

Applied Research Project

Global Wellness

A comparative analysis of best-practice hot springs and thermal baths around the world:
Lessons about the design of services and infrastructure for business profit optimization.

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1. Management Summary

Wellness destinations market is a growing industry and an actively developing tourism sector with competing players whether it be destinations themselves as a whole unit or just individual resorts. As wellness market is rich in operating actors, it is not surprising that there is an intense competition between them, which implies that there is a wide range of different strategies destinations use to distinguish themselves amongst others.

The research investigates the best strategies that seven chosen destinations use to optimize their profit with the aim of remaining the strongest players in the market. A particular interest is design and infrastructure of the chosen destinations. The main research focus thus is:

- The strategies in infrastructure, products, and services the chosen resorts must stay the strongest players in the market and have profit optimization.
- Key aspects of competitive advantage in the market and areas of improvement for players.

The main aim of this research therefore is to conduct a comparative analysis of the chosen wellness destinations and to define similarities and differences of products and services, as well as to investigate customer portfolio and to monitor Covid-19 pandemic impact on the industry in these regions.

To investigate strategies used, 14 semi-structured interviews were held with the representatives from the chosen wellness destinations and resorts, the data was analysed using a qualitative and an inductive approach. As for methodological framework, the authors used purposive sampling and a cross sectional research design.

Following the literature on hot springs and thermal baths resorts and the information from the interviews, best design and infrastructures have been identified respectively. Throughout the research, it has been found out that the best infrastructure for a wellness resort should consist of several large buildings and include such facilities as additional entertainment options (pool, sauna, aqua park, golf, tennis courts) for different target groups (families, the elderly, nature lovers, youngsters). Therefore, the main recommendation of the research is making more renovations of the existing facilities, which can be considered as the best way to invest.

2. Introduction

2.1. Research Topic, Problem and Relevance

The Global Wellness Institute (GWI) defines Wellness Tourism as “the active pursuit of activities, choices, and lifestyles that lead to a state of holistic health” (GWI, 2018a, p. iii).

In the last few years, health tourism has seen a constant increase in demand for wellness services at national and international levels (Csirmaz & Peto, 2015, p. 756). According to the Global Wellness Institute (2018a, p. iii), during the period of 2015–2017 the growth rate of the wellness sector was above 6% annually, which was more than twice as fast as the overall growth of the whole tourism sector which was 3,6%. Referring to the information of UNWTO, it is stated that wellness travelling along with health and medical tourism are becoming more pertinent in both established and emerging destinations (2018, p. 9). Mi (2019) emphasizes that wellness tourism and especially hot spring tours became a beloved holiday activity nowadays. While combining both leisure and tourism, hot springs and thermal baths are not only big pools filled with healing waters, but also centres of relaxation and fitness activities that become calling cards of a large numbers of destinations (Lee & King, 2010).

Research topic

Most research studies on thermal baths and hot springs are centred around their exploitation (Zheng, Zhong, & Zheng, 2013; Valeriani, Margarucci, & Spica, 2018), competitiveness (Zheng et al., 2013; Cai & Xiong, 2010; Cheng & King, 2010; Chen, 2014), the quality of services provided (Hsieh, Lin, & Lin, 2008; Tseng, Cheng, & Geng, 2012) and their profit (Erfurt, 2021).

As mentioned above, the aim of this paper is thus to examine the best-practice examples of thermal baths and hot springs resorts in seven chosen countries known as wellness destinations around the world to make a comparative analysis of their infrastructure and design. The main goal, therefore, is to understand how these resorts optimize their profit, gain more revenue using specific features, and thus attract more customers and stay the main players in the wellness market.

Potential Problem

Since the demand in wellness tourism is growing year by year, high investments and strong competition in this tourism sphere put hot springs and thermal baths businesses under pressure to remain relevant and interesting. The initial goals of relaxation, rejuvenating and customer well-being could be compromised just to ensure competitiveness and income.

The potential research problems are as follows:

- What kind of USP do hot springs and thermal baths offer to be the strongest players in the market, attract new customers, maintain high-quality level of services provided, and have profit optimization?

- What are the main target groups for chosen wellness destinations and what are their needs?

Relevance

According to BBC Worklife (Rubinstein, 2020), global wellness economy has reached 4.5 trillion US dollars in 2018 and therefore “has witnessed a triumphant ascension over the past decades”. The importance and the trends of diet, fitness and healthy practices have also transformed this business sector. Top health and wellness lifestyle brands such as Equinox, SoulCycle, and Lululemon, are moving more towards the tourism sector and offer health, fitness, and wellness services (Rubinstein, 2020).

Even though wellness tourism is among the main global consumer trends it is by no means a novel. Wellness tourism can be traced back to the pilgrimages who were taken to the Dead Sea, ancient baths in Rome and natural hot springs in Asia. But now, according to GWI (2018b, p. 6), wellness tourism is not as much about the destination or activities but more about “an extension of the values and lifestyle of the traveller”.

As for the nearly last two years, the Covid-19 crisis has affected many sectors, but tourism has been one of the most heavily affected ones (Andreu, Font-Barnet, & Roca, 2021, p. 2). The crisis and the current situation have accelerated trends, which were already taking hold, for example, less crowded places, pushing immune system, taking care of one’s own health etc. Therefore, targeting the wellness tourism market as well as diversifying tourist products, health and wellness offers to provide an exceptional experience is nowadays more than crucial to stand out and have competitive advantage (Andreu et al., 2021, p. 3).

Research Gap: however, there is no research on profit optimization and design and infrastructure features hot springs use to gain more revenue.

2.2. Research Aims and Objectives

The research examines hot springs and thermal bath facilities in the following countries, which are famous as well-being destinations:

1. The USA (California / Colorado)
2. Mexico
3. Iceland
4. Hungary
5. Slovenia
6. Latvia
7. Lithuania

The countries were chosen in agreement with the Institute of Tourism and Mobility and research supervisors as a part of applied research project due to a lack of research in some of these countries in terms of hot springs and thermal baths.

The aims of this research:

1. Conducting a comparative analysis of the best-practices of hot springs and thermal baths in seven chosen countries and defining similarities and differences of products and services provided as well as an customer segmentation and target groups.
2. Identifying the customer portfolio (inbound/outbound tourists etc.)
3. Detecting current investment strategies in the resorts and revealing the best future investment trends.
4. Monitoring Covid-19 pandemic impact on the industry and making prediction for post- Covid-19 period.

The research does not aim to measure success but to give an overview of the reasons why some hot springs and thermal baths attract more guests, how they make revenue and provide the best experience at the same time.

The research goal and objectives are dedicated to:

1. Writing a literature review on the development and current state of hot springs and thermal baths in the seven countries.
2. Investigating the supply and demand-side market, as well as the sector's long-term viability.
3. Conducting interviews with the resorts' representatives.
4. Giving recommendations and providing solutions for the examined countries and resorts.

