

# *PwC Middle East Spa Benchmarking Survey*

January - December 2012

We are pleased to present the results of PricewaterhouseCoopers (PwC) Spa Benchmark survey for the spa sector in the Middle East. This is the only benchmark report covering the Dead Sea, Doha, and Beirut spa regions. The PwC Spa Benchmark Report is issued on a tri-annually basis and this edition covers the period from January to December 2012.

The Spa Benchmark report has been created as an additional service to our hospitality clients as part of PricewaterhouseCoopers Thought Leadership program for the real estate and hospitality sector in the Middle East. The report provides spa/hotel operators owners/investors and hospitality sector developers with key metrics and information on the performance of the sector in the Middle East market.

This report presents the findings from leading spa resorts in the Middle East. The report tracks 11 key metrics in the industry, that were selected as part of our objective to provide spa operators with a benchmark of internal spa operations that can be used as a tool for driving operational decisions and profitability, as well as information on common indicators that can be used by investors and developers in the sector. Performance data has been contributed by our data partners and presented in Jordanian Dinars (JOD), Qatari Riyals (QAR), Lebanese Pounds (LBP) and United States Dollars (USD).

We would like to extend our appreciation and thanks to all of our data partners for their participation in the benchmark survey. This report would not be possible without their expertise and we are grateful for their ongoing support.

We hope that you will find the data and results presented in this report as an invaluable tool for managing your interests in the spa sector.

If you would like to receive further information or have any questions regarding the information presented on the pages herein, please do not hesitate to contact me at +971 4 304 3100 or at [mohammad.dahmash@ae.pwc.com](mailto:mohammad.dahmash@ae.pwc.com)

Kind regards,

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Mohammad Dahmash  
Partner & Middle East Leader - Real  
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# ***The PwC Middle East Sea Spa Benchmarking Survey Data***

## **Key Insights:**

- The average treatment revenue per treatment sold for 2012 stood the highest in Doha, representing USD 139, which is 55 percent higher than the Dead Sea and Beirut regions.
- The Doha market captured the highest average daily treatment revenue per available treatment room in 2012, standing at USD 379, while the Dead Sea and the Beirut markets captured revenues of USD 110 and USD 90 respectively, on available treatment rooms.
- The 2012 average daily treatment revenue per occupied treatment room was the lowest in the Beirut market, standing at USD 126.
- The 2012 average daily revenue generated per therapist was 99 percent higher in Doha spas than in Beirut.
- Revenue per available treatment hour (RevPATH) for 2012 was the highest in Doha, standing at USD 30, while RevPATH in the Dead Sea stood 79 percent lower than Doha.
- Although average treatment revenue per treatment sold and average daily treatment generated per therapist are higher in Doha, the Doha spa market accounted for the lowest utilisation of therapist hours in the region.



# ***The PwC Middle East Sea Spa Benchmarking Survey Data***

## **Key Insights (continued):**

- While Doha and Beirut reported income from fitness and membership revenues representing 57% and 55% respectively, no revenues were reported in the fitness and membership category in the Dead Sea. This can be attributed to the lack of affluent local population in the immediate area surrounding the Dead Sea
- Retail revenue remains an under capitalized revenue stream in all three markets.
- While spa treatments booked by hotel guests in the Dead Sea represented 90% in 2012, hotel guests treatments only contributed to 18% and 34% of treatment booked in the Doha and Beirut markets respectively. This is mainly due to the fact that the Dead Sea is a leisurely tourist destination without a large affluent and urban local population.



# ***The PwC Middle East Spa Benchmarking Survey Data***

## PwC Spa Benchmark Consolidated Data

USD	YTD-12		
	Dead Sea	Doha	Beirut
Average treatment revenue per treatment sold	83	139	79
Average daily treatment revenue per available treatment room	110	379	90
Average daily treatment revenue per occupied treatment room	159	364	126
Average daily treatment revenue generated per therapist	327	562	188
Revenue per available treatment hour (RevPATH)	13	30	14
Utilisation of treatment rooms' hours	18%	22%	19%
Utilisation of therapists' hours	42%	26%	27%
Fitness and membership revenue as % of total revenue	0%	57%	55%
Retail revenue as % of total revenue	9%	4%	3%
Treatments booked by hotel guests as % of total treatments	90%	18%	34%
Treatments booked by non hotel guests as % of total treatments	10%	82%	66%

# The PwC Middle East Spa Benchmarking Survey Data

## PwC Spa Benchmark Consolidated Data – Dead Sea

JOD	2011	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sept-12	Oct-12	Nov-12	Dec-12	YTD-12
Average treatment revenue per treatment sold	56	56	60	60	76	60	55	41	53	55	58	57	60	59
Average daily treatment revenue per available treatment room	75	69	88	110	130	82	54	55	86	61	87	88	53	78
Average daily treatment revenue per occupied treatment room	115	102	120	163	194	120	78	80	128	85	121	122	74	113
Average daily treatment revenue generated per therapist	224	209	218	295	380	245	174	171	251	181	270	285	173	232
Revenue per available treatment hour (RevPATH)	9	8	11	13	16	9	6	6	10	7	10	10	6	9
Utilisation of treatment rooms' hours	19%	14%	20%	24%	26%	22%	18%	15%	26%	12%	17%	17%	10%	18%
Utilisation of therapists' hours	38%	33%	38%	75%	51%	45%	39%	34%	53%	28%	39%	40%	24%	42%
Fitness and membership revenue as % of total revenue	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Retail revenue as % of total revenue	8%	12%	7%	7%	8%	8%	8%	10%	9%	8%	13%	13%	9%	9%
Treatments booked by hotel guests as % of total treatments	91%	94%	92%	92%	92%	91%	89%	90%	95%	88%	90%	87%	86%	90%
Treatments booked by non hotel guests as % of total treatments	9%	6%	8%	8%	8%	9%	11%	10%	5%	12%	10%	13%	14%	10%

