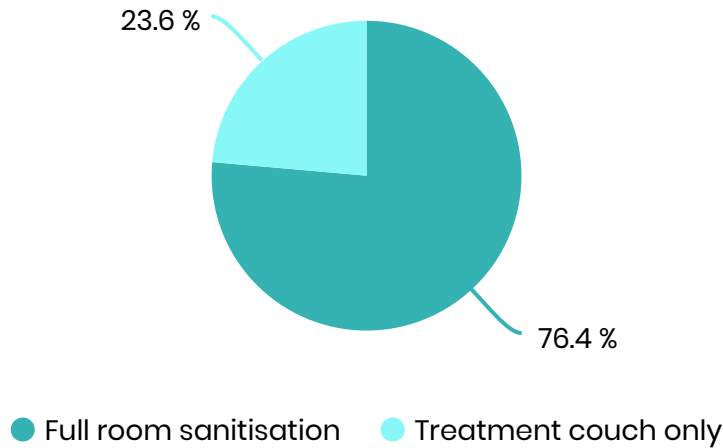


● At all times
 ● Only during certain treatments
 ● Only during treatments
 ● Other
 ● Unsure



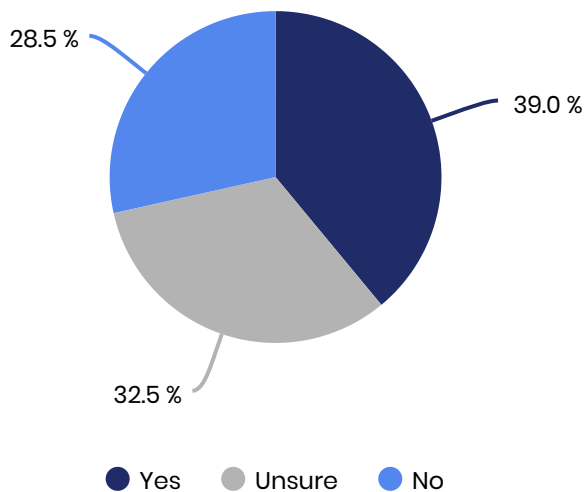
Over half of the respondents believe that PPE will always be used with the health and safety of both staff and clients being the main reason. Those who were unsure want official guidelines from the government. Respondents also believe that PPE will be required in some form for front of house, back of house, laundry and when receiving deliveries. It extends beyond the treatment room and respondents expect all departments will need PPE.

How do you think treatment rooms should be sanitized between clients?



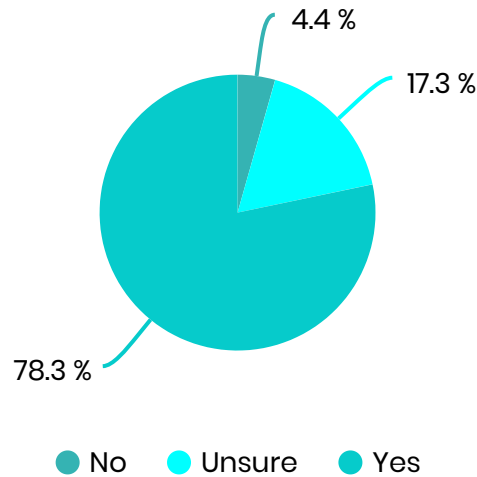
Most respondents believe that the entire treatment room will need to be sanitised between clients. It was noted that this will have a big impact on the turnaround time allocated between treatments which will inevitably have a knock-on effect to revenue. Again, respondents seek clarification from government on the level of sanitization required before they can look at how this will affect their day to day operation.

If you were attending a spa and it was required you wear a face mask as a guest which was chargeable, would you still attend?



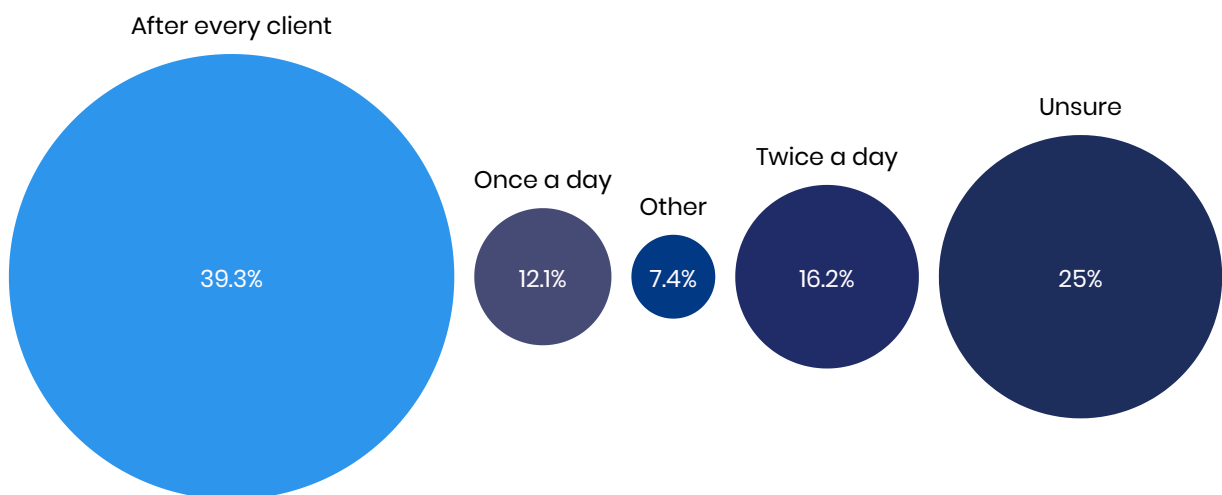
Those who responded 'yes' felt that guests would need to be informed of the need to wear a mask and that there would be a charge. The cost would have to be 'reasonable' and safety must be a priority. Those responding unsure want firm evidence that wearing a mask does prohibit the spread of the virus and felt that the cost should be absorbed by the spa. Most who responded 'no' would prefer to bring their own mask rather than pay as they believe the spa has a duty of care to guests and staff therefore should supply a mask free of charge.

Do you think therapists should wear face masks during treatments, whether this is government imposed or operating procedure imposed?