2.3. Research Questions

The authors have defined the following three research questions, which will be answered by analysing and comparing different best-practices of hot springs and thermal bath establishments in the seven countries:

- 1. What are the current infrastructure and service portfolios best practice businesses in hot springs and thermal baths of the selected countries offer?*
- 2. What investments have the best practice businesses undertaken in recent years and what are ideas for the next investments?*
- 3. What are the most important elements of the portfolio regarding different countries?*

3. Theoretical Foundation

In this part, the authors provide an overview of the Global Wellness Industry including worldwide best practice hot springs and thermal baths, service portfolios, trends, customer markets, supply, demand, and side of various hot spring markets by reviewing the literature. This report defines the terms of wellness tourism, health tourism, hot springs, and thermal baths

3.1. Concept of Wellness and Health Tourism

According to Smith and Puczko (2015), the concept of wellness encompasses life dimensions such as physical, mental, and spiritual health, self-responsibility, social harmony, environmental sensitivity, intellectual development, emotional well-being, and vocational satisfaction. Smith and Puczko (2015) suggest that wellness tourism extends beyond spa tourism, with research indicating that wellness tourism also encompasses healthy cuisine, specific fitness or body-mind-spirit regimes, active ageing or longevity programmes, learning, adventure, spiritual enlightenment and personal growth, all of which take place in purpose-built centres". Wellness tourism literature also discusses "the absence of disease, illness and stress but also the inclusion of purpose of life, joyful relationships, and satisfying work and play through active involvement, presence of happiness, and a healthy body and living environment" (Smith & Puczko, 2015).

Wellness tourism promotes what Voigt and Pforr (2013) call "the balance and holistic integration of numerous health dimensions, including body/mind/spirit, environmental, and social". The concept itself also emphasizes active self-responsibility, healthy lifestyle, subjectivity, and the realization of human potential (Voigt & Pforr, 2013). Voigt (2013) claims that wellness facilities are often beyond the realm of biomedicine and include a variety of services such as Complementary and Alternative Medicine (CAM) therapies, which refer to a wide range of therapies that go beyond Western medicine. The wellness industry is a critical driver of future corporate growth and significant advancements (Voigt & Pforr, 2013; Pyke et al., 2016).

The term *health tourism* refers to a wide notion that includes the wellness and medical tourism subcategories (Mueller & Kaufmann, 2001; Smith & Puczko, 2009; Voigt, Brown & Howat, 2011). According to Smith and Puczko (2015), any new definition of health tourism should be an equivalent to the one defined by the World Tourism Organization in 1984. Health tourism was understood as the extent to which "an individual or a group can realize aspirations and satisfy needs, as well as to change or cope with the environment. Health is a resource for everyday life, not a goal in itself; it is a positive idea that emphasizes social and personal resources as well as physical talents." Health tourism also covers such types of travelling when people stay in different places to prevent, maintain, stabilize, or recover their physical, intellectual, and social well-being by using specific health services in a place other than their permanent residence and work (Karadzhova & Bozhilova, 2019).

Ardell (2011) described the concept of REAL wellness as a philosophy based on the embrace of reason (supported by science, critical thinking), exuberance (focus on happiness, meaning, joy), athleticism (evidence-based nutrition and exercise) and liberty (strategies that boost personal freedoms). REAL wellness is positive, uplifting, hopeful and unaffected of the medical system, corporate work environments, spas and tourism and products and services. It can be found in all these sectors of the economy, but the term refers to a style of thinking and acting that enriches the prospects for wellbeing.

According to (Erfurt-Cooper & Cooper, 2009), almost all wellness tourism offerings involve "spa treatment," which is a health-oriented service. Regardless of how different providers define "spa," the goal remains the same: to enhance health and enjoyment. In this paper this concept of wellness tourism is used for the research.

Spa services are classified according to the available regional resources, which include natural resources like hot spring therapies and thermal baths, which are the most popular spa treatments (Puczkó & Bachvarov, 2006).

3.2. Concept of Hot Springs and Thermal Baths

Hot springs, commonly known as natural thermal springs, are produced by heated water from the ground (Akanbi, Agyei, & Saari, 2019). Scientific elements of hot springs consist of bioactive compounds such as enzymes, sugars and antibiotics. Geothermal studies have shown that there are numerous natural occurrences of hot springs around the world such as in New Zealand, Malaysia, Japan, United States, Mexico, Iceland, China, and India. Furthermore, hot springs are classified into three levels of bacteria that occur at hot temperatures: Thermophiles from 35-70 °C, extreme thermophiles 55-80 °C and hyperthermophiles 75-113 °C (Akanbi, Agyei, & Saari, 2019). One of the interesting phenomena is that there are microorganisms living in hot springs that produce different colours, as in Yellowstone National Park, USA (Dodds & Whiles, 2010).

Hot springs are thermal baths that contain minerals in extreme water temperatures and relax the human body. In addition to being recreational, thermal baths also have a therapeutic/ healing function (beaire.com, 2021). There are several types of treatments that can be availed of when taking a bath, such as preventing urinary stones and urinary tract infections, which are called mineral waters. In addition, there are eight other types of natural waters that prevent various diseases such as gastritis, hepatitis, constipation, colitis, obesity, diabetes and joint diseases. These waters have sodium and chloride. Other types of thermal waters help with skin diseases, respiratory and ear diseases, gynaecological complaints and rheumatism. They are particularly suitable for the treatment of anaemia, problems of the lymphatic system, depression and convalescence (termediorte.it, 2021).

3.3. Hot Springs and Thermal Baths worldwide

According to many travel sources, there are numerous famous hot springs with the best practices in the world from different countries ranging from Iceland to Chile (Seppanen, 2018; tripsavvy.com, 2019; frommers.com, 2021). According to Condé Nast Traveller magazine (2020), 15 of the best hot springs around the world based on natural views were identified, among which one can distinguish The Blue Lagoon - Iceland's most famous geothermal spa practice due to its proprietary silica mud masks, mineral salts, and milky blue waters. It is known for making the skin feel better and healthier (Condé Nast Traveller, 2020). Pamukkale, Denizli, Turkey, is known for its UNESCO World Heritage Site, next to which is an ancient spa and the famous Cleopatra Pool with hydrotherapy waters. Deception Island, Antarctica, is famous for its black sand beaches with a temperature of 158 °C degrees. Termas Geometricas, Pucon, Chile, has 17 hot springs, natural pools, cooling waterfalls and amazing (Condé Nast Traveller, 2020).

3.4. Infrastructure and Design

According to the Christensen Institute (2018), infrastructure has two types of hard and soft functions. Hard infrastructures are electricity, airports, roads, communication systems, and seaports. Soft infrastructures are legal systems, health systems, and education systems. In addition, infrastructure is a "basic physical and organizational structure and facility (e.g., buildings, roads, electricity) needed for the operation of a society or business" (Christensen Institute, 2018). That is, without it, society cannot function.

Moreover, infrastructure design is one of the most important elements. It consists of three main steps: The first step is the preparation of a detailed plan for the services, the second step is the preparation of the design, and the last step is the initial cost of the design and the study (ITDP, 2021).