# ***The PwC Middle East Spa Benchmarking Survey Data***

PwC Spa Benchmark Consolidated Data – Dead Sea

<b>USD</b>														
Average treatment revenue per treatment sold	79	79	84	84	107	85	77	57	78	78	82	80	85	83
Average daily treatment revenue per available treatment room	105	97	125	155	184	115	76	78	121	86	123	124	75	110
Average daily treatment revenue per occupied treatment room	162	144	170	230	274	169	110	113	181	120	171	172	104	159
Average daily treatment revenue generated per therapist	316	294	307	417	536	345	246	241	354	255	381	402	244	327
Revenue per available treatment hour (RevPATH)	13	11	15	18	22	13	9	9	14	9	14	14	8	13

## The PwC Middle East Spa Benchmarking Survey Data

### PwC Spa Benchmark Consolidated Data – Doha

QAR	2011	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sept-12	Oct-12	Nov-12	Dec-12	YTD-12
Average treatment revenue per treatment sold	487	578	492	493	475	498	506	550	552	381	477	477	522	506
Average daily treatment revenue per available treatment room	897	1,789	1,042	1,080	1,079	1,783	1,891	1,972	1,665	845	1,121	1,069	1,174	1,382
Average daily treatment revenue per occupied treatment room	881	1,658	942	977	976	1,613	1,891	1,972	1,506	845	1,121	1,069	1,174	1,326
Average daily treatment revenue generated per therapist	1,405	2,956	1,466	1,642	1,576	2,946	2,994	3,226	2,639	1,148	1,481	1,413	1,625	2,047
Revenue per available treatment hour (RevPATH)	82	133	77	85	86	147	163	146	127	69	92	88	94	109
Utilisation of treatment rooms' hours	17%	26%	16%	19%	20%	31%	33%	30%	24%	17%	17%	17%	17%	22%
Utilisation of therapists' hours	26%	29%	30%	35%	33%	32%	29%	26%	27%	20%	19%	19%	19%	26%
Fitness and membership revenue as % of total revenue	59%	54%	54%	53%	62%	60%	57%	58%	56%	66%	55%	53%	47%	57%
Retail revenue as % of total revenue	3%	4%	5%	5%	5%	5%	5%	5%	5%	3%	4%	4%	4%	4%
Treatments booked by hotel guests as % of total treatments	16%	18%	18%	15%	16%	22%	21%	19%	25%	13%	16%	14%	12%	18%
Treatments booked by non hotel guests as % of total treatments	84%	82%	82%	85%	84%	78%	79%	81%	75%	87%	84%	86%	88%	82%

## ***The PwC Middle East Spa Benchmarking Survey Data***

### PwC Spa Benchmark Consolidated Data – Doha

USD														
Average treatment revenue per treatment sold	134	159	135	135	130	137	139	151	152	104	131	131	143	139
Average daily treatment revenue per available treatment room	246	491	286	297	296	490	519	541	457	232	308	294	322	379
Average daily treatment revenue per occupied treatment room	242	455	259	268	268	443	519	541	414	232	308	294	322	364
Average daily treatment revenue generated per therapist	386	812	403	451	433	809	822	806	724	315	407	388	446	562
Revenue per available treatment hour (RevPATH)	23	36	21	23	24	40	45	40	35	19	25	24	26	30

