

THE MANAGEMENT OF WELLNESS SERVICES. CASE STUDY ICE DYP RESORT AND SPA 4*

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Abstract: *A healthy lifestyle is being adopted by many individuals nowadays. This fact generates the need of wellbeing that is being felt by more and more people. The need of wellbeing is becoming more and more spread and stimulates the individuals' demand for healthy products and for wellness products. This demand for wellbeing stimulates the demand for wellness products, packages and services. Nowadays the services are an extremely important part of the economy. The increase of their competitiveness transformed them into a real development engine. The same situation is applied when it comes to tourism services and also to wellness services. The concept of wellness is more and more frequently met in our society. This concept is more and more common not only in Europe but also worldwide. In the last few years, this concept began to be used also among the managers of the tourism industry in Romania. The services in general, and the tourism services in particular, developed a lot during the last years and have an important impact upon the tourism and hospitality industry. The wellness services are quite new in the tourism industry in Romania. The wellness tourism is part of the tourism industry. It started to develop in Romania only a few years ago. The management of the tourism services and the wellness services represent a key aspect for the managers in the hospitality industry. In order for the managers to be able to provide top quality tourism services and wellness services they must take into account all the aspects regarding the services culture. When talking about the wellness services, the managers must consider an entire, complete and complex package of services, including extra services. This paper presents also a case study upon the management of the wellness services at Ice Dyp Resort&SPA that is a 4 stars hotel in Romania, too.*

Keywords: *management; tourism; wellness; services.*

JEL classification: *Z32; O31.*

1. Introduction

Economic development is more and more stimulated by activities that include services. There is a significant relationship between the evolution of services and the economic development, if we notice that the developed economies are developing their positive growth mostly due to the services sector. The problems of development, competitiveness and specialization of services are getting more mixed up.

Tourism industry is also positively affected by the development of tourism services. One of the fastest developing are wellness services. Wellness services are new, innovative and complex services, including the customer in the direct performing of the service itself. Another particularity of these services is the fact that the satisfaction of wellness services customers is based on their individual perception about the wellness services themselves, and related to the whole experience they have from all the other related services: accommodation, food, distractions, and making up for their wellbeing. One of the main goals of the managers is to learn how to work with and how to develop these kind of services in their own organizations.

The main purpose of the article is to show how the management of the wellness services happens in a 4 stars hotel in Romania. In the beginning the article illustrates a theoretical approach of the services sector, and presents theoretical approaches related to the concept of services, tourism services and wellness. Then, it shows in a case study about how managers manage the wellness services in a 4 stars hotel in Romania, Ice Dyp Resort &Spa.

2. Literature Review

According to the American Association of Marketing, “services will present activities, benefits or utilities that are offered on the market or provided in association with the sale of a material good”.

According to Gronroos “a service is an activities or a group of activities more or less tangible that usually take place in the moment of the interaction of the buyer and the provider”. (Gronroos 2007:20). This definition is more comprehensive than the one offered by the American association of marketing.

From it, there results not only that the services are not material, but also the great importance of the relationship between the buyer and the services provider. This relationship is most of the time decisive in providing the service.

The growth of the specialization and competitiveness level has transformed the services into a real development engine. The services economy is already a reality in the developed countries, where the services sector represent over 70% of employment and the GDP. (Ioncica M., et al 2010:5). Figure 1 presents the weight of the services in the GDP in four countries that address in different ways to the wellness tourism.

The statistics point out the strong addiction between the specialization and competitiveness of the services on one hand, and the economic development on the other.