3.5. Covid-19 and the Impact on Wellness Tourism

On March 11th, 2020, the WHO officially declared the global outbreak of Covid-19 a pandemic. This crisis obviously had a range of economic, social, and environmental consequences (Comfort & Jones, 2020, p. 3). Covid-19 is expected to have a significant impact on consumers and providers of health and wellness tourism (Majeed & Ramkissoon, 2020). In the Covid-19 environment, academic investigations demonstrate an increasing consensus on the altering demand side of domestic tourism. Several national governments and international organizations, including the United Nations World Tourism Organization (UNWTO, 2020a, 2020b), are currently conducting research on best practices for reviving the tourism industry, with a particular focus on domestic tourism as a foundation for recovery. Domestic tourism is seen as a ray of hope and a catalyst for the tourism sector's recovery as it gradually reopens despite the ongoing Covid-19 infections (Department of Tourism, Tourism Business Council of South Africa & International Finance Corporation, 2020).

The fast implementation of the Covid-19 vaccines and the rising numbers of vaccinated people has increased the travel and tourism (T&T) sector's optimism and this pandemic has given travellers new concerns and reasons to travel. For example, the importance of safety, health, and hygiene cannot be overstated. Furthermore, because the pandemic has affected not only physical but also mental health, the wellbeing has been identified as a critical component of T&T rehabilitation. The new tendency in the post-Covid-19 phase is to appreciate environmental surroundings and engage in outdoor activities (Teixera de Silva, Biello, Lin, Valente, Mayer, Hightow-Weidman, & Bauermeister, 2021).

Covid-19 has influenced people's perspectives, particularly those who embrace a sustainable lifestyle and care for their mental health. People may adopt a more flexible, environmentally friendly lifestyle, focusing on some active modalities such as walking and cycling to improve physical and mental health. (Alexa, Apetrei, & Sapena, 2021).

As the coronavirus primarily affects patients' respiratory systems, hot springs can be used both preventively and curatively. Respiratory treatments (prescribed and supervised by specialized health personnel and based on inhalations or gargles) stimulate the immune system and cleanse the respiratory system, preparing it to face a possible Covid-19 episode. As a result, the thermal cure is recommended in disease recovery processes, when there is no longer a risk of contagion, or as a preventive measure (Pinos Navarrete & Shaw, 2021).

3.6. Wellness Traveller and Wellness Target Markets

The Global Wellness Institute (2018a, p. 26) defines wellness tourists as a group of consumers with different motivations, interests, and values, who fall into two categories: primary and secondary wellness travellers. A primary wellness traveller is a person whose trip or destination choice is primarily motivated by wellness. A secondary wellness traveller on the other hand is a person who seeks to maintain wellness while traveling or participates in wellness experiences while taking any type of trip for leisure or business. A wellness tourist aims to maintain, manage, or improve health and wellbeing and wants to prevent diseases and reduce stress and manage poor lifestyle habits (Global Wellness Institute, 2018a).

The target markets for wellness destinations according to (Andreu et al., 2021) could be divided into a few categories: nationals and residents which includes small groups of couples and singles older than 50 years, adults and those who are interested in well-being, youth and adults interested in wellness. Smith & Puczkó (2017) state, that apart from local customers there could be domestic and international tourists visiting the facilities. The main segment of customers are couples, families and group of friends constitute the main markets for wellness destinations.

“Wellness tourism supports sustainable development and may reveal particularly useful for regional tourism destinations (...) with host community values in comparison with other forms of tourism (...) to contribute to sustainability” (Wray & Weiler, 2014 in Quintela, Costa, & Correia, 2017, p.116).

4. Methodology

This chapter outlines the research methodology, research strategy and design, sampling strategy and criteria, as well as data collection and data analysis method used to answer the research question.

4.1. Research Strategy and Research Design

As pointed out by Argyrous (2009), “secondary data is an abundant resource for the policy researcher” as the Internet has made vast amounts of data available. He also mentions the benefits of cost and time savings, access to tested quality data, access to difficult populations, and the availability of longitudinal data. Therefore, the data was also gathered by desk research, secondary research was presented with several data and different sources. These sources include different books, articles, and case studies.

To obtain the theoretical basis for this project, desk research was conducted before the development of the interview guide and interviews with the selected experts. Having an extensive literature review of the most relevant topics that will be addressed in this study enables to gather detailed information and to gain an understanding of the aspects covered in the interviews. Firstly, articles and research papers indexed in Google Scholar, ResearchGate, Taylor & Francis Online, ScienceDirect online journal, Iluplus (ZHB research portal) and EBSCOhost (Official University database) were searched for. Then, the articles related to spa or thermal baths and hot springs hotels and resorts were found in Google on the topic of "best practices", "thermal baths", "thermal springs", "hot springs", "spa management", "wellness", "wellness tourism", "wellness business". Additionally, the establishments' websites and social media account with the focus on their services offered as well as their facilities together with reviews on TripAdvisor were examined.

The researchers chose a qualitative research approach as the main research strategy. Qualitative research is a research strategy that focuses on words rather than numbers in the collection and analysis of findings (Bell, Bryman & Harley, 2019, p. 355). Qualitative research method allows to develop the knowledge through the eyes of the interviewed branch of wellness experts and this research strategy was chosen instead of quantitative research due to the importance of the participants' point of view, and not that of the researchers', such as it is the case in a quantitative strategy. An inductive research approach (Thomas, 2006) was selected to capture not only the theoretical foundation but also the best practices and specific features of thermal baths and hot springs in the selected countries. To achieve the goals of qualitative research, it is important that close involvement with the participants is being investigated,

so that it would be possible to approach a genuine understanding from their perspective (Bell et al., 2019, p. 361).

To gain rich, detailed findings regarding different thermal baths and hot spring facilities, it was decided to conduct semi-structured expert interviews. According to Flick (2018), semi-structured interviews are based on a set of prepared, mostly open-ended questions, which guide the interview and the interviewer (p. 197).

4.2. Change to Research Strategy

As it is pointed out in the chapter before, the authors wanted to conduct semi-structured expert interviews to gain rich and detailed findings. Unfortunately, due to the lack of replies and interest in the study, the authors have started to propose the option of filling out questionnaires in hope that more resorts would be interested in taking part if no interview is required. The questionnaires are based on the interview guide and are therefore the same as if the authors would ask the questions. Therefore, the authors don't think there is a change in the research approach.

4.3. Sampling Strategy and Criteria

Considering the relatively narrow research question and the limited resources available – especially concerning available time – the authors decided that purposive sampling should be used as the sampling strategy for this study. The aim was therefore to select units (interviewees) for the sample that would be relevant for the research questions. For the researcher to be able to select the units that are relevant for the research question, a set of criteria must be defined, which in turn are determinative for the inclusion or exclusion of a unit in the sample (Bell et al., 2019, p. 389).