# The PwC Middle East Spa Benchmarking Survey Data

## PwC Spa Benchmark Consolidated Data – Beirut

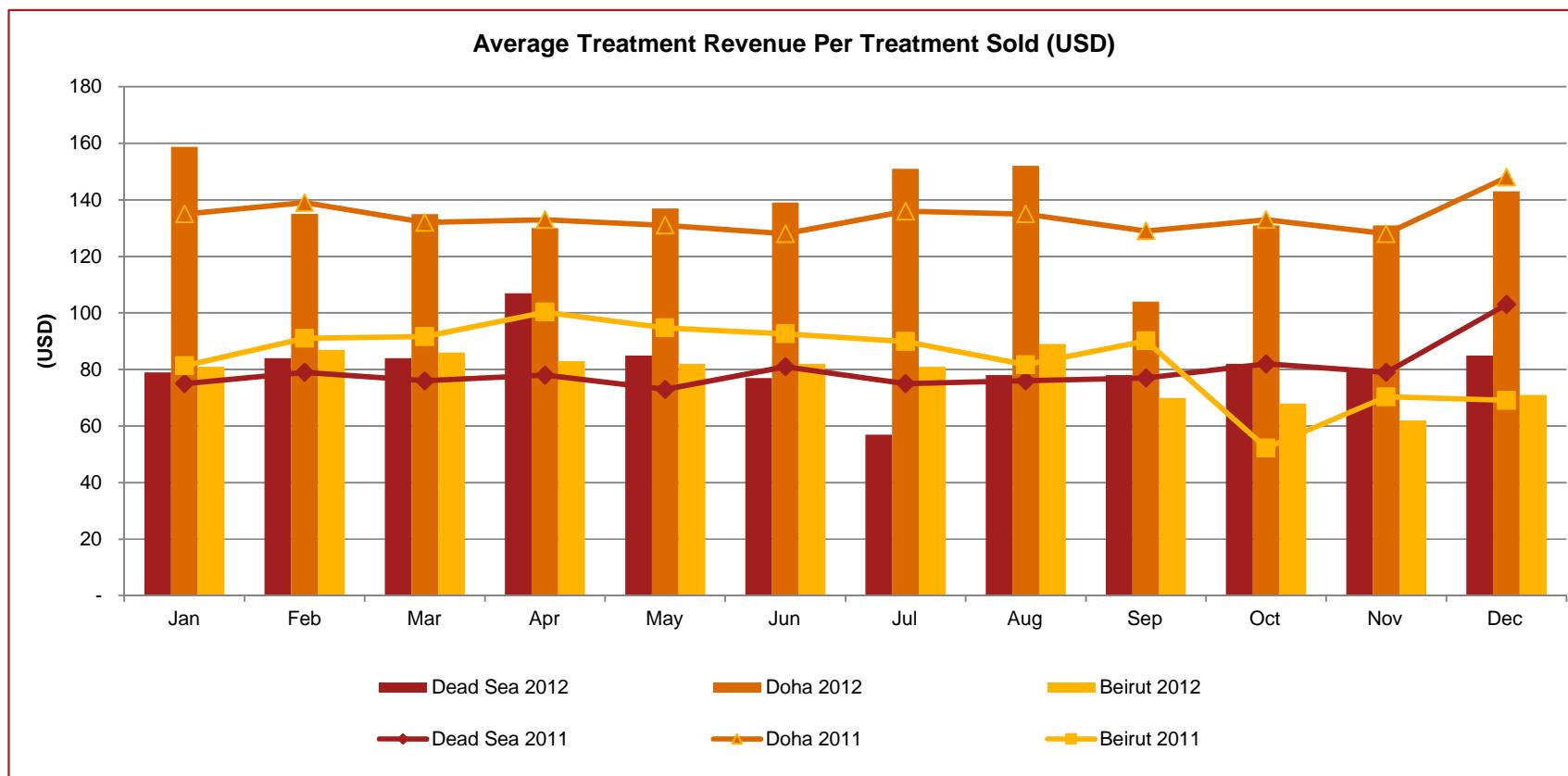
LBP	2011	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sept-12	Oct-12	Nov-12	Dec-12	YTD-12
Average treatment revenue per treatment sold	122,090	134,124	120,762	130,427	128,512	123,861	122,269	122,795	120,820	104,732	101,732	92,418	105,987	118,390
Average daily treatment revenue per available treatment room	172,053	153,531	174,120	189,570	157,887	135,619	146,257	136,602	115,252	111,315	92,918	95,323	112,336	134,820
Average daily treatment revenue per occupied treatment room	240,875	214,944	243,768	265,398	221,041	189,866	204,759	191,243	161,353	155,841	130,085	133,452	157,271	188,749
Average daily treatment revenue generated per therapist	328,764	268,680	358,482	349,208	315,774	271,238	310,241	289,762	244,474	236,123	224,285	230,089	271,156	282,417
Revenue per available treatment hour (RevPATH)	24,248	21,775	25,660	26,427	25,156	21,453	23,107	20,657	19,333	17,755	13,726	16,009	16,833	20,691
Utilisation of treatment rooms' hours	20%	19%	22%	21%	21%	18%	19%	17%	17%	19%	15%	19%	17%	19%
Utilisation of therapists' hours	27%	24%	32%	27%	30%	26%	27%	24%	23%	28%	25%	33%	29%	27%
Fitness and membership revenue as % of total revenue	46%	50%	51%	46%	50%	55%	70%	52%	54%	53%	60%	62%	54%	55%
Retail revenue as % of total revenue	3%	4%	2%	2%	3%	4%	7%	3%	1%	2%	2%	2%	2%	3%
Treatments booked by hotel guests as % of total treatments	40%	35%	34%	33%	39%	37%	39%	39%	35%	28%	30%	29%	32%	34%
Treatments booked by non hotel guests as % of total treatments	60%	65%	66%	67%	61%	63%	61%	61%	65%	72%	70%	71%	68%	66%

