



Europe: Germany

WHAT ARE SOME CHANGES YOU HAVE NOTICED IN YOUR CUSTOMERS THIS PAST YEAR? ARE YOU SEEING ANY NEW REQUESTS FROM CONSUMERS?

Self-consciousness. Customers do tend to be more exact in voicing their requirements. It seems that education has had quite an effect on the professionals in the industry, and they have moved on from merely relying on some expert's advice to making their own decisions, based on the enhanced knowledge they now have gathered. Customers become more of a kind of "pusher," saying that they are not content with what you can offer them, asking you to do more. In the case of my own product, Dornbracht, it means more compliance with local regulations, more ecologically sound solutions, and more tailoring to local needs. In a sentence, the major change is less of a change than a development, no longer saying "we welcome you to the spa industry as a supplier" but much rather "provided you make the extra effort, you may have a chance and become a supplier!"

WHAT SECTORS DO YOU SEE ATTRACTING THE MOST INVESTMENT CAPITAL THESE DAYS? WHAT ABOUT WHEN IT COMES TO THE SPA AND WELLNESS ARENA?

The upmarket sector of all industries circling around non-work related time is growing, be it leisure industry as a whole, or tourism and travel. Germany is enjoying steady numbers still when it comes to customer spending. Even in trying times such as 2010, people with a comparably high number on holidays, in connection with a disposable income above average, are willing to spend to make this precious time a good one. Investment is of course due to follow such spending, and numbers are said to be increasing in 2011 and beyond.

Spa and wellness are newcomers still, and the major reason is perception of the spa in Germany itself: The word spa is totally disconnected from wellness, which is regarded an industry and entity in itself. Wellness is nowadays highly diluted term, describing any product (!) from mineral water to shampoo, and it has to a large extent lost its original and true meaning. Asking for the importance of the spa in Germany, you will most probably get a lot of answers dealing with wellness instead. The word once came into being in the German speaking part of Europe to try and create an attractive vehicle as a marketing tool for the new health conscious consumer of the eighties and nineties. And it has done its job very well over the past decade, with the effect that wellness now stands for an attitude of a customer, and much less for a state of mind. Spas on the other hand are the luxurious thing still. It is the extra, the icing on the cake of a weekend spent at a lovely hotel. Spas are not part of any daily consideration in the greater population but an elite event. It also makes spa and investment on a high-end level. Compared to the hotel industry, spas are perceived rather on the four- and five-star level, and rarely do you witness large-scale investment in spas of a lower market segment.



WHAT IS THE FUTURE LOOKING LIKE FOR SPA AND WELLNESS IN YOUR COUNTRY?

Quite surely, spas are going to be spreading all over Germany at a rapid pace. The question at this point remains, though: Are we seeing the democratic spa making it into daily life, or is the head start of the luxury (day) spa of such a momentum that spas in Germany will for a long time be for the rather affluent people? To me, there will be a split into two, just like we are seeing in every comparable industry to date: the spa rather tending to the needs of Mr. and Mrs. Ordinary (excuse my arrogant term) will take first place, when it comes to numbers built and operated. The dedicated spa, with an entry fee matching treatments and equipment, will stay smaller in numbers but enjoy the higher investment, as there will always be the customer willing to spend more on individual design and personal consultation. To Dornbracht, this definitely is the customer to tend to; we do see a very promising future here, and have used the last year to make our decisions accordingly: spas to us stand for more individuality, proven results for an educated customer, highest product quality for affluent investment, and, last not least, keeping the fun and joy in the spa.

SUBMITTED BY:

Matthias Voit
Chief Executive - Elite Interiors Division
Dornbracht GmbH & Co. KG
Germany



mvoit@dornbracht.de
www.dornbracht.de