Sampling units based on certain criteria is called criterion sampling. It is one of the many possible types of purposive sampling approaches (Bell et al., 2019, p. 390). The criteria chosen by the researchers were General managers, Owners, Marketing managers etc. of the different chosen resorts in the chosen countries. The countries have been selected in agreement with the supervisors and the resorts have been chosen on criteria such as: best known, oldest facility, most popular and types of services. The countries were chosen together with the supervisors, to not overlap with countries from precedent years. The resorts then have been chosen based on different criteria such as: prominence, history, size, wellness rewards, practices and products. Here it is important to mention that the initial resorts chosen did not all answer to the demand for interviews and that is why each team member had to expand the search and contact also smaller or less known resorts. Therefore, the interviewees were chosen by the time of their response due to the given timeline of the research assignment.

4.4. Data Collection Method

There are different ways of collecting data and from all these the authors have decided that the semi-structured expert interview fits best the research questions. The semi-structured expert interview is a method of data collection within a qualitative empirical research approach, which is used to collect data from interviewees. This enables researchers to address specific issues more precisely (Bell et al., 2019, p. 438).

Based on the interview guide, specific open questions of a determined topic will be asked by the researcher to the interviewees. The main aim is to use a short questionnaire. The interview guide is used as a basis for giving the interview a new turn in case of stagnating conversation or an unproductive topic. In addition, by asking comprehensive questions and by confronting the interviewee with discrepancies statements “deepens the understanding on the part of the interviewer by mirroring what has been said” (Flick, 2018, pp. 232-233). It should not be confused with a narrative interview because it belongs to the semi-structured interviews, whereas a narrative interview is unstructured (Flick, 2018, pp. 278-279).

Since the experts, who will be interviewed for this paper, reside all over the world, the data collection has been done via Zoom, Microsoft Teams, or other video communication programmes. All authors have worked with those communications programmes for past research work and therefore have basic knowledge in how to use them. Moreover, since the occurrence of the coronavirus-pandemic, most people have been forced to use and work over these tools. The interviews should last between 20 and 30 minutes. Depending on the interviewee some interviews could be even longer.

To give a guideline for conducting the interview, the group created an interview guide. The paper is prepared with a clear introduction to the topics so that the interviewee knows what the interview is about and furthermore, to get an idea as to what questions might arise. Moreover, the guide is divided into several different parts. Part one contains some general questions regarding the interviewee, for instance, the position he/she is working in, the resort and what the general understanding of wellness. The second part is more substantive and therefore split in a more detailed way, for example, the products, marketing, customers etc. Finally, the interview is concluded by asking the respondent if there is anything else he or she would like to say but did not have the opportunity to do so yet. By thanking the person interviewed for taking the time, the interview is ended. In all sections and subsections, an introduction is given to the interviewee. In this way, the interviewee should know the direction in which the interview will be headed which aids obtaining as much information as possible. It is also important that the interviewer gives the interviewee an environment where he or she feels comfortable.

By summarizing, giving feedback, and providing interpretation the interviewer might create a positive atmosphere of wellbeing. If the respondent feels comfortable with the interview, the received information is more valuable (Hochschule Luzern, 2020). Furthermore, to later have a better

understanding on how the interview went, it is essential that the interviewer notes immediately after the interview his impressions of the communication. For example, the behaviour in the interview situation, external influences, the room it took place etc. (Flick, 2018, pp. 234-235).

As mentioned in Chapter 2.2. the authors also send out questionnaires to resorts, which were interested in taking part of the study but not in interviews. The resorts would be sending the questionnaire and would send it back once filled out. The questionnaires are essentially the interview questions which does not change the research method into a mixed method one.

4.5. Data Analysis Method

The data analysis selected for this research is based on a qualitative manner. This stage of data analysis is mainly used to lessen the collected information, also known as data reduction, according to Bell et al. (2019, p. 12). Data collected from the semi-structured expert interview is coded from video and audio recordings of the interview. Codes are then generated from each individual interview. According to Miles, Huberman, & Saldaña (2014) “Codes are prompts or triggers for deeper reflection on the data’s meanings.” (p. 73). In this case the deductive coding method is used.

The authors will interview around 14 participants – which was found to generate enough data to answer the research question – and the corpus of information is broken down into several methods of coding. In this analysis, the two-cycle coding method is used. The first cycle coding started off with an inductive coding method by the researchers as they analyse each coded interview. This method allows the authors to generate codes that fit well to the individually collected data, instead of fitting the data into codes that they defined prior to analysing their findings. (Miles et al., 2014, p. 81). The collected data is then segmented into descriptive coding, as well as in vivo coding based on what can reduce the data the best. Descriptive coding is a way of coding a certain passage of the interview by describing or categorizing it with a word or topic. In vivo coding on the other hand, uses the words or short phrases of the interviewees’ own language to generate codes (Miles et al., 2014, p. 74).

4.6. Data Protection and Storage Method

Data collection and storage are interrelated with confidentiality and other ethical issues. The following research is a group work of six students where everyone carries responsibility for the data received from the thermal spas and hot springs. The confidentiality agreement can be sent to the hot spring resorts before the interaction, as an alternative a verbal consent is a requirement from the participants before the interview begins. To protect the data used in the research, the video recordings of the interviews will be forwarded to the head coach and the method coach only. Once the project is finished in January 2022 the recordings will be deleted by the students from their personal electronic devices. The research data process is conducted in Switzerland and, therefore, falls under the Swiss legislation (Steiner, 2021).

Acronyms or abbreviations can be used instead of the real names if the participants wish to stay anonymous. No names will either appear in the coding and the name of the resort will be replaced by the name of the country where it is located. Copyright is another issue influenced by legal considerations, it is a type of intellectual property right that protects the owner from unauthorised copying (Bell & Bryman, 2015, p. 140). The data used in the research, the interview recordings, and interview transcripts are also copyright protected.

5. Results

Resort Codes
<i>USA</i>
Resort 1 (Colorado)
Resort 2 (Colorado)
Resort 3 (South Cal)
Resort 4 (South Cal)
<i>Europe</i>
Resort 5 (Slovenia)
Resort 6 (Slovenia)
Resort 7 (Hungary)
Resort 8 (Latvia)
Resort 9 (Hungary)
Resort 10 (Iceland)
Resort 11 (Iceland)
Resort 12 (Lithuania)
Resort 13 (Lithuania)
<i>Mexico</i>
Resort 14

Figure 1: List with Resorts for the Research Project

5.1. Infrastructure

The infrastructures of resorts in Europe, the USA and Mexico differ. The European resorts usually have several hotels with extra-large golf courses and pools, except for the hotel in Iceland, which consists of one building and another building that converted into a guest house without a golf course. The American resorts usually have a large hotel with numerous spa and mineral water amenities and aqua parks. The Mexican resort has only 28 acres with only 20 rooms and numerous outdoor activities such as thermal pools, hiking trails, a small farm with animals and a yoga room in touch with nature. However, this does not mean that all Mexican resorts are more nature-friendly, as these results were only determined for one resort in Mexico, participated in the research.