# *The PwC Middle East Spa Benchmarking Survey Data*

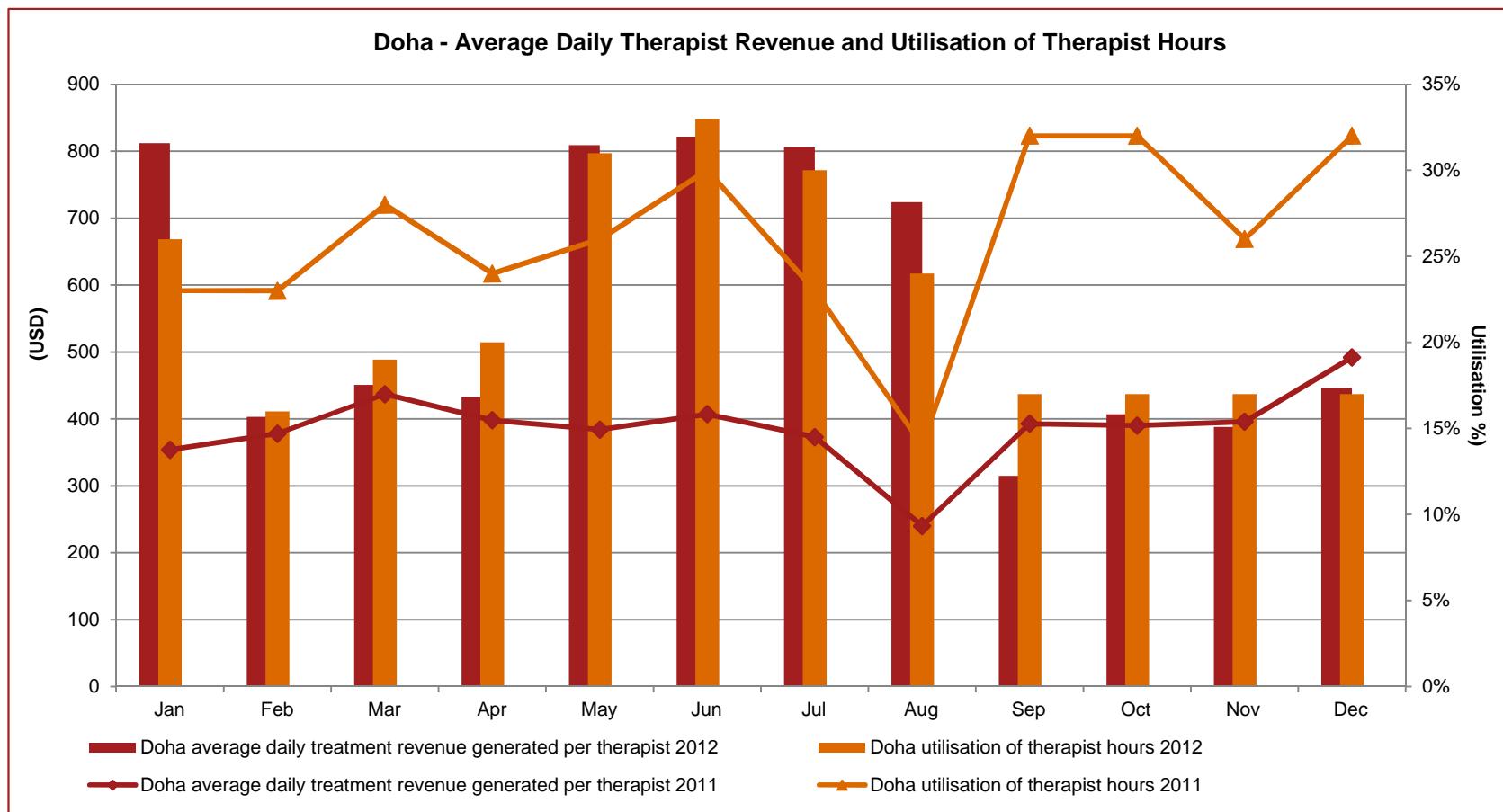
PwC Spa Benchmark Consolidated Data – Beirut

USD	81	81	87	86	83	82	82	81	89	70	68	62	71	79
Average treatment revenue per treatment sold	81	81	87	86	83	82	82	81	89	70	68	62	71	79
Average daily treatment revenue per available treatment room	115	116	126	105	90	98	91	77	102	74	62	64	75	90
Average daily treatment revenue per occupied treatment room	161	163	177	147	127	137	127	108	143	104	87	89	105	126
Average daily treatment revenue generated per therapist	219	239	233	211	181	207	193	163	179	157	150	153	181	188
Revenue per available treatment hour (RevPATH)	16	17	18	17	14	15	14	13	15	12	9	11	11	14

