A MODEL FOR SPA TOURISM DEVELOPMENT

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Thesis submitted to the Welsh School of Hospitality, Tourism and Leisure Management in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

2007
DECLARATION

I declare that this work has not previously been accepted in substance for any degree and is not being concurrently submitted for any other degree. I further declare that this thesis is the result of my own independent work and investigation, except where otherwise stated (a bibliography is appended). Finally, I hereby give consent for my thesis, if accepted, to be available for photocopying and for inter-library loan, and for the title and abstract to be made available to outside organizations.

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Wales, November, 2007
Samar Ahmed Hassan El-Rabbat
ABSTRACT

Tourism is critical to the Egyptian economy and spa tourism has been identified as a critical element in diversification of the Egyptian tourism product that is heavily reliant on cultural tourism and particularly focuses on its unique tourism resources – the Pyramids and other monuments. The thesis aims to develop a model of spa tourism development that is translated into a spa tourism development checklist.

The thesis opens with an extant literature on spa industry in terms of its history, current status and implications of the wellness agenda on the spa industry. It then discusses tourism planning and in both linear and non-linear approaches. It then moves on to discuss resort planning and specifically spa tourism and spa tourism resort planning. The literature review concludes with the development of a unified model of the critical success factors for spa tourism development.

The methodological epistemological and theoretical approach of the research is discussed in chapter three and focuses on the selection of key case studies of spa tourism projects, from which critical success factors can be drawn. The cases selected are of the Bath Spa Project in the United Kingdom and Pharaoh’s Baths Spa Project in Egypt.

The thesis then moves on to discuss tourism in Egypt and goes on to explore spa tourism in Egypt and the governmental policies regarding this type of tourism. It then goes on to explore the spa market in Egypt through two examples of successful spas. The case study of Pharaoh’s Baths Spa Project is then discussed and the chapter concludes with identifying a contradiction between the policy and the market in Egypt and draws some critical factors to inform the model and checklist.

Bath Spa Project is then discussed and critical success factors are pulled out of it. The critical success factors identified in both case studies are built into the unified model developed from the literature review and from this a checklist of key issues is developed. The validity and generalisability of the model and checklist are then tested through a carefully selected expert panel, which was unanimously on the soundness of the model and checklist. Comments received from the expert panel were used to produce the final revised versions of the model and checklist.
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<td>B.O.T</td>
<td>Build-Own-Operate</td>
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<td>BISA</td>
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<td>TDC</td>
<td>Thermae Development Company</td>
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CHAPTER ONE

INTRODUCTION

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CHAPTER ONE

INTRODUCTION

1.1 THE PROBLEM

The motivation to undertake this study of spa tourism came through sponsorship by the Egyptian Government and the Ministry of Higher Education to undertake research in tourism planning. The researcher chose to focus initially on the potential of spa tourism development so that the research would contribute to the development of spa tourism in Egypt. Through an exploration of the extant literature on spa tourism planning and an enhanced understanding of the theoretical and practical issues underpinning spa tourism developments, this study is designed to develop a model for spa tourism planning and development. From the model on spa tourism planning and development a checklist is developed to pinpoint the best practice for potential spa tourism projects.

Spa tourism is a form of tourism that has existed for centuries. Evidence from the market for tourism products demonstrates that a specific niche market linked to health and wellbeing is emerging in tourist-generating regions across the world. Elements of the tourism product, such as up-market hotels, have responded to perceived customer preferences for relaxation therapies, including water-based therapies, by investing in new-build spa extensions. Additionally modern enclave resorts, e.g. Centre Parks in the United Kingdom (UK), have integrated spa complexes into their facilities. At the same time the 19th and 20th century stakeholders of spa tourism in Europe, notably France and Germany, have seen a decline in
the fortunes of their spa towns as the previously state-funded health services, that emphasised the ‘curative’ aspects of a spa, have gradually had their funding withdrawn.

Research into present day spa tourism is however in short supply. The majority of references to date focus on the history of spas and examine the past. Above that the literature does not include many references to contemporary spa tourism, despite its resurgence as an element in tourism resort development. There is therefore a gap in the literature, both in the documenting contemporary changes in spa tourism and in conceptualising the practices surrounding spa tourism development in the 21st century.

This study attempts to fill these two gaps through the development of a model for successful spa tourism development from which a checklist for predicting the potential success of spa tourism projects can be evaluated. The critical factors for successful spa tourism development are identified through the development of a pilot study of an established spa in Germany (Bad Saarow) and a detailed case study of a newly re-developed spa in Bath Spa City in Britain as well as a study of the Egyptian spa market. Success factors identified in the case studies and major planning issues concerning spa development discussed in the extensive literature review inform a model of successful spa tourism development. Key questions will be posed throughout the thesis to form a spa tourism development checklist to identify critical success factors contributing to spa tourism development projects.

The validity and generalisability of the model and the checklist is tested through the feedback and opinion of a selected expert panel. The opinions and recommendations of the expert
panel are discussed and a revised version of the model and the checklist developed accordingly.

1.2 RESEARCH AGENDA

The idea of conducting and evaluating a case study of a spa tourism destination in Northern Europe and Egypt came from the lack of references on health tourism planning. The aim of this research is to build a model for spa tourism development. There is no specific model that can be used to forecast the potential success of the spa tourism proposal. The best scenario for developing the model is to export the success factors found in the case studies from Northern Europe and Egypt and incorporate them into a proposed model against which elements gaps in spa development can be identified.