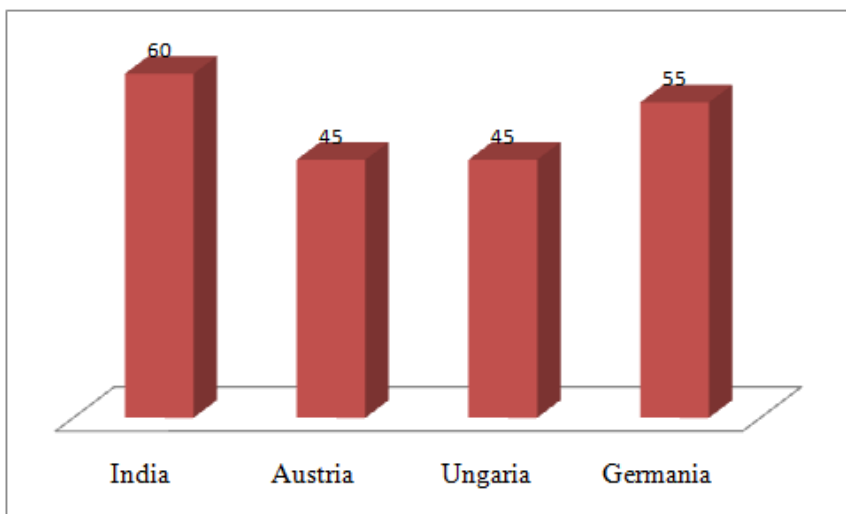


Figure 1: Services weight in the GDP

Source: Personal approach, Eurostat, 2015

The statistics point out the strong addiction between the specialization and competitiveness of the services on one hand, and the economic development on the other.

In his book. Kaufman R. (2016:260) presents a classification of the services viewed from another perspective than that of the manager. From his point of view, the services are:

- Infractional – they do not comply to the minimum expectations;
- Minimum – the services are disappointing and do not exceed the minimum level;

- Predictable – the do not have anything special, and in the past they reached an acceptable standard;
- Desired – they reflect what other people want or prefer;
- Surprising – these services have something special, a surprise or an unexpected gift. An organization that offers such services distinguishes itself from the crowd and offers the clients more than they expect;
- Incredible – those incredible and fantastic services, the services that people never forget.

In order for the managers of the wellness organizations to succeed in providing superior, and complex services, adapted to the clients' needs, they must simultaneously take into account the main pillars of the services culture.

Tourism is defined by Witt, Brooke and Buckley (1991:2) as being a person's temporary move to destinations outside its residential area, with a certain goal and the activities done in the time spent in those destinations.

The term wellness refers to the general well-being. Due to this fact, it is extremely important for a hotel that offers wellness products to services, to provide high quality services overall. This means, that if the wellness center offers high quality products and services, it should also provide high quality accommodation and restaurant products and services, and not only. The entire range of products and services provided by that accommodation unit should meet the highest standards of quality.

Mueller H. and Kaufmann E. (2001:3) suggest the following definition of the wellness tourism: "Wellness tourism sums up the relationships and phenomena that result from a trip taken by people whose main motive is to preserve or promote their health. They stay in a specialized hotel which provides the appropriate professional knowhow and individual care. They require a comprehensive service package comprising physical fitness/beauty care, healthy nutrition/diet, relaxation/meditation and mental activity/education."

The scientific report of Global Spa Summit (2011:45) suggests the following definition of the wellness tourism: "Wellness tourism refers to people that travel in a different place or seek proactively activities that are aimed to maintain or improve their health and well-being, and that look for unique experiences/therapies, authentic or traditional, that are not available at home." The wellness tourist generally seeks preventive wellness approaches to improve its health and life quality.

While there are known regional differences regarding the definition of the concept of wellness, there are some common characteristics of the them:

- Wellness is multidimensional;
- Wellness is holistic;
- Wellness is constantly changing over time;
- Wellness is individual and in the same time influenced by the environment;
- Wellness is a personal responsibility; (Global Spa Summit, SRI International 2010:2)

When talking about superior wellness services, we talk about complex services that are customized as a local offer for the willing tourists.

3. Case study Ice Dyp Resort&Spa 4*

The methodology used consists of developing a qualitative descriptive study case of a 4 stars hotel in Romania doing also wellness services. For the study case we used internal data that we gathered from the hotel and its managers. It was also used an interview with the manager of the hotel. The interview took into consideration two aspects: the wellness services provided by the hotel and the management of the hotel and particularly the management of these services.

The accommodation unit Ice Dyp Resort&Spa is a 4 stars hotel. It offers hotel services, organizes events and has a wellness centre. Ice Dyp Resort&Spa started its activity in 2013 as a 10 room pension. In 2015 they added an extra room and reached a total of 11 room

available. Now, in 2017 they have 27 rooms, a restaurant, a conference room and a wellness centre.

One of the main goals of the managers is to invest in order to improve and expand the wellness sector. They want to redecorate it, to renew the furniture in the lockers, to refurbish the bathrooms, to purchase new equipment and the latest technologies. Also they want to extend the range of services they offer. They want to add a beauty salon, to provide new and more types of massages and so on. One of the results of these changes is hiring new and specialized personnel.