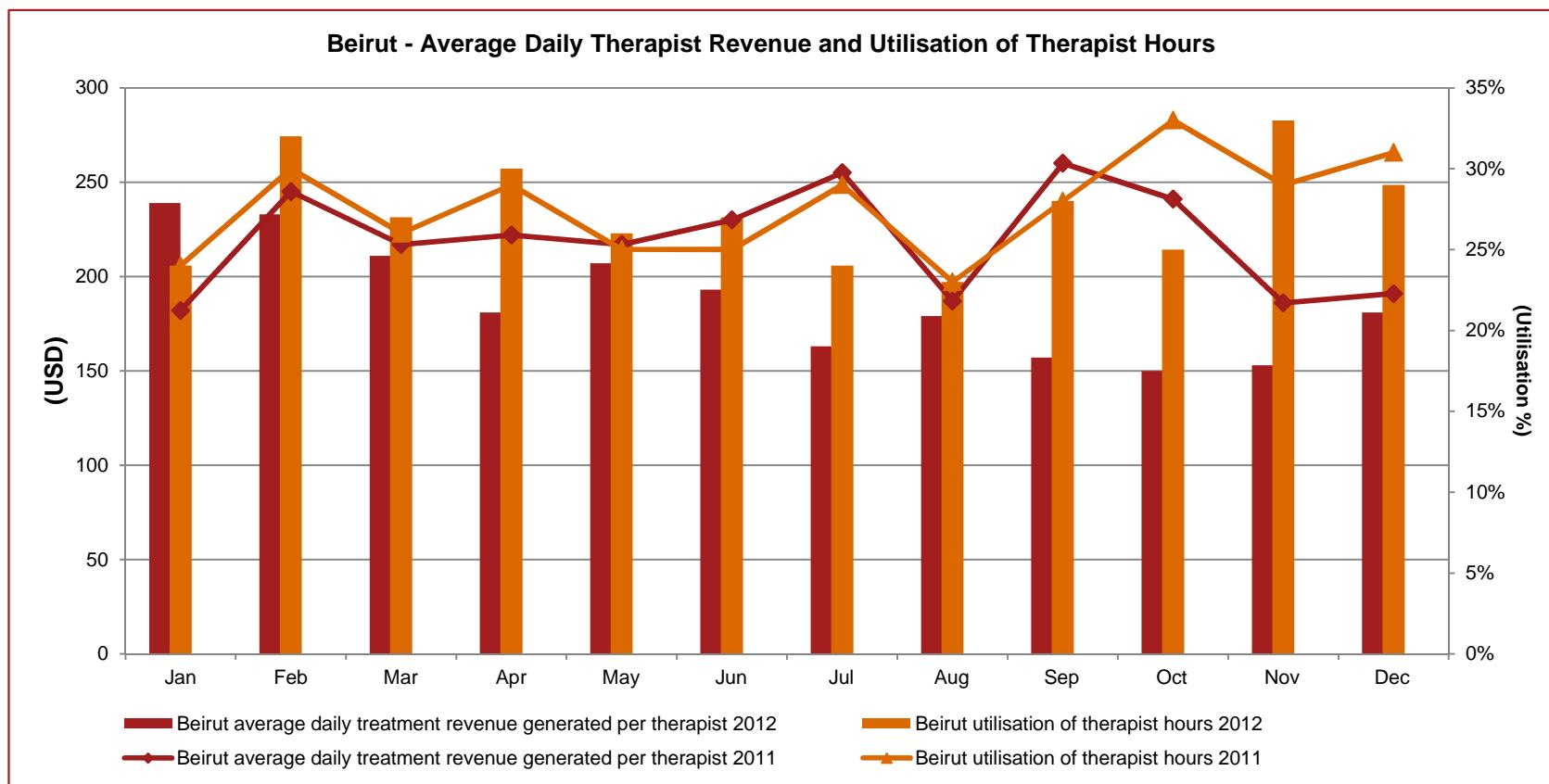
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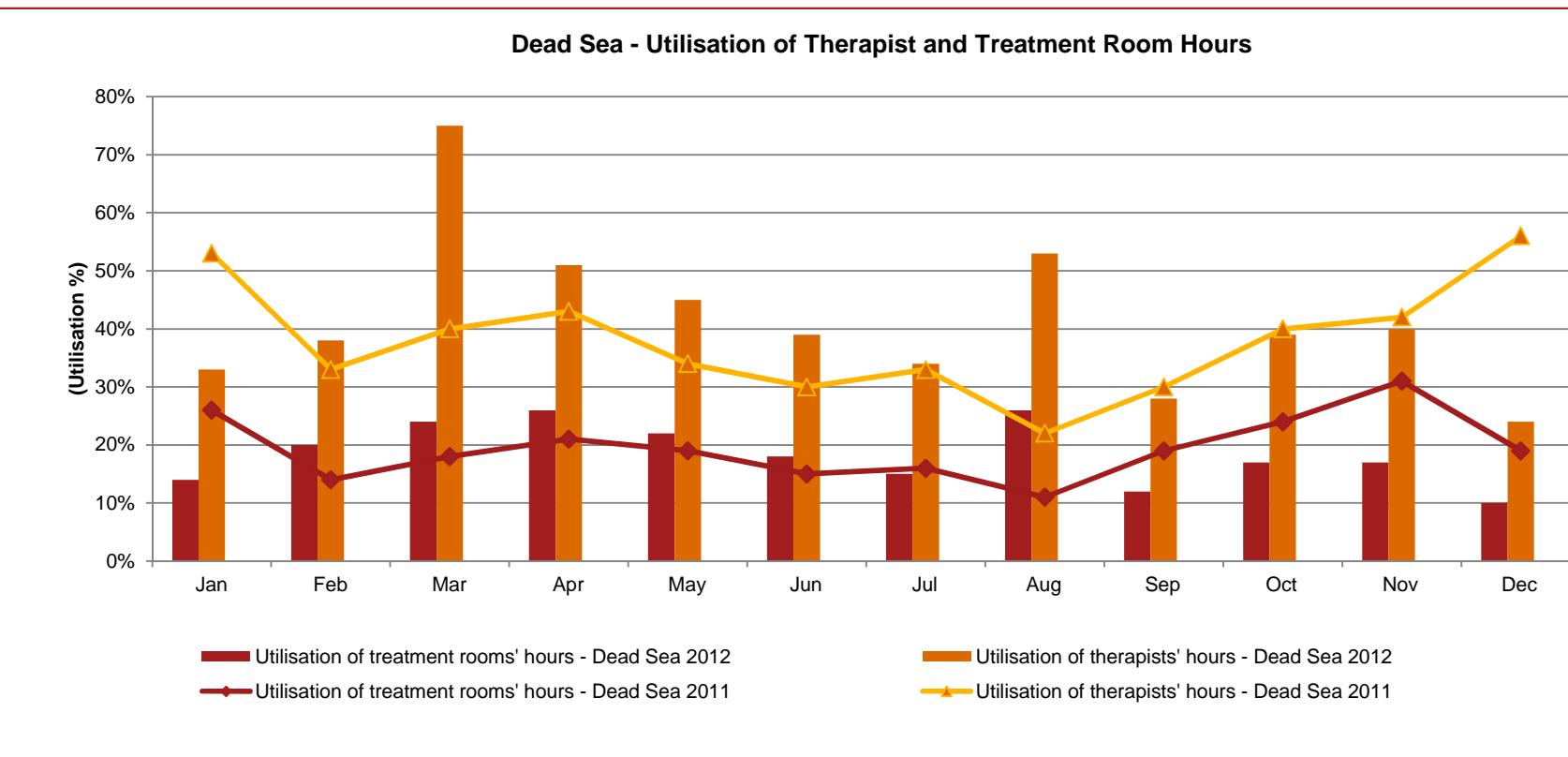
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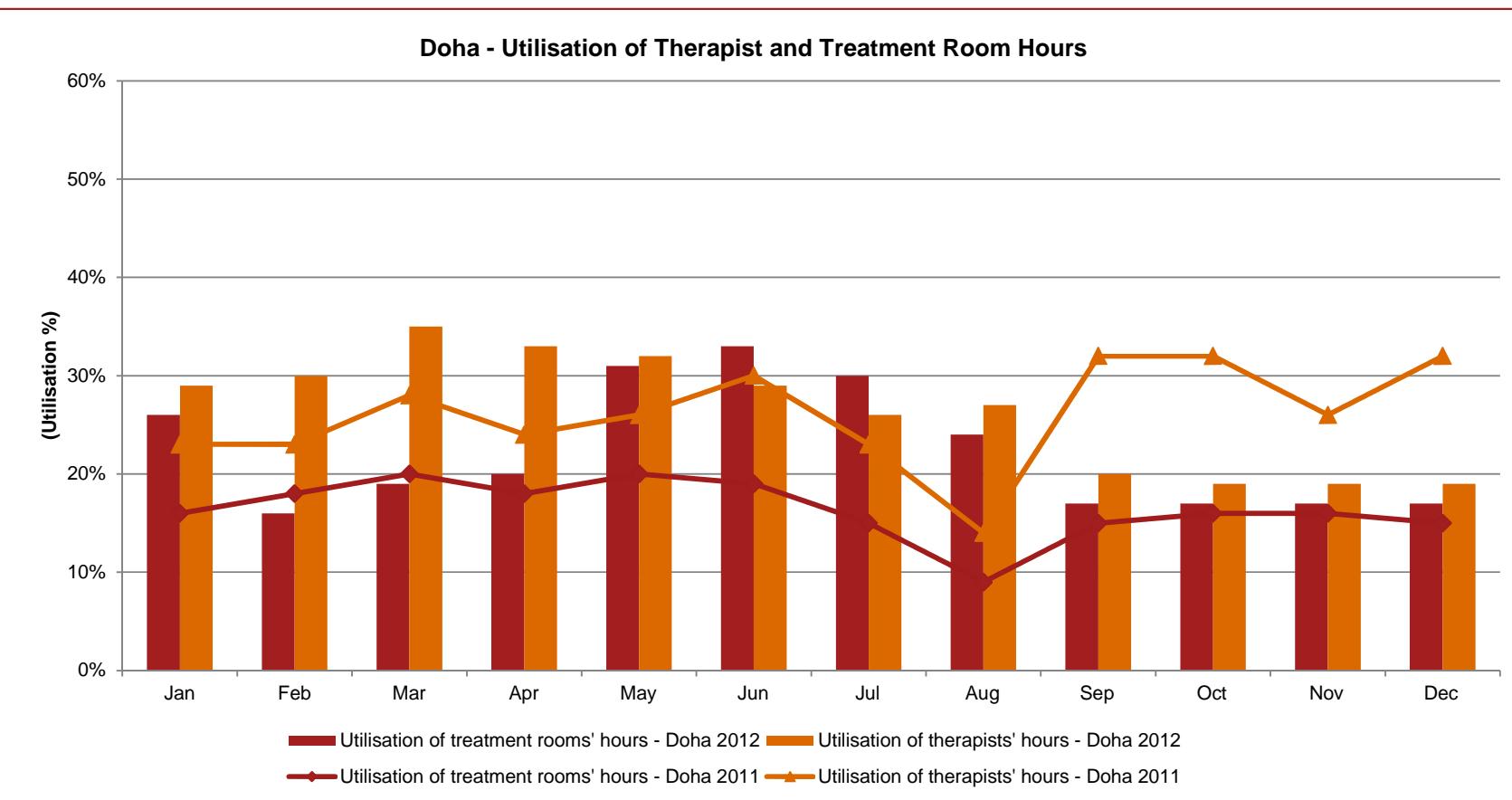