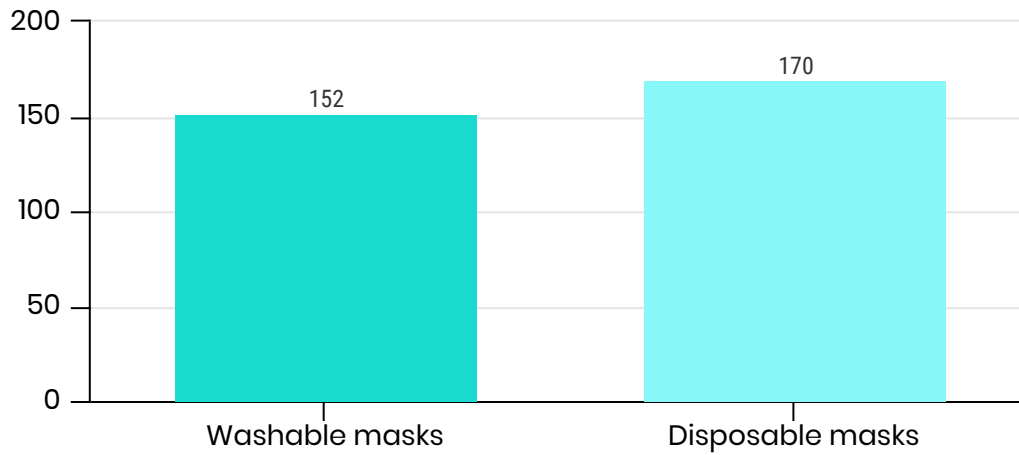
The overwhelming response to this question was yes. Promoting a sense of 'safety' and 'protection' were the main reasons. Respondents also felt that with poor ventilation in some rooms it would be essential and that until a vaccine is found masks will be required. What is very apparent from the responses to this questions is, again, the need for clarity around the effectiveness of masks against the spread of the virus and those who reported a 'no' answer did so as they felt there wasn't conclusive proof that masks prevent the spread of the virus. Government will need to guide the industry on this matter as there is a clear call for clarity on the need and use of masks.

How often do you feel face masks need to be changed?



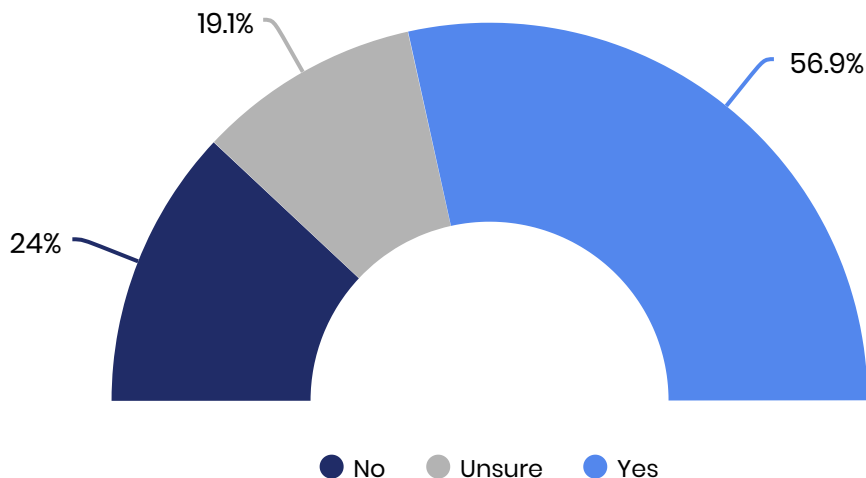
Regardless of how respondents answered, the overwhelming majority are looking for firm guidance on the type of mask, the quality and where they will source them from.

If you plan to use face masks for your business, what type of masks will be used?

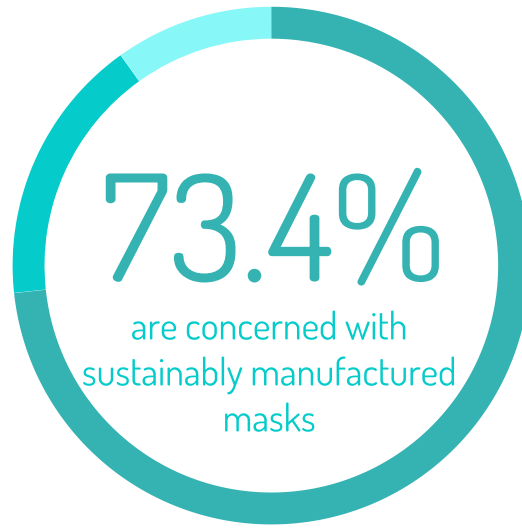


Most respondents are concerned about the cost and sourcing of masks. Many worry that it is another overhead which will impact the bottom line and that they will need to pass this cost on to clients by increasing the cost of treatments. There is a concern that suppliers will take advantage of the situation and inflate prices – many respondents said this was starting to happen before lockdown. An additional concern is the availability of masks given recent reporting that frontline and NHS staff are unable to source enough PPE. For those who responded no, the main reason cited was that in their opinion, health and safety had to come first regardless of cost. Respondents are already making provisions for this by manufacturing their own and will look at the option of reusable masks as a means of keeping cost and quantities down. Again, regardless of the answer given, most respondents need clarification of the type of mask required so that they can factor this into their budgets.

Does the cost and sourcing of face masks concern you?

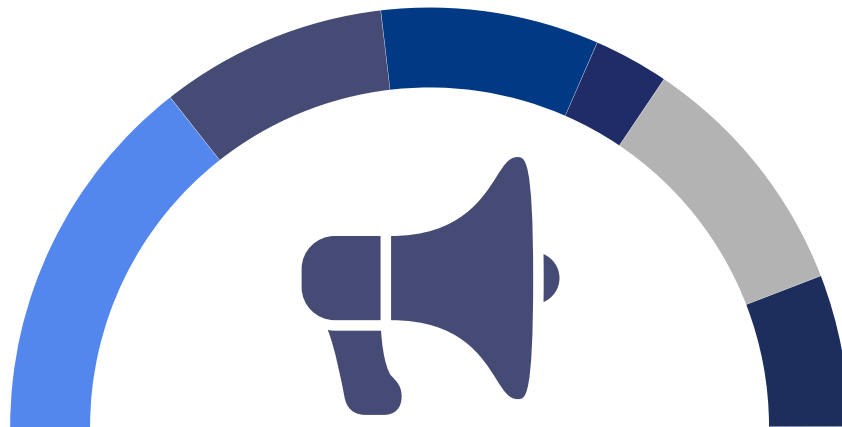


Is it important to you that masks are sustainably manufactured?



■ Yes ■ Unsure ■ No

"I feel adequately prepared to train my team in the use of PPE and when to change etc."



● Agree ● Strongly agree ● Disagree ● Strongly disagree ● Unsure ● Not applicable

17% of people say they "strongly agree"

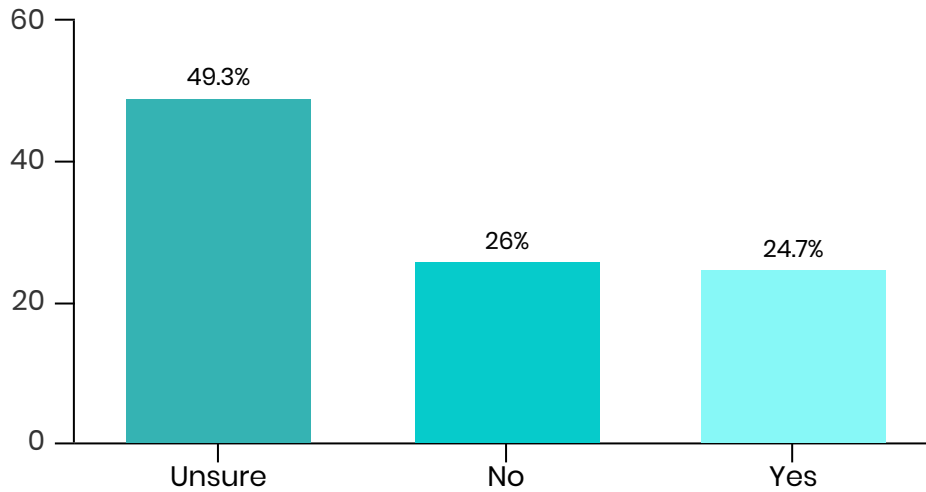
Almost all respondents are looking to the government for standards on training in the use of PPE. They believe all operations should be training their staff to the same standards.