The wellness centre has an open circuit and offers services like dried and wet sauna, relaxing massages, anti-cellulite massages, semi-olympic pool, exterior pool, jacuzzi, gym, relaxing zone. Besides these, next to the interior pool there is a closed circuit restaurant (only for the clients of the wellness centre).

The wellness centre does not have its own management. The hotel's mission is to satisfy its clients. The managers state that they, together with their team, want to be the best and to satisfy their clients' needs at the highest level possible.

Ice Dyp Resort&Spa has three main sectors: the accommodation sector, the spa and wellness sector, and the planning of events sector.

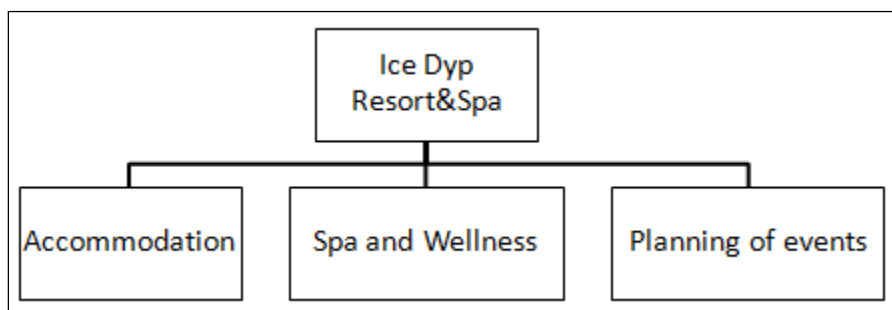


Figure 2: The hotel's three main areas of activity.

Source: Personal Approach, Internal Data Ice Dyp Resort&Spa

According to the hotel's internal data, the spa and wellness sector highly influence the turnover. For example, in 2015 and 2016, according to the data provided by the managers of the hotel, the spa and wellness sector participated to the final turnover with the highest percentage: 43% and 46%. Table 1 shows the turnover of the Hotel Ice Dyp Resort&Spa in 2015 and 2016.

Besides the managers, the hotel has 26 employees. The manager of the hotel describes the relationship between her and the employees as being a good or even friendly one.

Table 2 presents the number of employees that work in the wellness center and the ones that work in the other areas of activity of the hotel. It can be observed that the wellness center has only 4 employees.

Table 1: Ice Dyp Resort&Spa – Turnover

Ice Dyp Resort&Spa - Turnover		
	2015	2016
Accommodation Turnover	583.181 RON	624.254 RON
Spa&Wellness Turnover	1.080.728 RON	1.357.365 RON
Events Turnover	876.414 RON	981.435 RON
Total Turnover	2.540.323 RON	2.963.054 RON

Source: Personal Approach, Internal Data Ice Dyp Resort&Spa

Table 2: Ice Dyp Resort&Spa – Distribution of the employees

Ice Dyp Resort&Spa – Distribution of the employees		
	2015	2016
Number of employees of the wellness center	4	4
Number of employees in other areas of activity	22	22
Total number of employees	26	26

Source: Personal Approach, Internal Data Ice Dyp Resort&Spa

The work productivity (turnover/number of employees) is presented in Table 3. It can be observed that the work productivity in 2016 is higher than in 2015. It can also be observed that the work productivity in the Spa and Wellness sector is considerably higher than in the other two areas of activity of the hotel.

Table 3: Ice Dyp Resort&Spa – Work productivity

Ice Dyp Resort&Spa - Work productivity		
	2015	2016
Accommodation and Events	66.345	72.986
Spa&Wellness	270.182	339.341
Total	97.704	113.964

Source: Personal Approach

Figure 3 presents a graphic of the work productivity in 2016 compared to 2015. As mentioned above, it can be noticed the big difference between the work productivity in the Spa and Wellness area of activity compared to the other two areas of activity of the hotel: accommodation and events.

The managers consider that they have to behave like a leader and to set an example for the other employees. Although the relationship cannot be described as an extremely close one, it is based first of all on respect. The managers attempt to take into account each employee's main characteristics and its personality and try to improve their qualities and strong points.