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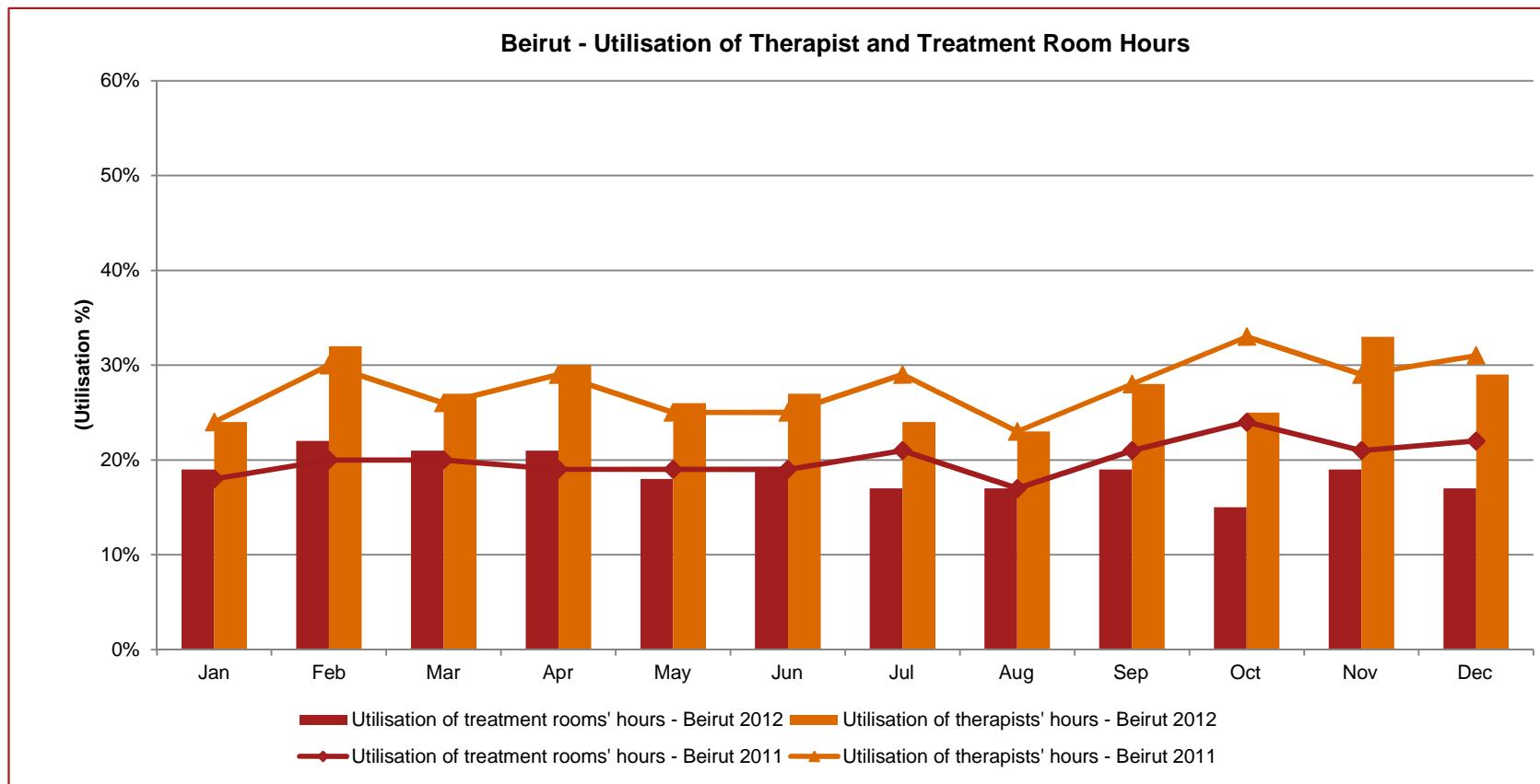
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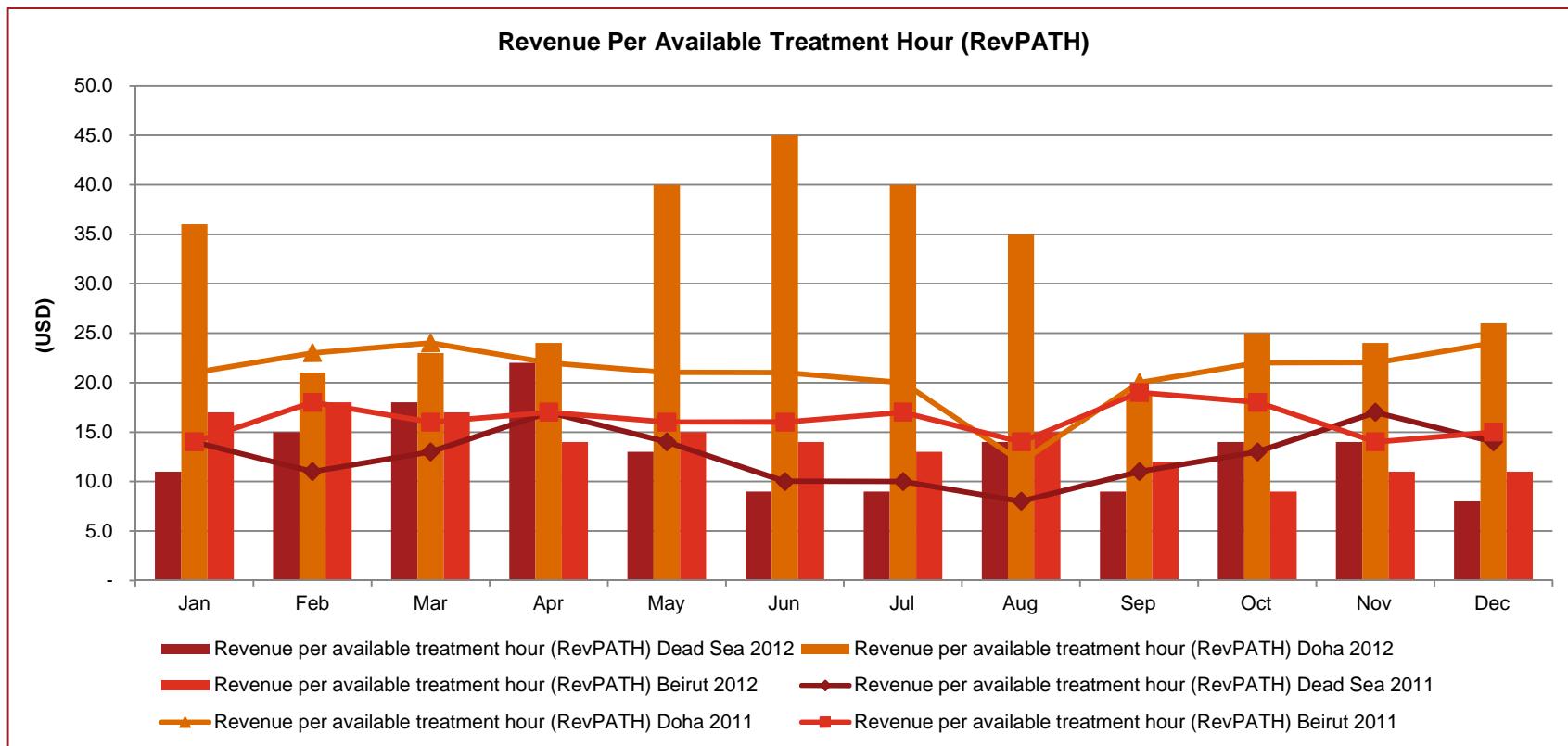
