

STATUS AND PROSPECTS OF SPA BUSINESSES IN CAVITE

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ABSTRACT

This session is purposely organized to be a presentation cum-discussion of the current status and prospects of one of the burgeoning industries in the Philippines – the spa business.

These and a number of questions provide concrete visualization of the status and prospect of spa business, and whether the industry has the potential to flourish amidst close competition in the market.

INTRODUCTION

As an integral part of the wellness, health and medical tourism industry in the country, the spa business in itself has a wide scope.

As such, the focus of research paper and its corresponding limitation will be dealt with thoroughly. The location of the study will be described as well as the different variables used in the execution of the study.

GOVERNING RULES AND REGULATIONS

Accreditation standards on the operation and maintenance of spa establishments are set to be conformed with. A brief background of the specific regulations and general rules will be explained.

The Department of Tourism, being the premier government agency concerned with the spa industry had pushed for the promotion of/and development of the Philippine Health and Wellness Tourism Program.

POTENTIAL BUSINESS HUB

The Philippines, having been recognized as one of the top destinations for spa in Southeast Asia, next to Thailand, had earned the reputation as the 2008 Asian Spa Capital of the Year.

With that, the local governments such as the Province of Cavite, situated in close proximity to Metro Manila, initiated its active part to contribute to the development of the industry under consideration.

Since it is regarded as a fast-growing province in the country, with a literacy rate of 96.52 per cent, home to forty one industrial estates as well as small and medium enterprises, the spa businesses included, it is but interesting to highlight the uniqueness of the locale of the study together with the corresponding significant results and findings.

The said program in its entirety articulates the direction and goals of the spa businesses in relation to the overall thrusts of the government. The support for the program has benefited stakeholders from all sectors particularly the spa industry.

METHODOLOGY

Both exploratory and conclusive descriptive research were employed in the study. Multilevel sampling was used for the 22 randomly selected spa establishments and 110 client-respondents across the province.

Primary and secondary data were utilized such that a number of related published and unpublished materials were exhausted to substantiate the information, data, results and findings articulated in the study at hand.

MARKET PROSPECTS

Do the internal and external environments reflect an opportunity for further growth of the business? Does the spa industry dwell much on the market it wishes to serve? Can a consumer be influenced by culture, social class, personal and psychological factors (Pagoso & Dela Cruz, 2000)? What are the profiles of the business establishments under study?

RESEARCH VARIABLES

Years in operation, form of business, market, staff, technologies, methods, materials, and starting capital were among the internal environment variables which were the subject of the study.

On the same note, the external environment variables used comprised of Porter's five factors of

analysis to wit: competitors, potential entrants, substitutes, suppliers and regulating bodies.

RESULTS AND FINDINGS

Internal Environment

Majority of the businesses are operating for at least a year and are solely owned. About 50 per cent who were surveyed hire both licensed and unlicensed therapists. Most of the spas have less than ten (10) therapists at the time of the survey. Trainings are provided by the spa businesses for their therapists for upgrading and retooling of skills and knowledge.

External Environment

The spas target the market that is in their 30's and are professionals. In the study, the respondents' mean age is 31, and 70 per cent of the clients are indeed professionals. Most of the respondents are regular clients of various spas for the past three (3) years.

Most of the spa establishments are located in the chartered cities within the province. The growing market can be attributed to the increased disposable income of the people and of the continuing growth of commerce in the province.

Competitors of spas are the substitute service providers and massage gadgets and equipment that are readily available in the market.

Business Prospects

From the financial view, spa businesses are able to achieve their return on investment at 50 percent to 70 per cent from what they have invested 2 years back.

Moreover, as urbanization continues to happen, there is a great potential that the prospective clients become more acquainted with the concept of spa as part of their lifestyle. With this, the spas are able to create their own market niche thus making it at par with other existing businesses in the province.

References Available on Request