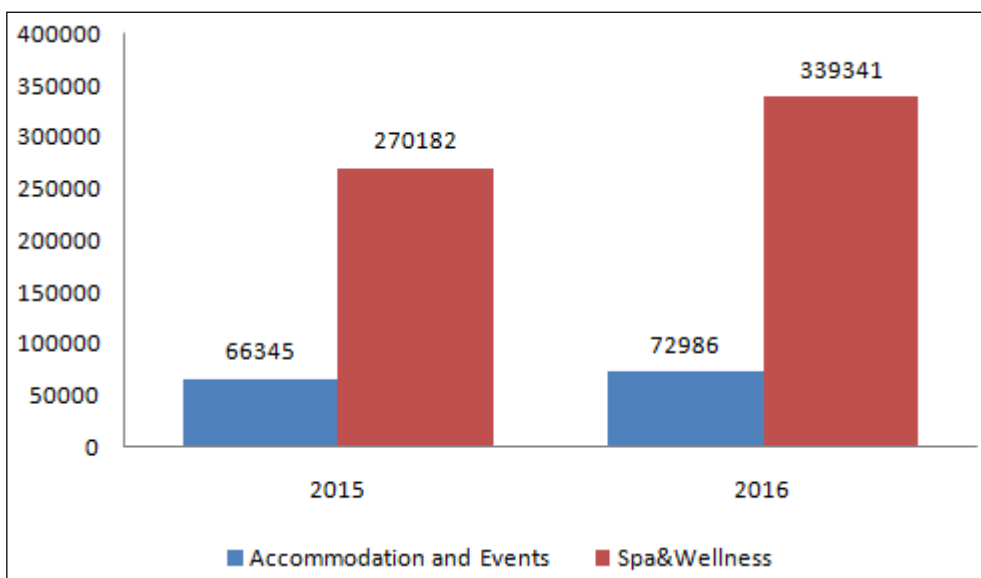


Figure 3: Ice Dyp Resort&Spa - Work productivity

Source: Personal Approach

According to the internal data provided by the Hotel Ice Dyp Resort&Spa, both the employees and the managers are encouraged and supported to participate in improvement training courses. When talking about the development or innovation of the wellness services, and not only, the employees' opinions and perspectives are taken into account. Besides, employees benefit of different incentives in order for them to do their jobs at high standards. These incentives are first of all financial ones, but also the employees have free access to the wellness services (except for massages). They also have free access to different parties and reunions organized for them by the hotel managers, and during their working hours they benefit from the restaurant services as well.

Regarding the feedback, the managers are receiving from hotel clients. One way to take feedback is the direct, face-to-face one. In this case, clients get an immediate, direct response, and managers take action to improve the aspects mentioned by the customers... Another way of taking feedback from the clients is in writing form. The hotel has a register where the clients can express their complaints, opinions and suggestions for improvement. This register is checked-out once a week by the general manager. If the complaining client gives his contact data, he or she will receive a response by e-mail or by phone. Still, this method is not very frequently used by the hotel's clients. Or, even if it is used, they rarely live their personal contacts, indicating that they do not trust the management of the hotel... The most common way of taking feedback is online: the hotel is listed on various specialised websites like tripadvisor.com or booking.com, or by social media (Facebook etc.). The manager responds personally online to the comments. The manager checks out the online environment daily. According to the internal data provided by the manager of the hotel this last way of tacking feedback is the most frequently used by the clients.

4. Results and conclusions

One of the most important concepts for an economy based on competitiveness is innovation. The term „wellness” itself represents an innovation, and the wellness industry can be seen as a result of innovation in tourism services, adding important features to increase the wellbeing of hotel customers, and enriching their experience and satisfaction, thus increasing their desire to return later and benefit from these new experiences. In our opinion, it can be observed that the management of wellness services has to be specific to this new industry based on new and innovative services intended for a category of clients that are opened to innovation and are willing to pay premium prices for them.