In terms of design, the American and European resorts are always investing in new infrastructures for pools and designs to modernize the resorts or adapt to different interior styles. The Mexican resort, on the other hand, does not invest much in hotel infrastructure or design. The main goal of the Mexican resort is to get closer to nature and merge with it, not to modernize it.

The extra entertainment infrastructure like aqua parks, golf parks, hiking trails exist in the States, but not so much in Europe. In addition, only Slovenia has an aqua park, a sauna park, a tennis court, a sports centre, and a small casino, according to the results.

One of the similarities between the American, European, and Mexican resorts in terms of pool infrastructure and design is that they should be built to safety standards first.

Another interesting fact is that the resort in Iceland participated in the construction of the road around the hotel and built a large parking lot for its own customers.

Finally, the best infrastructure for wellness resorts should consist of several buildings or large buildings. In addition, successful wellness resorts should have the all-inclusive infrastructures, such as hot springs, spas, dining facilities, and additional entertainment options such as a golf course, an aqua park, or hiking trails for different target groups such as families, the elderly, or nature lovers.

Country	Several Buildings / one large building	Design Investment	Extra-Entertainment infrastructure
USA			
Resort 1 (Colorado)	+	+	+
Resort 2 (Colorado)	+	+	+
Resort 3 (South Cal)	+	+	+
Resort 4 (South Cal)	+	+	
Europe			
Resort 5 (Slovenia)	+	+	+
Resort 6 (Slovenia)	+	+	+
Resort 7 (Hungary)	+	+	
Resort 8 (Latvia)	+	+	
Resort 9 (Hungary)	+	+	
Resort 10 (Iceland)	+	+	
Resort 11 (Iceland)	+		
Resort 12 (Lithuania)	+	+	
Resort 13 (Lithuania)	+	+	
Mexico			
Resort 14	+		+

Figure 2: Resorts Infrastructure

5.2. Investments

Investments in wellness resorts are divided into two categories: *general maintenance* and *expansion and development* of the current wellness ecosystem (see Figure 3).

General maintenance for all the resorts means regular yearly renovation and modernization of pools, hotel rooms, saunas, and thermal spa equipment. The regular maintenance budget depends on the size of the wellness resort, for small enterprises it starts from 800 000 euro and can go up to 2-4 million euro for big resorts. In Latvia, the resorts tend to be more innovative and technologically advanced, therefore, they prioritise investments in expensive gym equipment. The resorts in California tend to focus less on

assets and more on investments in their social media and marketing. A resort in Mexico finds it important to invest in stable internet connection as a part of its general maintenance.

Expansion and development investments are bigger in nature and are planned a few years in advance, in Hungary and Lithuania there is a plan for five years forward. In the USA, this type of investment can cost up to nine million euro, for Europe this investment could go up to eight million euro. Big investments mean construction of new hotels, new wellness centres combined with medical centres in some cases, expansion of wellness facilities, creation of yoga centres, spa centres and new saunas. For some resorts expansion means building of a new wellness resort at a new location.

Type of Investment	Type of change
General Maintenance	<ul style="list-style-type: none"> • Renewing and rebuilding of the existing facilities: hotel rooms, saunas & jacuzzies
Large Investments	<ul style="list-style-type: none"> • Building of new hotels/apartments • New wellness centres • New wellness facilities • New gym facilities • New saunas/renovation of existing ones • Yoga studios • Hotel room modernisation (new furniture etc.)

Figure 3: Difference between General Maintenance Investment and Major Investment

Additionally resorts in North America focus on investing into sales and marketing channels. For instance, a resort in California invests in social media advertisements, moreover, it participates in local and national news. The resort finds important to promote its brand as modern and innovative. A Mexican resort also highlights investments in social media campaigns.

It is worth mentioning that both types of investments, general maintenance and large investments in expansion and development, depend on the wellness resort financial performance and cash flow. The global tourism industry was destabilized by Covid-19 pandemic, therefore, the investment plans for most of the resorts are currently postponed and not considered to be started anytime soon.

5.3. Guests

Motivation

According to most interviewees the guests come for healing purposes and to enjoy the mineral waters. An Icelandic resort mentioned that most national guests come mainly for the refreshments and drinks while in the pool. The international guests tend to come more to also enjoy the nature and scenery. One resort in Colorado mentioned that national and local guests only recently started to understand the

benefits of hot springs while international tourists, especially people from Europe and Asia, have known to love the healing benefits of thermal baths and hot springs.

Target groups

Generally, the resorts' target groups are older people, adults, or couples. Some resorts have seen the shift towards younger millennials and under 30 years old. One Icelandic resort mentioned that their primary target group is international fit travellers visiting the north of Iceland as well as larger groups. Additionally, they said that national guests tend to come as families or big groups whereas international tourists mostly come as couples. The Slovenian and Hungarian resorts highlighted that they also have families as their target groups due to a possibility to combine thermal spa pools and aquapark facilities with slides and attractions suitable for kids. Furthermore, most resorts provided information about growing interest among families with children during Covid-19. In Iceland one resort stated, that children are not their typical target group but nowadays they have much more because they can come for free with their parents.

Difference in guests

Before the international lockdowns, one Icelandic resort mentioned that they have seen a big shift in origins of their guests in 2016/ 2017. The resort became very popular among tourists, and they had to change all signs and their website from Icelandic to English as well. However, since the beginning of the pandemic, the resorts have been facing major differences in their customer profile. The most common consequence was a steady decline in international tourist arrival numbers, as the borders remained closed. Many resorts have stated that prior to Covid-19 their normal clientele was mainly international tourists and travellers. In the United States especially, the resorts stated that domestic tourists are not so aware of the benefits of thermal baths and hot springs compared to people from Europe or Asia. Both Icelandic resorts also mentioned that before the pandemic most of their customers was international but with borders closing, more locals and tourists from neighbouring countries have been visiting their resorts. Moreover, during the first months of the pandemic, the resorts were closed due to governmental restrictions and lockdowns in the countries. The reopening of the resorts was followed by the growing fear of travelling among people (especially to other countries), and decreased number of visitors. Despite a rough start after reopening, the resorts had good summer seasons, due to increased interest of locals, travelling around their home countries. One of the resorts in Colorado even mentioned that they had one of the best years income wise because guests had to book timeslots because guests could not stay longer than their booked time there was more room for other guests. Furthermore, the number of guests at the same time in the resort had been lowered which made the experience for many guests more attractive.