Do you plan to implement physical
Social Distancing markings within your
facility?



Respondents were asked to identify areas that they could implement social distancing markings and while most stated they would want official guidance they also identified most key touch points within their operations as potential locations; reception area, retail area, changing rooms, pool side, between nail stations and staff break areas. Almost every respondent reported concern about how they would implement social distancing markers in a treatment room.

Do you plan to perform temperature checks on staff/clients upon arrival to the spa?

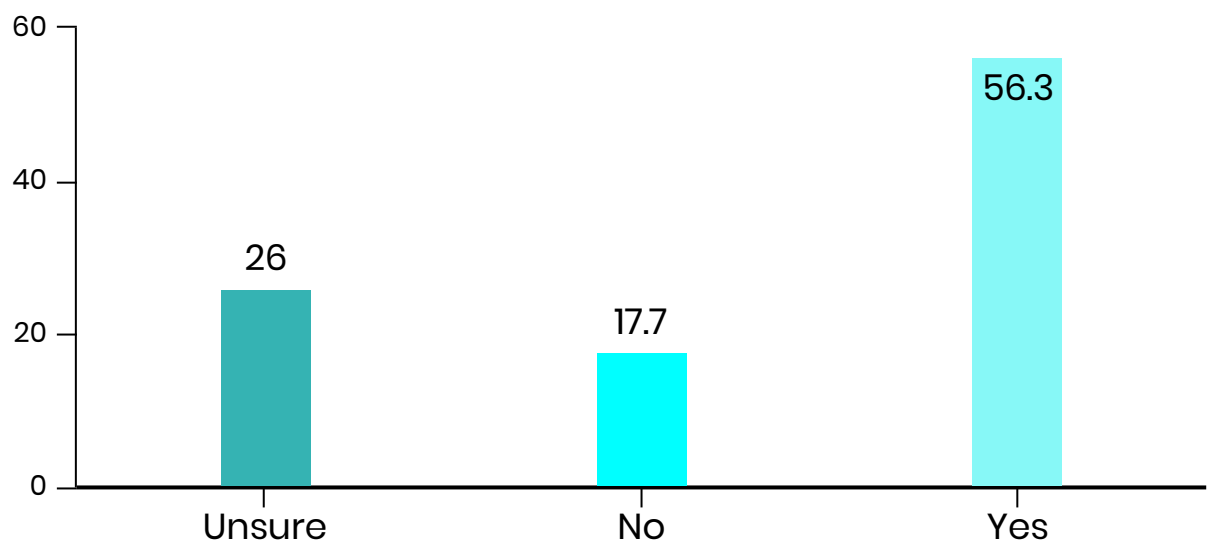


What action would be taken if an abnormal temperature was detected?

Most respondents said they would politely inform the client that they would need to reschedule the appointment and that the client should seek medical help. It was noted that guidance would be required from government. Respondents noted clients would need to be treated with compassion and care in order not to frighten or intimidate them. Some respondents reported that they would explain to clients in pre-visit correspondence that they would be sent away if a high temperature reading was recorded upon arrival.

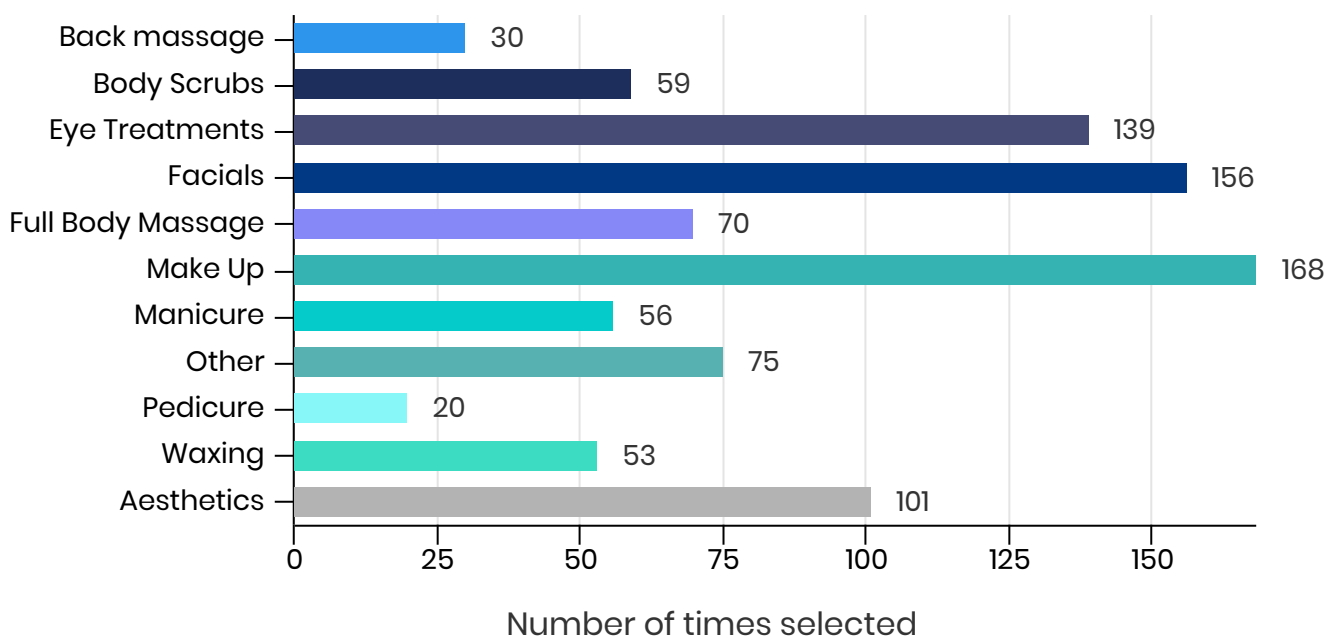
It is important to recognise that not all high temperature readings are caused by Covid – for example, the menopause can cause high temperature, and this must be factored into government guidance to maintain health and safety laws.

In your opinion do you feel that spas should reduce their treatment menu temporarily when re-opening?



Government guidance is sought for absolute clarity for respondents. For example, most who replied 'yes' believe that facial treatments would have to be suspended from menus. The government will need to work with the industry to identify which treatments are suitable post-Covid19 so that all operations are working to the same standards.