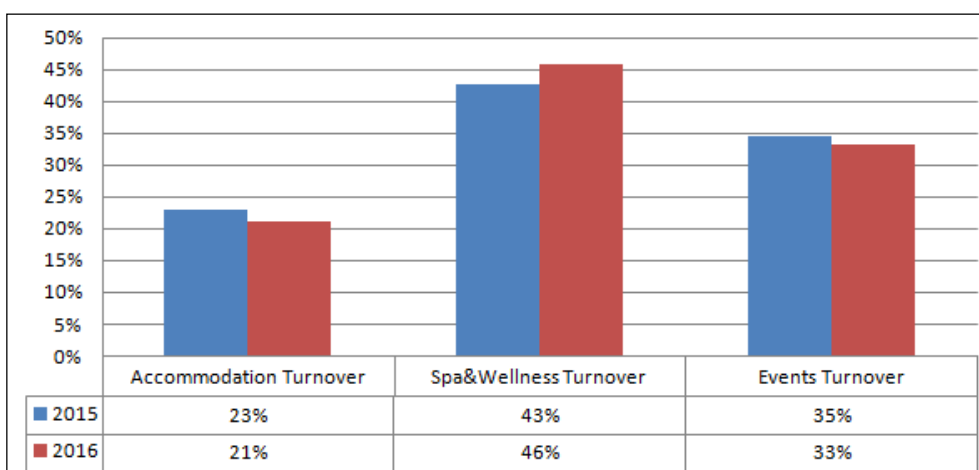


Figure 4: Ice Dyp Resort&Spa – Turnover
Source: Personal Approach, Internal Data Ice Dyp Resort&Spa

In my case study it is observed that the management is aware of the wellness market need. So, Figure 4 shows the percentage each of the three main sectors of the Hotel Ice Dyp Resort&Spa contributed to the total turnover in 2015 and 2016. It can be observed, as mentioned above, that the spa and wellness sector has the most significant influence in the total turnover.

The fact that 43% and 46% of the turnover comes from Spa and Wellness, offers the possibility for a future development. This means investments in facilities and personnel. The development of the facilities and the improvement of both the employees and the managers automatically lead to better and improved wellness services and high quality wellness products.

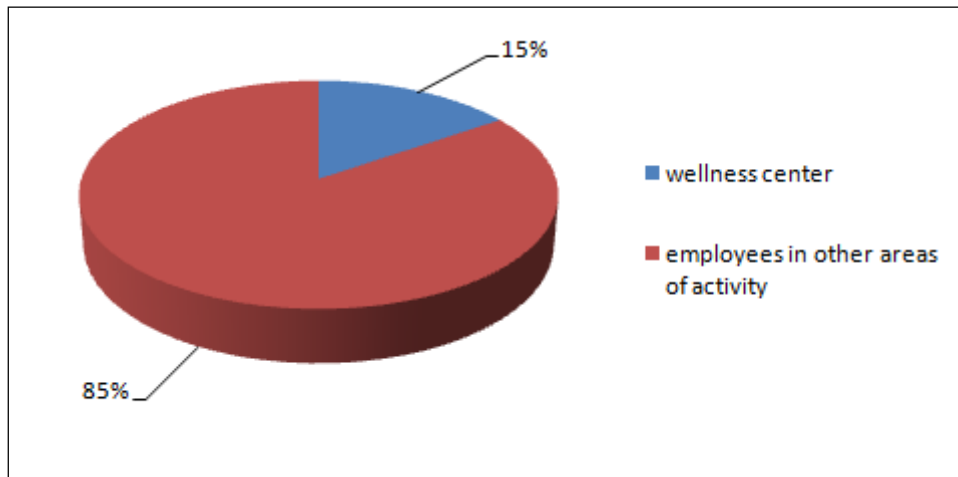


Figure 5: Ice Dyp Resort&Spa – Distribution of the employees 2015 and 2016
Source: Personal Approach, Internal Data Ice Dyp Resort&Spa

Figure 5 shows the percentage of the employees of the wellness center in comparison with the total number of employees of Ice Dyp Resort&Spa. It can be observed that only 15% of the employees work in the spa and wellness area. The rest of 85% that is 22 employees work in the other areas of activity of the hotel: accommodation and events.

When correlating Figure 4 and Figure 5, it can be observed that the distribution is upside-down. So, although the wellness centre has the lowest number of employees (15% of the total number), it has the highest contribution to the turnover (43% and 46%). This means that the managers have given special attention to the continuous improvement of the personnel of the wellness centre and also to the incentives offered to them. This is also an explanation why the work productivity in this sector is considerably higher than in the other two sectors of the hotel. Still, the managers should consider to bring more personnel to this important sector of activity of the hotel, especially since they also want to extend it.

When talking about the wellness tourism we must take into account an entire and complex services package, including extra services. In order to handle the industry that is constantly developing, the wellness organizations must have specialized and highly trained personnel that offers high quality services, adapted to the individual needs of the clients but also to the local specificities.

Not only the offered services and facilities, but also the entire concept of wellness and the management of the organization represent the main difference between a common wellness centre and a modern one.

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