Resort	Pre-Covid	During Covid
<i>USA</i>		
Resort 1 (Colorado)	The guests were mainly international and less local or national.	No international guests but much more national and local guests now.
Resort 2 (Colorado)	Mostly international also but a lot of local families.	International guests stopped 100%.
Resort 3 (South Cal)	Mainly local customers	Mainly local customers
Resort 4 (South Cal)	Customers mostly within 300 miles, and guests from all over the USA, plus international	Customers mostly within 300 miles, and guests from all over the USA, no international customers
<i>Europe</i>		
Resort 5 (Slovenia)	50% locals, 50% international customers.	90% locals, 10% international customers
Resort 6 (Slovenia)	50% locals, 50% international customers.	75% locals, 25% international customers
Resort 7 (Hungary)	Before Covid-19 there were a lot of German speakers from Germany, Austria, Switzerland. There were also a lot of Russians and Ukrainians, they account for one third of all clients.	Covid-19 helped to gain attention from younger generations and guests from Hungary (locals) or from adjoining countries who can't fly now but travel by car.
Resort 8 (Latvia)	Prior to covid, 80% of the guests were locals, and 20% were from Norway, Sweden, Russia, Germany, sometimes from Italy, but not always, and from Finland as well.	Almost no foreign markets exist, only local ones, and the market, in general, has declined substantially. Currently, there are almost 90% locals and perhaps 10% foreigners.
Resort 9 (Hungary)	Before Covid-19, there were 80% of guests coming from abroad, and only 20% from Hungary. And from Germany, Austria, Switzerland there were pensioners (60 or 65+ generation). From Russia there were younger clients (50+ generation). From Hungary there were 30+ generation.	The numbers were lower as the borders were closed, and the resort couldn't have international guests.
Resort 10 (Iceland)	Before Covid-19 a lot of international tourists.	The guests changed from international tourists to mostly Icelandic people. However, a lot of Scandinavian started to come Iceland. They consider Iceland as a safe country.
Resort 11 (Iceland)	Before Covid-19, most of the guests were international.	National travellers replaced international.
Resort 12 (Lithuania)	Prior to Corona, the largest markets were Germany, Israel, and Russia.	Currently, locals increased and international are returning slowly

Resort 13 (Lithuania)	Prior to covid, 80% of the guests were locals, and 20% were from were international.	Currently, only Lithuanians
<i>Mexico</i>		
Resort 14	90% of guests are locals, Americans and Canadians who come to the area between January and March for the migration of birds 10%.	Only locals

Figure 4: Guest Portfolio pre- and during Covid

5.4. Products and Services

Most resorts offer different wellness programs, massages, various types of baths, pools, saunas, steam rooms and fitness studios. Some resorts in Slovenia and the USA also produce their own cosmetics for face and body. As it was mentioned in one of the interviews from Slovenia, they use special thermal water, the dark thermal mineral water, which helps treating skin problems such as psoriasis (see Figure 5). This water is unique not only in Europe but on the global level. All their products are made from this water. Other resorts, for example, one of the Icelandic resorts, sells health and wellness products from different brands, such as bath salts, scrubs, body oils and masks. The Figure 5 below represents differences in temperature and chemical composition of mineral water in interviewed resorts.

Resort	Minerals, mg/l	Temperature °C
<i>USA</i>		
Resort 1 (Colorado)	The five most abundant minerals in the soaking pools are iron, sulfate, chloride, sodium and calcium. In total more than 14 different minerals found in the water. (Natural thermal water).	The family pool is heated to 94° F (34.4° C) and the small wellness pool inside is around 100° F (37.8° C). The 16 small soaking pools are ranging between 98 and 108° F (36.7 - 42.2° C).
Resort 2 (Colorado)	15 different minerals are found in the water. There is Calcium, Chloride, Sodium, Sulfate, Potassium, Magnesium, Manganese, Iron, Zinc, Boron, Lithium, Phosphate, Silica, Fluoride and Nitrogen.	The main and big Pool is kept at about 90° F / 32° C. The therapy or small pool is kept at around 104° F / 40° C.
Resort 3 (South Cal)	Geothermal mineral water, Calistoga volcanic ash mud baths.	Hot temperature
Resort 4 (South Cal)	Element Milligrams/Liter Sodium Chloride 14.8 mg/L Calcium Carbonate 25.6 mg/L Sodium Sulfate 123 mg/L Sodium Carbonate 41.3 mg/L Calcium 10.3 mg/L Sodium 70.0 mg/L Fluoride 3.13 mg/L Total Dissolved Solids 216 mg/L pH Level 9.44	Different temperature: 101.5F – 102.5 degrees (38.61-39.16° C), 55F – 65 (12.77 - 18.33° C).

<i>Europe</i>		
Resort 5 (Slovenia)	Potassium 4.3mg, sodium 7.2 mg, calcium 49.3mg, magnesium 26.3mg, iron 0.05mg, hydrogen carbonate 259mg, chlorine 29mg, sulphur oxide 35.2mg, carbon dioxide 27mg, silicon oxide 31mg, dry matter 335mg, loss on drying 125mg	Temperature of the water coming from the wells is between 58°C and 63°C. Temperature of the water in the pools: 32°C/33°C (hypothermal), 35°C/36 (hyperthermal).
Resort 6 (Slovenia)	Iron and manganese, sodium hydrogen-carbonate-chloride thermo-mineral hyperthermal water.	54°C Black thermal water. Original mineral water temperature 72°C, cooled down to 37-38°C in the pools
Resort 7 (Hungary)	Dissolved and gaseous ingredients in equal proportion, combining the beneficial characteristics of carbonic, sulphuric waters, medicinal waters rich in calcium, magnesium, hydrogen carbonate, and slightly radioactive medicinal waters; the radioactive medicinal mud layer.	The upwelling water temperature is at 38.5°C at the spring. The temperature of the water during summer is about 37°C, during winter it does not drop below 24°C offering a suitable bathing location even during the very cold months of the year.
Resort 8 (Latvia)	Use natural products & the precious amber stone of the Baltics and ESPA products to help nourish and replenish the skin creating a truly personalized and relaxing experience.	Outdoor 1.3m deep pool is heated to 35 to 38 degrees Celsius. The Steam Room is a SPA facility with large volumes of hot steam that creates high humidity environment helping to keep skin supple and hydrated and improve respiratory system & the average temperature in the steam room is 33 – 36 °C. Vitality pool operates at a temperature of 36 °C.
Resort 9 (Hungary)	Dissolved and gaseous ingredients in equal proportion, combining the beneficial characteristics of carbonic, sulphuric waters, medicinal waters rich in calcium, magnesium, hydrogen carbonate, and slightly radioactive medicinal waters; the radioactive medicinal mud layer.	The upwelling water temperature is at 38.5°C at the spring. The temperature of the water during summer is about 37°C, during winter it does not drop below 24°C offering a suitable bathing location even during the very cold months of the year.
Resort 10 (Iceland)	Water filled with silica, algae, and minerals—the bioactive ingredients that endow this unique fluid with its healing, renewing, and nourishing abilities—is drawn to the surface through geothermal extraction wells.	The water temperature in the bathing and swimming area of the lagoon averages 37–39 °C
Resort 11 (Iceland)	The water in the sea baths comes from two drillholes, one located by the cheese barrel and the other by Húsavík harbor.	The geothermal water is approximately 98°C and the warm sea water 22-23°C which is mixed approximately 2/1 to reach water temperature of around 40°C
Resort 12 (Lithuania)	Mineral water springs, therapeutic mud.	The interface for setting the temperature on a water heater will vary by type of treatment.
Resort 13 (Lithuania)	Body treatments with mineral water, sea mud, sea salt etc. Unique minerals extracted from the Sofia source, next to	Water temperature: 26–29 °C. A whirlpool tub with 26 seats and 7

	the 65-kilometre-long Nemunas River loops.	places for lying. Water temperature: 38 °C
Mexico		
Resort 14	Indigenous bath, which recreates the uterus of Mother Earth, with water vapor of aromatic herbs, originated in cultures of Mexico and Central America.	31°C warm water, artificial heating up