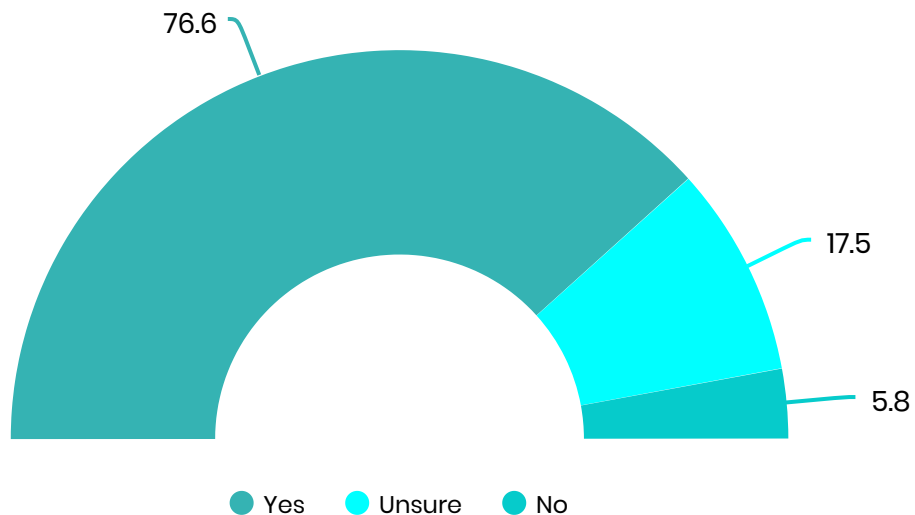
Which treatments, if any, should spas consider temporarily removing from their treatment menus?



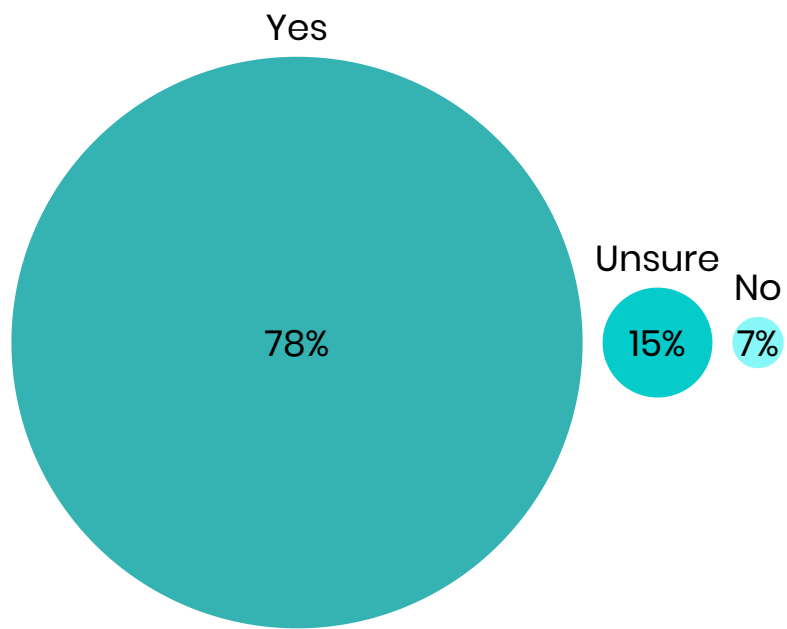
What treatment menu changes are you considering or planning to implement as a result of COVID-19?

Most respondents said they will need guidance before making any firm decisions however many reported that they believe they will need to remove facials from their menu due to the close proximity of the therapist to the client during such a treatment. Many are looking at adding more mental wellbeing treatments and are also considering increasing prices to make up for potential gaps in their offering if they need to remove profitable treatments such as facials. The reduction in the numbers allowed to attend, within spa day groups, was a popular response along with the removal of treatments such as rasul.

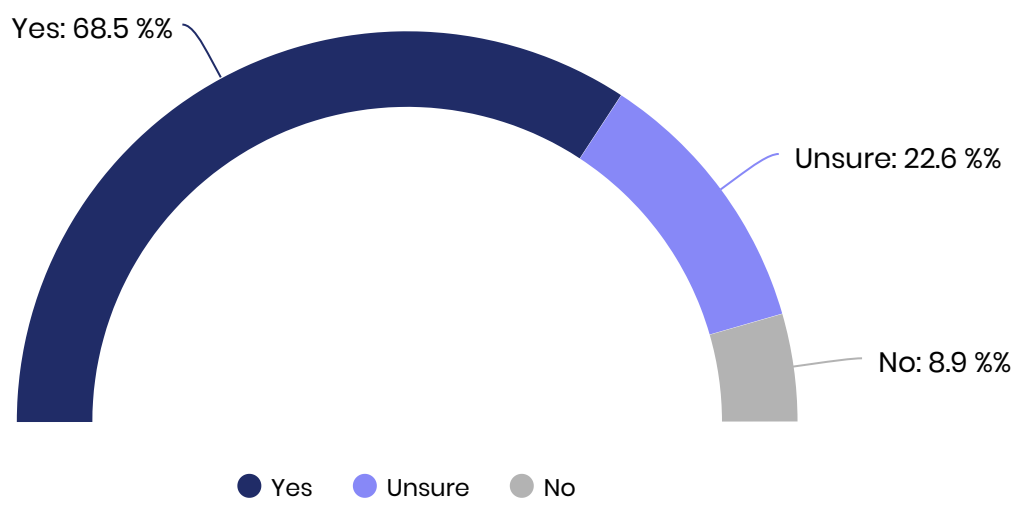
Do you think spas should adapt consultation forms to ask additional COVID-19 questions?



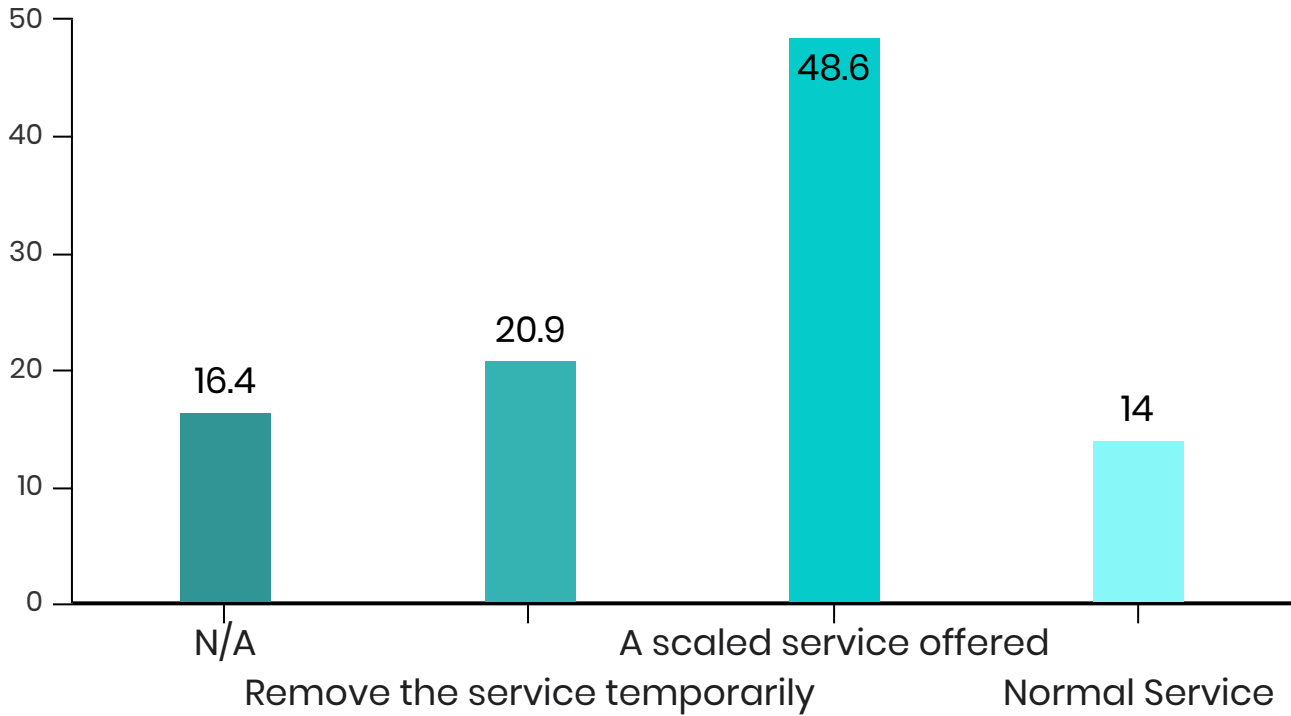
Should spas provide consultation forms remotely to be completed prior to arrival?



