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**The Great Potential of the Thai Spa Industry  
in the World Market**

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## **THE GREAT POTENTIAL OF THE THAI SPA INDUSTRY IN THE WORLD MARKET**

### **The Spa Industry in General**

Currently, spa services are very popular and rapidly growing in Europe, America and Asia. Due to heightened health consciousness along with the ancient traditions of healing and warm hospitality, Asia has the potential to become a new spa destination. Industry analysis predicts that by the year 2005 every major hotel and resort will feature a spa facility.

### **The Spa Industry in Thailand**

Due to its spa business, especially Thailand has the potential to become the "Spa capital of Asia" having the capacity to bring in substantial income for the Thai economy, increasing income to the Thai massage services, beauty treatment services, and creating a sales channel for Thai herb products that are used in spa treatments.

In the year 2004, Thailand's spas attracted 3.3 million people, of which 2.6 million were foreigners (including businessmen, businesswomen, expatriates and tourists, and generated approximately 85 million dollars in revenue. The in-depth survey conducted by Intelligent Spas Ltd. and endorsed by The Thai Spa Association also reported that the 230 spa facilities employed over 4,000 people.

In brief,

- Spa visits had increased by 64% over the last 3 years.
- 59% of spa visitors were female 41% male.
- The majority of spas were located in the hotel or resort.

Spa and health centre business is another business that has received a favourable response from foreigners. This is due to the fact that Thailand has plenty of excellent fitness and spa centres that are renowned worldwide for their expertise and standard of services as well as the hospitality of their personnel.

### **The Thai Spa Industry's Potential**

The key ingredients for a successful spa are the quality and variety of the services and products on offer, the price range, the friendliness and competence of the staff and the spa's atmosphere and cleanliness, Thai spas really do have it all. Thailand is one of Asia's best destinations for spas, as it offers various alternatives complete non-evasive therapists for those who are in the pursuit of vanity and pampering or simply a holistic approach to better health. Thai spas have evolved into an important industry in Thailand. The contemporary "Thai Spa" concept evolves around the three major area of the Thai Cultural Heritage.

- Traditional Thai Massage
- Thai Herbs and Remedies
- Thai Social and Culture

Several spa operators overseas are keen to incorporate the "Thai Spa" concept into their existing and new operations, as Thai Spa could be developed as key point of sale for their own spas. Due to a shortage of local masseuses/therapists, there is a great demand for foreign workers for this industry, especially from Thailand. However, there are some barriers posed by the existing rules and regulations as regards obtaining the permission to work overseas.

Even the spa operators overseas are seeking a way out to cope with the staff shortage problem. Thailand has a lot of human resources and they can become very good masseuses/therapists. Co-operation between country partners in this area will be mutually beneficial.

Thailand's government and private sectors are working closely together on a standard certification for Thai Spa facilities/masseuses, therapists etc. While the government of Thailand will endorse the standard of the masseuses/therapists, support from the overseas governments to facilitate the application process for work permits is required.

To reiterate,

- The Thai Spa Association is working closely with the Thailand Ministry of Labour and Minister of Public Health to come up with a standard certification for Thai masseuses/Therapists. This standard approved and launched at the end of 2003.
- While the government of Thailand will endorse the standard of the masseuses/Therapists, support from the overseas government to facilitate the application process for work permit is needed.

### **"Thai Spa" Skilled Workers to Work in Overseas Markets**

**Current practice:** Overseas countries do not give working visas to foreigners providing spa services.

**Debate:** Allow qualified "Thai Spa" skilled workers and spa service providers who have obtained Thai Spa qualifications and/or fulfil the skill standards set by the Thailand Ministry of Public Health and Ministry of Labour to obtain a work permit to work in overseas countries by:

- Adding spa services (Thai spa skill workers) as a category under skilled labour status of residence and to relax the work experience requirement.
- Permitting Thai spa providers (spa operators) under the Healthcare services status of residence.

### **Activities of the Department of Export Promotion (DEP)**

To encourage foreigners to use Thai spa services and to increase awareness of Thai spas, the Department of Export Promotion (DEP) publicized Thai Spa products and services during the International Health and Beauty Show Thailand by organizing demonstrations and presenting Thai spas with International standards to the media and foreign spa operators. At the same time, the DEP encourages the fast and orderly expansion of Thai spas by franchising overseas and matching. Furthermore, Ministry of Commerce, DEP has initiated a project called "Thailand Plaza" which is composed of 6 modules, for instance the "Spa & Beauty Module" (Thai Spa & Products: Thai essential oils, Thai herbal soaps, Thai herbal compresses, cosmetics, etc.).

Besides, the Department of Export Promotion provides many export promotion activities to all exporters, private sectors and International Organizations, including:

- Providing market information (from overseas Thai Trade Centres);
- Facilitating business matching;
- Supporting and assisting exporters in marketing activities;
- Developing the knowledge, skill and competitiveness international trade;
- Coordinating Thai exporter companies (spa, spa products, cosmetics, herbal and natural products) to participial overseas international trade fairs;

- Promoting the Thai Spa industry to overseas markets and to facilitate co-operation of the Thai Spa industry with foreign partners to do business together;
- Increasing awareness of Thai Spa by publicizing Thai spa services to the world market. Organizing demonstrations and presenting Thai spas with international standards to the media and foreign spa operators; and
- Encouraging foreigners through DEP's overseas offices to use Thai spa services.