Figure 5: Minerals in the Thermal Water and Water Temperature

Some resorts offer additional services, such as manicure, pedicure or amenities like food and beverage as the resorts in Latvia, for example. This resort offers natural spa treatments without the use of machines or injections. There is a leisure area that includes the spa and an area with a pool, saunas and steam rooms. There is a large fitness facility as well. The Mexican resort provides guests not only with hot springs and spa offers but also with their own eco-drinks made from spring water, their own vegetables, and organic foods. It is also important to mention that one of the resorts in Lithuania has childcare services for guests with children. Moreover, this resort provides transportation if a guest arrives from the airport.

Moreover, other resorts have special wellness packages such as a detox package, sports package, or a diet package. They prepare a specialized and customized plan for the guests. It helps to attract different segments of guests. At the resort in California there are special packages for young couples, older couples, individual holiday packages or award packages. At Hungarian resort there is an individual approach to customers. Bathing in the sea with medical water, movement therapy. The first step in their healing programs is always an appointment with a real doctor. Every patient gets an individual approach and individual cure. Also, this resort has a traditional healing method - traditional therapy - since 2015. They have for almost 220 years cure tradition; they have a lot of families that have been working at this resort as doctors through generations.

However, there are the resorts which focus on selling the experience rather than selling different products. For example, one of the resorts in Iceland tries to market itself as an authentic place with the oldest pool in Iceland, and it is their main offering to the guests. It was mentioned in the interview that this pool is the unique selling proposition of this resort. Another example is the resort in Lithuania which offers a variety of services, including body and facial massages, body treatments using the mineral water, treatments for children, a romantic weekend, and a medical area. There are different offers for such as, spa treatments for couples, facial and body treatments for men and women, such as massage therapies, medical services, pool, and sauna.

5.5. Sustainability

Wellness drives economic growth, promotes local products, and brands, and empowers women. It is proposed that the concept of wellness will provide the opportunity to restore traditional methods of

wellness, reduce the mental health epidemic, and promote natural and cultural resources, environmental protection, and sustainable tourism by improving the quality of life and social capital (GWI, 2019 in Andreu et al., 2021, p. 4). Sustainability principles are implemented in resorts' operating processes in the chosen countries. According to the representatives of most establishments, the most common sustainability practices are *solar panels, recycling systems, organic food, geothermal heating of buildings and sidewalks, food waste composting, partnership with sustainable brands, minimization of plastic, reusing water for heating purposes, and collecting local products as well as using less paper.*

Thus, a resort in Mexico is both environmentally and economically sustainable, since it has a solar water heating system, a big recycling system, grows their own organic food, and plastic, aluminum, paper, and glass are recycled and reused at the resort. There is, for example, a resort in Iceland that uses environmentally friendly cleaning products and that buys ecologically friendly products from local producers, and the water is not treated chemically, since the circulation ensures that it will rehydrate completely within two to three hours.

Among the most notable changes is the environmental sustainability demonstrated by a resort in Hungary that utilizes thermal water also for heating purposes. During the night, the normal water is heated, and the adventure pools are heated with thermal water. In Colorado USA, there is a resort that uses Geo Geothermal energy throughout the building, water heating system, and heating system of the property. Another resort in the United States is committed to conserving the natural environment by minimizing resort impacts on the forest and surrounding areas.

In a Slovenian resort, which intends to obtain the Green Key certification, heating is achieved using thermal water and waste is sorted. The sustainability strategies followed in Lithuania and Latvia are based on avoiding plastic and using locally produced products.

5.6. Marketing

Representatives from most establishments list *social media, the Internet, print media, TV advertisements, radio advertisements, local events, inviting journalists and marketing influencers and B2B partnership and partnerships* as the most common marketing channels.

A resort in Iceland demonstrated that the main marketing strategy consisted of customers posting pictures on social media, and that during a pandemic, marketing expenditures were limited, but the trend is expected to change within the near future. Social media, websites, and other channels are commonly used in brand awareness campaigns. Another resort in Iceland puts more effort into quality rather than quantity to attract guests, according to their marketing efforts.

A resort in Mexico uses social media and websites to attract European guests, as a marketing strategy to expand its market in Europe. Resorts in the U.S. rely on local and social magazines, newspapers,

local events, billboards, member programs, promotional packages, social media, and PR sales to attract local customers.

Hungary's establishments utilize a variety of forms of online marketing to reach their customers, such as direct contact, travel agencies, tour operators, articles, printing, television, Google Ads, influencer marketing, YouTube, and PR firms to communicate with potential customers in multiple countries, such as in Russia. A resort in Hungary mentioned that they have different strategies for audiences from different countries and are trying to develop exclusive offers (cheaper offers) in January, because in January they do not have as many guests, so they make exclusive offers to be more competitive in attracting customers.

Aside from social media, the internet, the printed press, billboards, and business-to-business partnerships with tourism agencies in Germany and Austria, TV advertising is the most common media channel used to market Slovenia. Furthermore, the marketing segmentation of a Slovenian resort is more psychographic, with customers categorized into family groups and couples in general, and the resort is geared toward the family sector. For example, Lithuanian and Latvian resorts use a variety of promotional methods, including Internet, TV, radio, and pay commissions to tourism operators' partners, participate in trade shows, local events, collaborate with partners, and create B2B contacts, the invitation of journalists & influencers from abroad, social media, and the Internet to raise brand awareness.

The *unique selling proposition (USP)* is an additional benefit for marketing and promotion of a wellness resort. Moreover, a USP factor of most qualitative interview participants are correlated with the resorts' success. The sampling strategy allowed us to choose resorts that differentiate from competitors in the following:

- *size*, participants from Colorado USA, Iceland, Hungary, Slovenia were *the largest resorts* in the represented countries and world regions.
- *long history*, one research participant from Slovenia operates as a wellness resort for more than 200 years, another participant from Iceland is the oldest resort in the country.
- *aquapark facilities*, one participant was awarded as the largest aquapark in the Eastern Europe, water slides, rides, and other attractions are a great addition to the existing wellness facilities.
- *unique water*, most of the resorts have unique mineral water (two participants have the biggest natural lake with volcanic medical water, one resort has black thermal water).

USP of wellness resorts plays a role of a strong success factor, if marketed correctly, it helps the resort to stand out and it could hardly be copied, which means that substitution risks for businesses are low.

5.7. Future of the Wellness Industry

The representatives of Mexico, Iceland, and Hungary believe that the wellness industry will be a profitable business area in the future, therefore, the demand will be high, and people will be more interested in getting treatments.