Do you feel that spas should operate advanced booking only when re-opening?

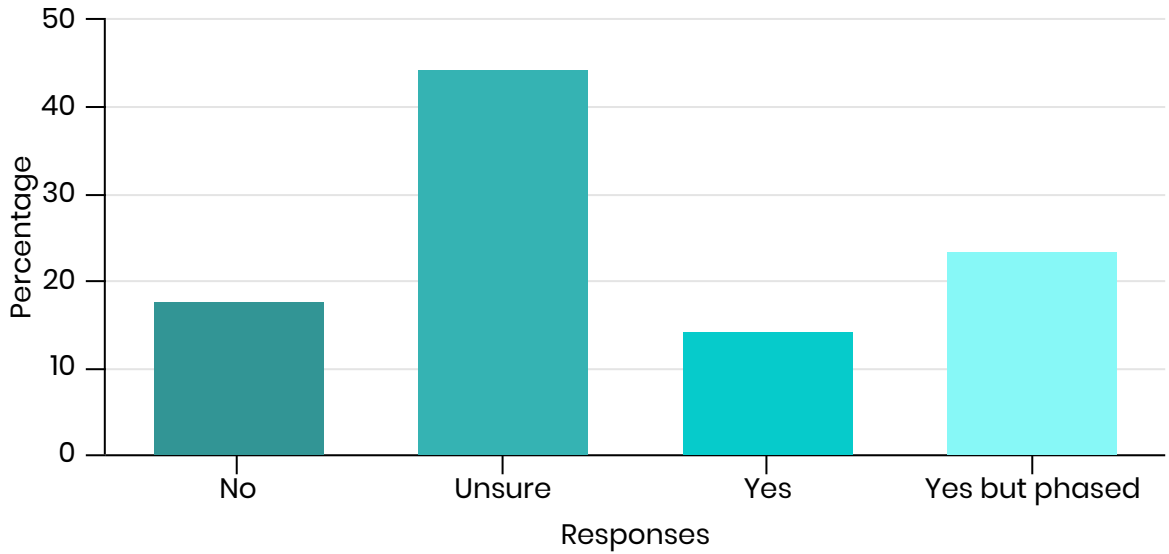


How do you think that spas should adapt their F&B services when you initially open?

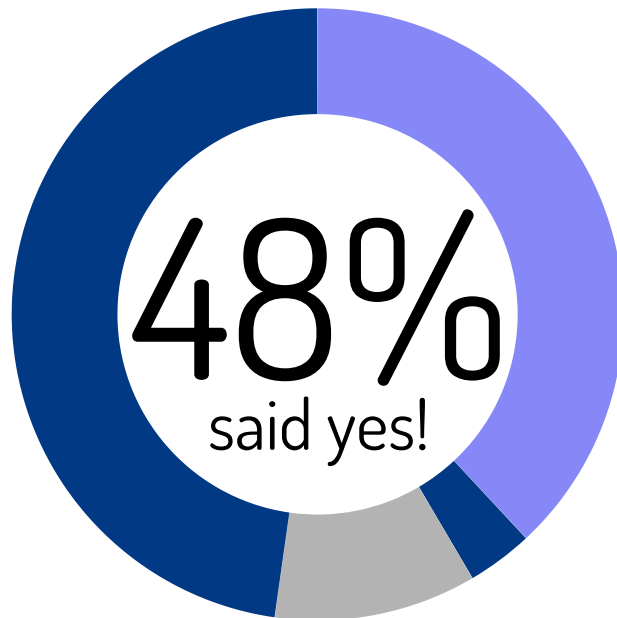


Most respondents cited they would either suspend temporarily or offer a scaled service and explained that the size of preparation areas would impact the ability to social distance. The government will need to offer guidelines around how social distancing will work in food preparation and drink serving areas so that operations can make sound decisions based on facts. The Food and Beverage service in a spa adds a vital revenue stream for the operation therefore it is essential that the industry is furnished with robust guidance from the government.

Do you plan to re-open your thermal areas?

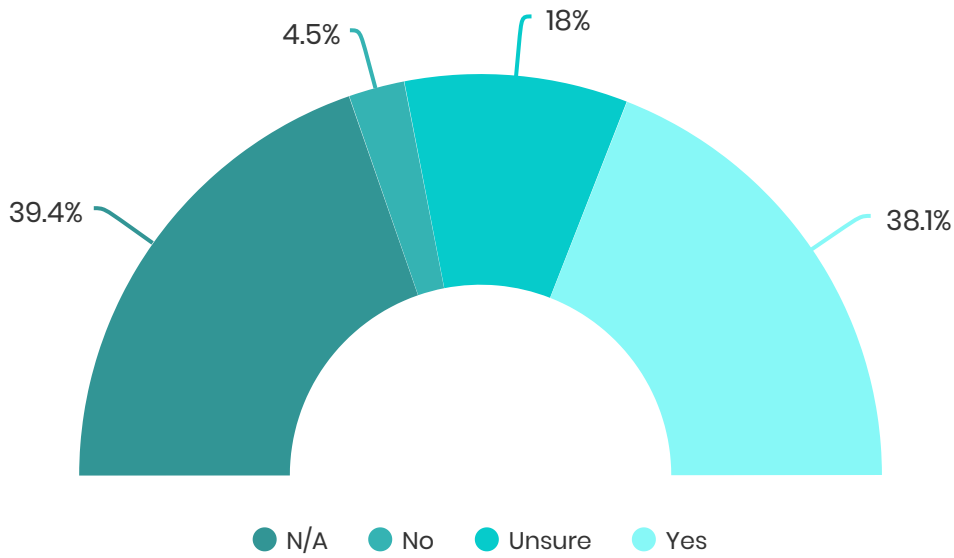


Do you plan to change your hygiene checks and procedures in your thermal areas?