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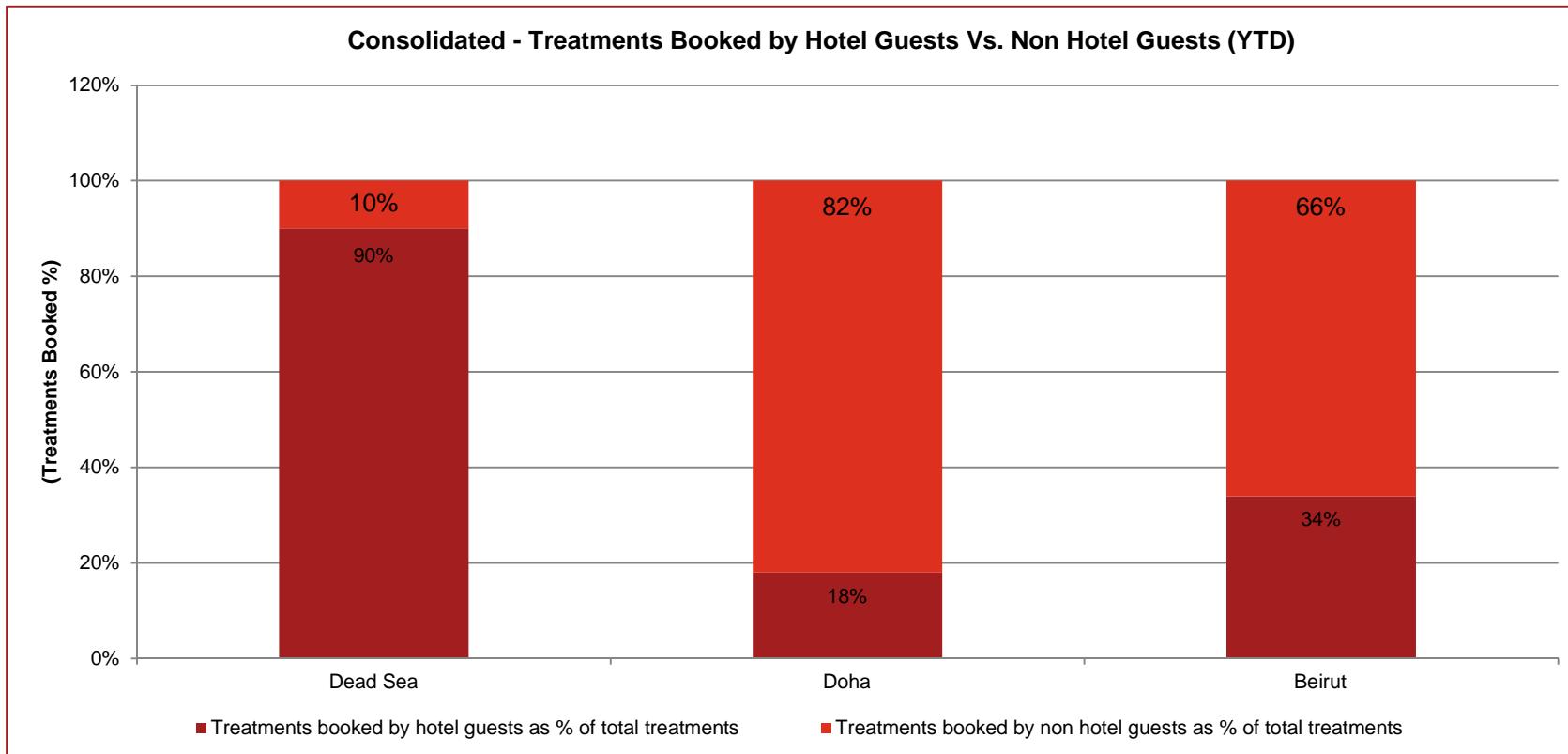
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# ***The PwC Middle East Spa Benchmarking Survey Data***