In Iceland, a representative noted that rather than going shopping, people prefer visiting wellness resorts to relax. Therefore, wellness is the future of the Icelandic tourism industry, and new facilities are going to open soon. In addition, wellness tourism is likely to grow even more after the recovery from this pandemic, and people will become more interested in treating themselves, as people tend to travel around the country and utilize the geothermal baths as much as possible.

Wellness tourism is less well known in the United States than it is in Europe, according to representatives from American resorts. The representative of Colorado explains that due to the size of their facility and their extensive drive market, they can offer a safe and secure environment, plenty of space, and a wide range of drive options. In addition, another representative from the US suggests that it will be affordable for almost everyone of different income levels, and that the hotel will be built, that international clients will be attracted, that more pools and thermal baths will be added, and that new services such as "Night Walk" will be on the agenda in the future. According to them, the future of the industry in the United States appears promising.

The representatives of Slovenia's wellness resorts believe that wellness tourism will offer more opportunities in the future, but to survive, wellness resorts must be different, unique, and up to date. Wellness trends will remain the same as before Covid-19, but customers are likely to become more health-conscious and demanding.

In Lithuania and Latvia, representatives believe that there will be more facilities available for wellness tourism in the future if there are no border controls, and Covid-19 will increase the importance of wellness tourism based on how people arrive at the destination and its safety.

6. Discussion and Conclusion

The paper started with an in-depth assessment of literature on wellness industry, hot springs, and thermal baths, arguing that, in many ways, the concept of wellness itself is broad and includes many aspects such as body-mind-spirit regimes, harmony, absence of stress and healthy body. The authors of the research considered the differences between wellness tourism and medical tourism in the health tourism context. As of Covid-19 pandemic influence on the tourism industry worldwide, the impact on the wellness businesses is dramatic when it comes to the travels restrictions, specific health, and safety regulations, but the fact that the pandemic increased wellbeing and health awareness might positively affect the future of the wellness industry.

6.1. Contribution of own results regarding the existing literature

The current infrastructure and service portfolios of the resorts have certain similarities and differences. When it comes to the similarities the analysis of the interviews has revealed that most of the wellness resorts participated in the research have *accommodation facilities*, this could include hotels and apartments as shown in Figure 2, *pools with thermal water, saunas, baths, fitness centres, spa centres* which offer wellness services such as varieties of classic massage therapies, body and face treatments and nail treatments. Personalised approach to the customers, when it comes to the wellness package adjustments, is another common thing in customer service approach among all the wellness resorts.

At the same time, not all the research participants have *aquapark facilities*, only two resorts out of 14 produce their own *thermal water skincare cosmetics*, USA wellness resorts include *golf courses* in their infrastructure, moreover, the *wellness packages* provided *differentiate* a lot from one resort to another. The recent wellness trends towards sustainable lifestyle, mental and physical well-being allowed resorts to create new packages for its younger customers. Some packages include detox programs, sport activities and diets in combination with thermal treatments, other resorts combine medical and wellness services in its packages. Differences in the resorts can be found even in the same regions such as Colorado. While Resort 1 focuses mainly on young adults, adults, friend groups and couples Resort 2 focuses on the full spectrum also offering an Adventure River and a Kids Splash Zone.

It is also important to point out that the resorts have *different marketing strategy*. Most of the resorts use different marketing channels, such as social media, the Internet, print media, TV advertisements, radio advertisements, local events, inviting journalists and marketing influencers and B2B partnership and partnerships. However, some resorts pay more attention to quality of the service rather than to marketing strategy and promotion, for example, one of the Icelandic resorts.

The research, in the context of investments, has focused on the recent years' investments and possible future investments. It was revealed that there are two types of investments in the assets, general maintenance, and large investments. The general maintenance cost resorts from 800 000 euro up to two

to four million euro, depending on the size of the resort. Large investments are planned, and the cost can start from eight million euro.

Most of the recent years' investments consider renovation of “worn out” wellness resort assets combined with the focus on wellness trends. Indeed, there was a growth in demand for wellness experience pre-Covid. Therefore, many resorts expanded their accommodation and wellness facilities, they build additional hotels/accommodations, introduced new gym equipment and built additional yoga centres and spa facilities.

Therefore, *the main recommendation of the research* is as follows: renovation of the existing facilities (spas, pools, saunas, gyms, accommodations) is the best way to invest for resorts at the current moment. Future investments must include a development plan with the possibility to expand the existing facilities. The future investment could be large in scale and should reflect the recent wellness trends of the resort's target customers.

The research also focused on guest portfolio, and it is safe to say, that during the pandemic, a new trend towards attracting locals and younger generations emerged, since borders were remained closed, and there was a sharp decline in international tourist arrivals. Moreover, most interviewees mentioned, that people became more concerned about their health and spirit, which brought more possibilities to expand the existing offer portfolio, such as including post Covid programs for instance. The limits on number of people gathering at one place and travel restrictions have paid off as in some resorts' guests found it enjoyable and more attractive to try experiences without crowd of people. Furthermore, some of the resorts also mentioned, that the demand is growing among families, that are becoming one of the most important target groups for summer season. In addition, to get younger generation and more locals guests, all resorts have implied more marketing content on social media (YouTube, Instagram, blogging). To sum up, since the situation with international travelling is still uncertain, as the result, the resorts focus more on their local guests and customers coming with families, than on international clientele.

6.2. Limitations and need for further research

The research results presented above may certainly constitute valuable insights for wellness companies, wellness institutes and resorts, which should take into consideration marketing strategies and investment approaches of the research participants. The results obtained indicate the fact that the future of the wellness industry is promising, however, the current Covid-19 pandemic negatively influences the growth and profitability of all wellness resorts at a global level and postpones any kind of investment and development plans.

At the beginning, this research study was focused precisely on best-practice hot springs and was limited to the amount of participant countries due to the semester length and study workload limits. The

purposive sampling strategy aimed to include the best representative resorts from the wellness industry. However, most of the hot springs did not reply to interview requests and therefore, the sampling is limited with only 14 resorts from seven countries who were willing to participate and share insights. In addition, it is important to mention that there were certain desktop research limitations. The information for North America for example was very little as there were not enough published reports and research on the wellness industry. Furthermore, the authors also faced language limitations, as there were no English speakers in Mexican resorts, the email replies were only in Spanish and the interviews were not possible to conduct. Governmental restrictions due to Covid-19 forced the wellness resorts in Lithuania and Latvia to close for certain time, normal thermal spa business operations were interrupted and the resorts' management either was not possible to reach via work mail or there was no willingness to participate.

Nevertheless, the growth projection for wellness tourism after the Covid-19 pandemic is positive. The research outcomes suggest further wellness research to better investigate the wellness industry in North America. The research results point out that the benefits of hot springs for health are historically well-known in Asia and Europe. In the USA and Mexico however the awareness of thermal bath benefits among the local population is in an emerging state, moreover, thermal spas in both countries are underestimated by researchers.

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