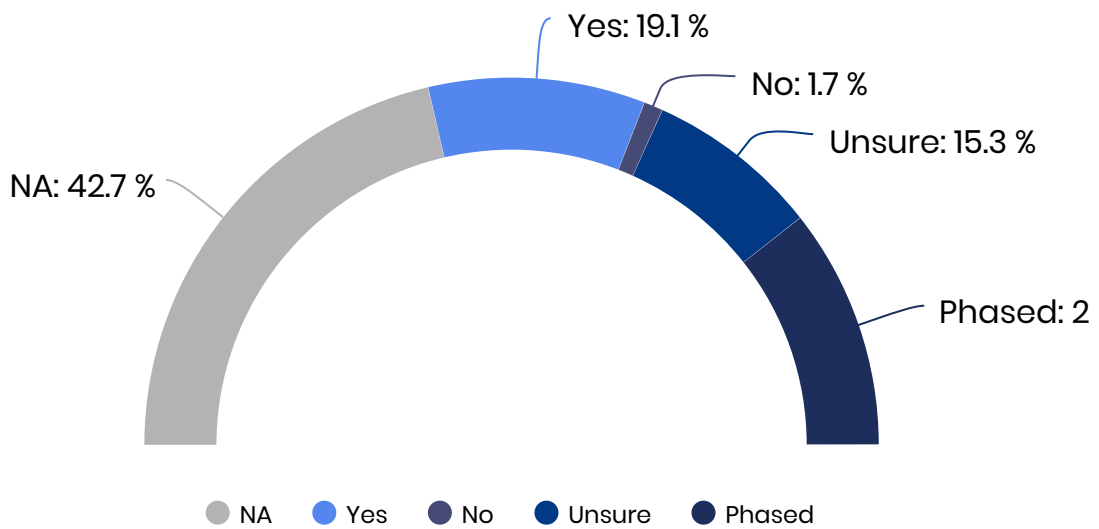


■ N/A ■ No ■ Unsure ■ Yes

Do you plan to restrict use of your thermal facilities?

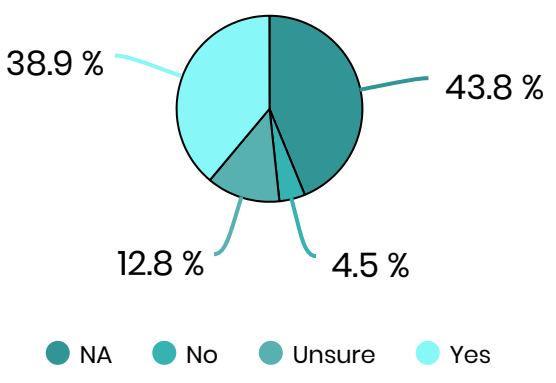


Do you plan to re-open your pool areas?

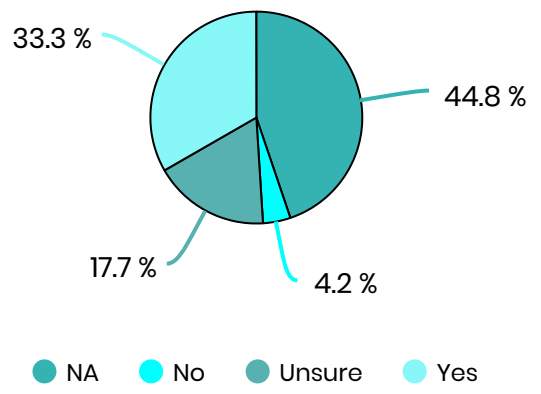


21% said yes but phased

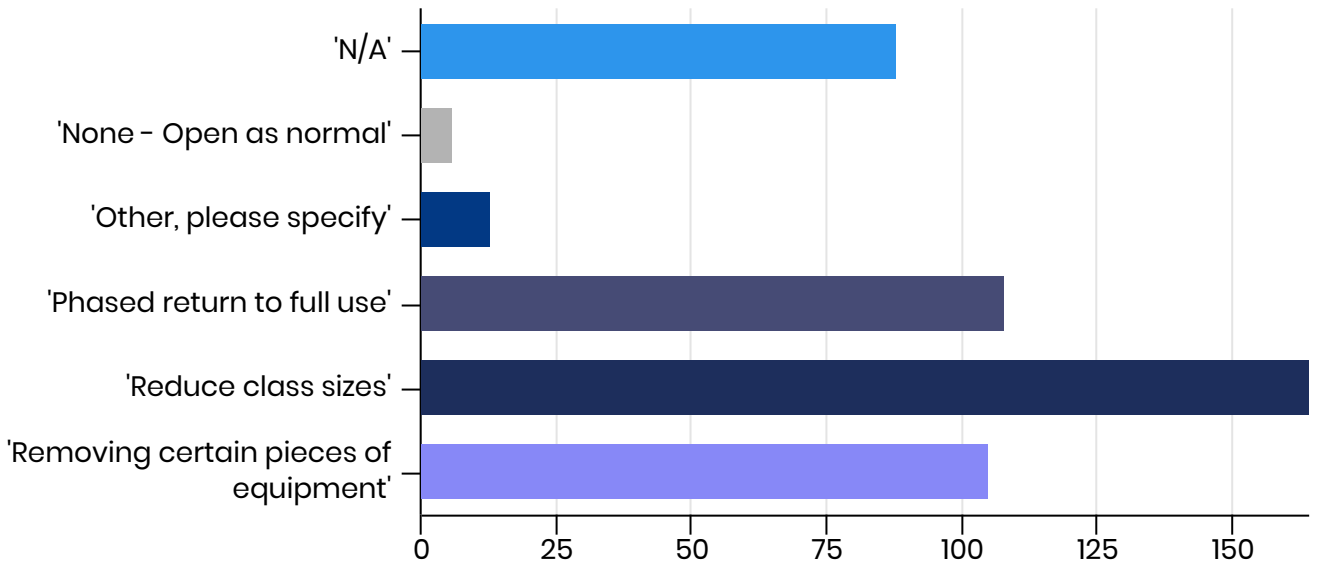
Do you plan to change your hygiene checks and procedures in your pool areas?