## **PwC Spa Benchmark Consolidated Data**

<b>KPI</b>	<b>Calculation</b>
Average treatment revenue per treatment sold	Treatment Revenue ÷ No of Treatments Booked
Average daily treatment revenue per available treatment room	Treatment Revenue ÷ Available Treatments Rooms
Average daily treatment revenue per occupied treatment room	Treatment Revenue ÷ Operational Treatments Rooms
Average daily treatment revenue generated per therapist	Treatment Revenue ÷ Available Treatments
Revenue per available treatment hour (RevPATH)	Treatment Revenue ÷ Available Treatment room Hours
Utilisation of treatment rooms' hours	Occupied Treatment Rooms Hours ÷ Available Treatment Room Hours
Utilisation of therapists' hours	Occupied Therapist Hours ÷ Available Therapist Hours
Fitness and membership revenue as % of total revenue	Fitness & Membership Revenue ÷ Total Revenue
Retail revenue as % of total revenue	Retail Revenue ÷ Total Revenue
Treatments booked by hotel guests as % of total treatments	No of Hotel Guests Treatments Booked ÷ Total No of Treatments Booked
Treatments booked by non hotel guests as % of total treatments	No of Non Hotel Guests Treatments Booked ÷ Total No of Treatments Booked

# ***Feature Spa of the Report- PureGray Health Club & Spa***

The PureGray Health Club and Spa is a sanctuary of calm and tranquility. The spa is luxurious yet intimate with refined personalized service at its core. The contemporary urban space features six stylish treatment rooms including a couple's room.

The spa offers sensual and restorative treatments, combining European and Eastern philosophies in a rich holistic experience, featuring the prestigious Spanish skincare product, Natura Bissé.

The gym is equipped with the latest Technogym equipment, renowned for their state-of-the-art design and cutting edge technology. Our highly qualified and dedicated Personal Trainers will deliver unparalleled attention and personalized service to all our guests.

## **Facilities**

Fully equipped Gym

Sauna rooms

Treatment rooms

Chill out lounge

Panoramic outdoor pool

Beauty Salon



For further information please contact:

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# ***PwC Real Estate, Leisure and Hospitality Advisory Services***

Our Real Estate, Hospitality & Leisure Advisory Services practice for the Middle East is based in Dubai. Our global and regional network of professionals allows us to pool resources in providing the highest standard of advisory services to real estate, hospitality & leisure clients in the region and beyond. The Middle East team, led by the UAE office, has many years of experience in these industries and provides clients with an in depth understanding of the local and regional markets. The team has had experience in providing a wide range of services across various real estate, hospitality & leisure industry segments, including the following:

## **Real Estate Services**

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