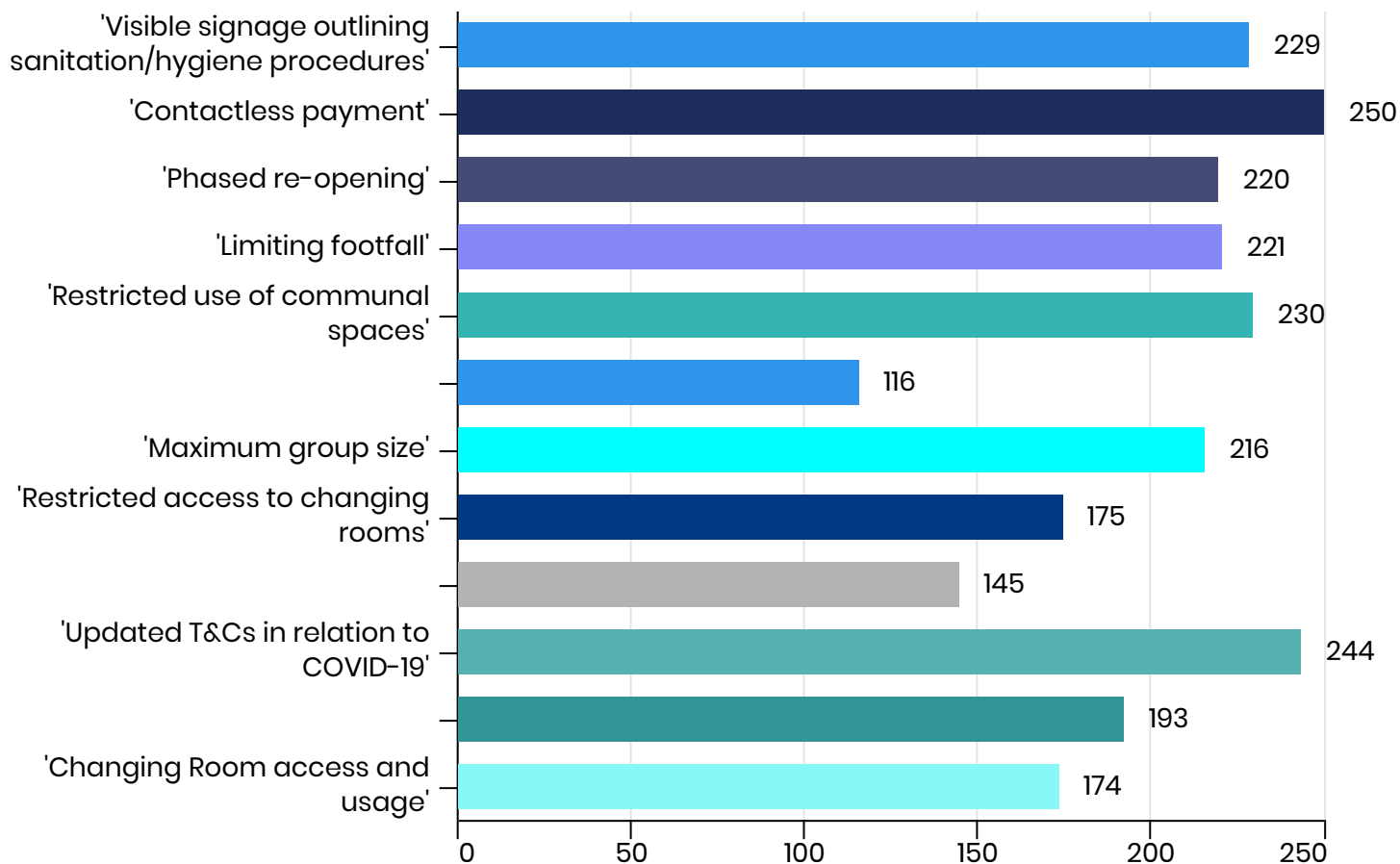
Do you plan to restrict use of your pool area?



In your opinion, when considering the gym and classes, what measures should be in place when re-opening?



What actions should spas be considering in light of COVID-19?

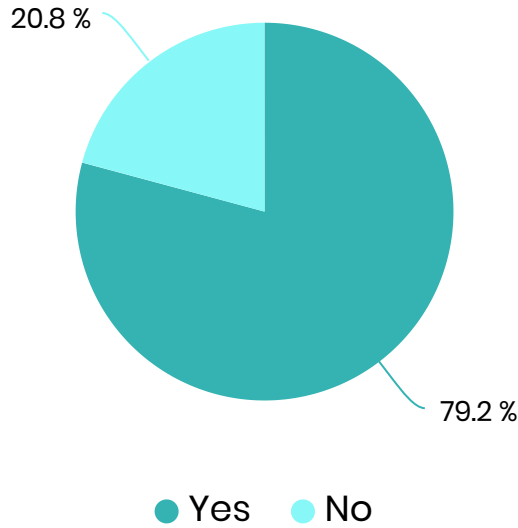


Should spas remove testers from their retail displays?

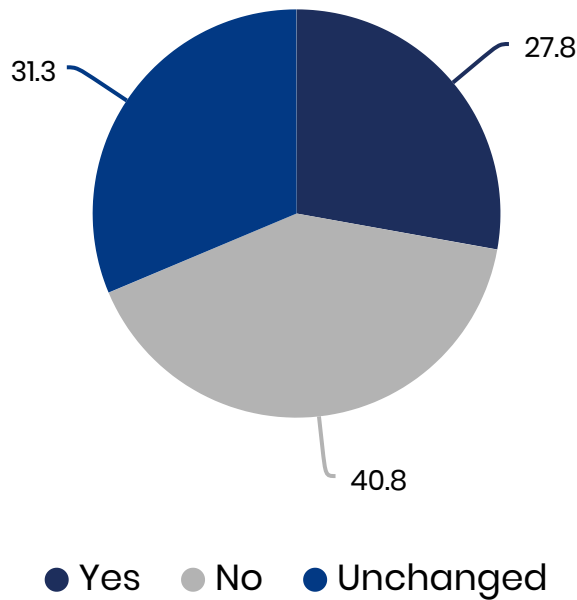


Yes Unsure No

Should retail products be merchandised in a way to prevent contact?



Do you plan to adjust your pricing based on a reduction of overall services available?



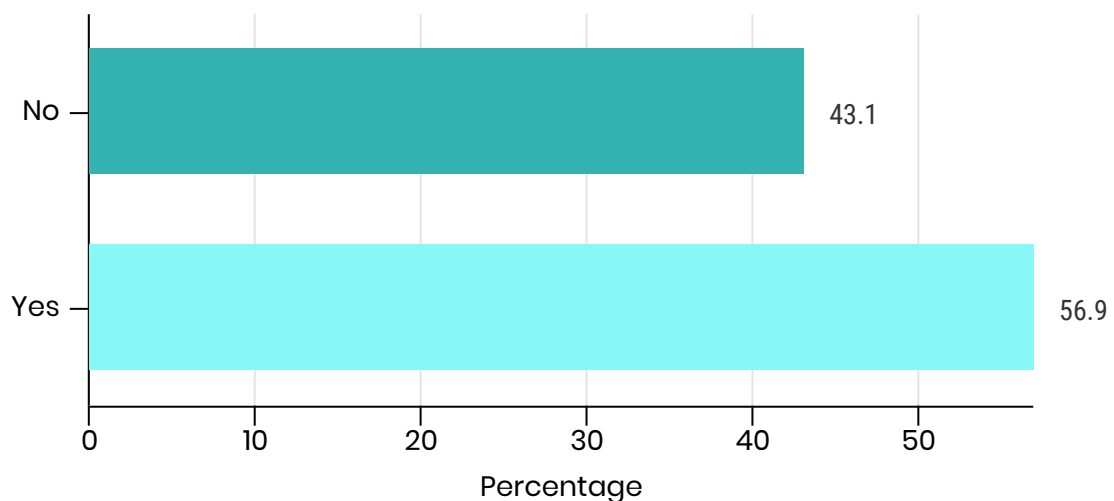
31.3% said "Our service will remain unchanged"

Those who responded yes to this question did so with caution as they will need to understand the full cost implication of PPE and if they need to remove high yielding treatments from their menu (i.e. facials).

How do you plan to deliver training and any supplier meetings over the coming months?

Respondents reported that they will mostly be using video conferencing to deliver training and where this is not possible, staff will need to be trained in small groups using PPE and social distancing on return to work. Product houses have offered online training during lockdown and many respondents are hopeful that this will continue to begin with once businesses can reopen to refresh therapists.

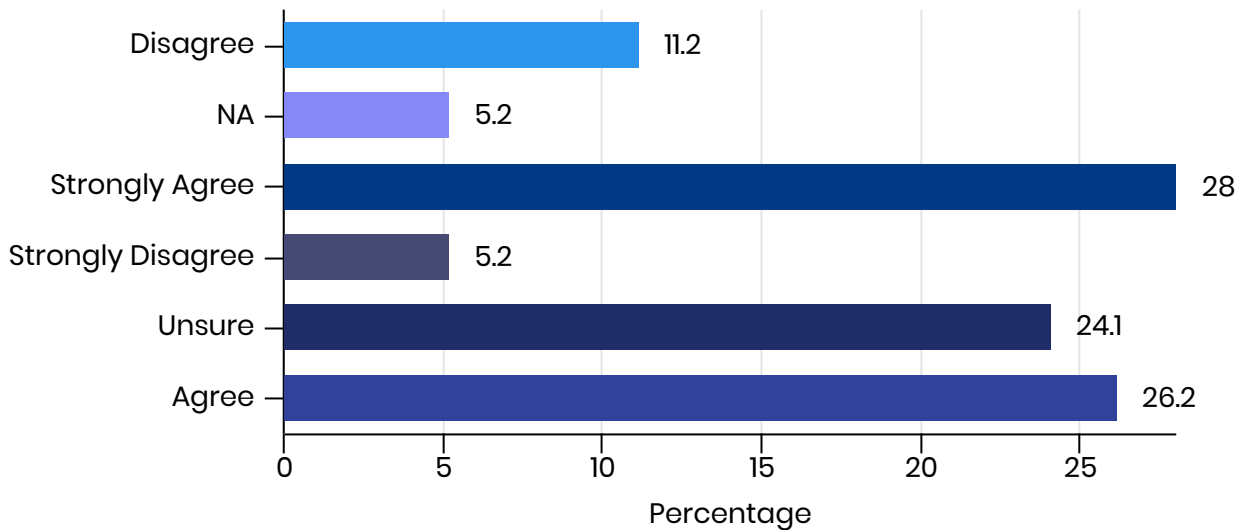
Do you plan on budgeting for COVID-19 costs associated with adjustments to your operation?



'Yes' respondents believed that their forecasts would need to be adjusted for at least the rest of the year to make up for lost revenue. Most felt that the cost of PPE, additional cleaning materials and possible out of date stock would mean adjustments to budgeting. Some spas and salons are concerned that their client base will decrease as many clients are over 65 and may be afraid to travel and are currently deemed at risk by the government. It was however noted that this would be a very fluid process as time progressed to allow for any changes brought in by governments.

'No' respondents believed that any additional cost to the business – i.e. the cost of PPE should be absorbed by the business however respondents who answered no, did not provide many comments to explain their answer.

By means of preventative healthcare, the spa industry is able to relieve pressure from the NHS?



Whilst the responses received were varying in their agreement, over 50% of respondents along with many comments given recognise the benefit that the spa industry can bring to individuals in varying elements of their lives; mental health, stress relief, fitness, nutritional and lifestyle advice.

Some people felt that we could in no way compare ourselves to the NHS as we are a commercial industry and do not have the training and experience that people working in the NHS have. Some felt it was too bold a statement and that it would be hard to back up without concrete medical evidence. It was noted that with the current situation with NHS workers being in danger on the frontline, it is too early to suggest that we can offer a supporting service to the NHS but that our presence as an industry can help focus people’s attention to their health and wellbeing and use that as a force for good.

Many felt that the presence of alternative therapies can help clients in the areas of mental health and stress management and can take some pressure off the NHS. Our role is a wellness role rather than medical role and we can look at the wellbeing of a client from a holistic point of view rather than purely medical.

There were several points around a lack of evidence based research surrounding the efficacy of our treatments within the industry.

Please share any additional thoughts or ideas you may have below

To summarise the comments, it is obvious that respondents felt that there are as many opportunities for our industry as there are challenges. Over the past few months the health and wellbeing of the entire nation has been at the forefront of national discussion and our industry is extremely well placed to be able to help the public take care of both, with the treatments and sanctuaries that we can offer. The mental health of individuals was noted as something that will require huge attention. This is a great opportunity to up-skill our existing workforce to deliver experiences which can support mental health and wellness in an individual. This may help businesses from an economic angle if we are restricted by the number and type of hands on treatments we will be able to deliver.

Our already highly skilled and experienced workforce will be expertly placed to help people adjust to post Covid-19 life. We already practice rigorous and robust hygiene protocols and this is the perfect time to remind the public of this and explain that while hygiene has always been a top priority we are ready to take that to the next level in order to create a sense of trust, however our industry responses still show a requirement for government guidance on PPE / health and safety and guidelines and a consistent approach as an industry.

In terms of the challenges we face, most of this is borne from a place of businesses crying out for official guidelines, standards of procedures and rules that all will abide by. Most businesses seek clarity so that they can assure the public that their already clean and sanitised buildings will now be Covid-19 compliant. Businesses welcome this and want to work with governments to ensure that a common standard of practice is adhered to in all areas of every business. Businesses also seek reassurance from government from an economic point of view that they will be supported longer term to ensure that jobs are not lost, and businesses can survive. The safety of their staff is also something that is hugely important to every business and governments need to lead the way to ensure that the health of staff is protected.

Overall, our respondents need clear and consistent solutions that can be rolled out industry wide in to order to protect the health and safety of staff and clients and the economic wellbeing of each individual business.

SUMMARY

COVID-19 has had an immeasurable impact on the UK spa industry. It is clear from the results of the survey that industry want clear, consistent and fit for purpose guidelines to follow in such unprecedented times.

With the possibility for things to go wrong and the opportunity for each company to do their own thing without formal guidelines, it is vital the spa industry receive clarity and guidance so that there is a clear and consistent message to both the consumer and our teams. This is vital for both our businesses and the future of our industry.

Whilst we are in no way suggesting that we attempt to replace the NHS, the majority of participants believe that we can work side by side to support the wellbeing of individuals and educate people on how to be well and lead a healthy lifestyle.

All answers alluded to the fact that they are needing guidelines, rules and standards across the board.

SINCE OUR SURVEY

- A snapshot of the survey was presented at the Beauty, Aesthetics and Wellbeing All Party Parliamentary Group (APPG)
- Letters have been sent to the Chancellor and Secretary of Health and Social Care from the UKSA - these can be found here: <https://www.spa-uk.org/covid-10/covid-19-re-opening-guidelines>
- UK Government have extended the furlough policy for all businesses, providing the opportunity for phased re-opening
- We have taken part in further meetings with the cross industry APPG as a representative for the spa industry as guidance is developed for the roadmap of re-opening of the industry
- Letters have been written to the Secretary of State for the Business, Energy and Industrial Strategy (BEIS) to ensure the spa industry has representation for the development of clear and consistent guidelines that are fit for purpose