The case study of Bath Spa imposed itself in terms of its geographic location - close to Cardiff. As the researcher is located in United Kingdom it was clearly a case study that could be conducted easily. However, it is also a flagship project and therefore a case that would impose itself on merit. The case of Pharaoh's Baths Spa Project in Sinai, Egypt echoes the Bath case study as a flagship project pioneering big scale spa developments in Egypt and was in the first stages of planning at the time when the research was undertaken.

After extracting the success factors from the three case studies, a proposed model and a checklist are developed. The model and checklist are tested for validity through a carefully selected expert panel, whose feedback comments are used to further revise the model and checklist and final versions developed accordingly.
1.3 AIMS AND OBJECTIVES

The aim of this study is to develop a model of spa tourism development appropriate to an international spa market and to develop a detailed checklist identifying critical success factors which can be used for the evaluation of potential spa tourism developments. This aim will be achieved: through an in-depth study of the evolution and status of spa tourism in Europe and through the development of a case study of a spa destination in the United Kingdom (Bath). Study of a potential spa development project in Egypt will also form inform the list of success factors that feed into the model and the checklist. Analysis of these case studies will enable the building of a model and checklist for spa tourism development, which can be tested.

The specific objectives are:

1. To undertake a critical review of relevant literature relating to tourism planning and spa tourism development and to develop a unified model of spa tourism development;

2. To evaluate the concept of spa resort development in a selected spa tourism destinations in northern Europe as well as in Egypt and to identify critical success factors;

3. To integrate the critical success factors identified in objective two into a refined model of spa tourism development and to develop a checklist for best practice in spa tourism development projects;

4. To test the generalisability of the model and checklist for international spa tourism development through a carefully selected expert panel and to produce revised versions of the model and the checklist.
1.4 OVERVIEW OF THESIS

The thesis consists of seven chapters. This first chapter - chapter one - introduces the research and outlines the research agenda as well as setting the major aims and objectives of the study. This remaining section of the chapter provides an overview of the thesis and its structure.

Chapter two involves a detailed review of the literature relating to tourism planning and development with a particular focus on spa and resort planning. The chapter then focuses on the history of spa tourism development before reflecting on the implications of the health and wellness agenda on the current status of spa tourism in Northern Europe and explores reasons for the decline of British spas and the success of German ones. It establishes the importance of tourism planning in tourism development and outlines the major approaches to the tourism planning process and the steps to successful tourism planning. The process of resort planning is then discussed and the major issues associated with resort planning are highlighted. The discussion of tourism planning issues draws on linear versus nonlinear approaches to tourism planning. The discussion concludes that linear, traditional, Newtonian methods are considered dated and contradict with the dynamic nature of tourism. There is a constant call to adapt more flexible, non-linear approaches in order to reach best results. The chapter draws together a unified model of the critical success factors for spa tourism development that is used in subsequent chapters in the thesis.

Chapter three reviews the research methodologies adopted. A review of the case study methodology highlights the steps involved in the development of a pilot case study and main case studies. The chapter goes on to discuss the application of the case study methodology
to the chosen case studies (Bad Saarow and the Bath Spa Project, Pharaoh’s Baths Spa Project). It also discusses the theoretical and epistemological perspectives that inform the researcher’s choices.

Chapter four reviews tourism in Egypt and identifies the characteristics of tourism in Egypt. It then goes further to discuss the spa tourism in Egypt as well as the spa market and the governmental plans for spa tourism and how the international market for spa tourism and the Egyptian government’s plans for spa tourism contradict with each other. The review of tourism in Egypt not only acts as an introduction for the case study of Egyptian spa development, but also identifies some critical issues which need to be considered in local and national development plans. The chapter then discusses a potential spa tourism development in Sinai, from which some success factors of spa development are identified. These then, together with factors extracted from Bath Spa Project case study, inform the development of the checklist.

Chapter five foregrounds the case of the Bath Spa Project – a flagship spa tourism development project against the backdrop of the historic Georgian City of Bath. A review of the spa facilities and treatments provided is undertaken. The critical success factors of the case study are drawn out and collated into a series of lessons learnt. These are in turn integrated into the unified model developed in chapter two and from this a checklist of success factors for spa tourism development is developed.

Chapter six verifies the model and the checklist through extensive discussions with a carefully selected expert panel, whose members are invited to express their opinions on the model and
the checklist and to recommend suggested changes based on their own experiences of spa tourism and spa development. This results in the development of revised versions of the model and the checklist.

Chapter seven concludes the thesis by highlighting the major findings and reviewing the contribution of this research. Chapter seven also provides an outline of the limitations of the research and in the light of these proposes recommendations for further research. The thesis concludes with some personal reflections of the researcher on the whole research process.
## CHAPTER TWO
### LITERATURE REVIEW

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2.1 INTRODUCTION

As the title of the thesis indicates, the main aim for this research is to build a model for spa tourism development. 'Spa' and 'tourism planning and development' are the two key concepts that this chapter discusses. Section 2.2 discusses the spa industry – its history, current status and the impact of wellness agenda on the spa industry. Tourism planning is key to successful tourism development, however traditional, linear approaches towards tourism planning are considered dated and unsuitable for managing the dynamic nature of tourism. Sections 2.3.1 attempts to understand tourism planning through traditional approaches, which are linear in character, going through tourism planning levels in section 2.3.2 and tourism planning processes in section 2.3.3. Section 2.3.4 discusses tourism planning in complex systems, which are non-linear in character and demonstrates that tourism planning is best understood holistically as part of a bigger system, whose components interact and influence each other dynamically. Section 2.4 specifically discusses resort planning. A unified model for spa tourism development planning is extracted from these discussions and presented in section 2.5. This model is revised after undertaking the case studies in chapters 4 and 5.

2.2 SPA INDUSTRY

2.2.1 History of spas

The word ‘spa’ is the name of a Belgian town where the use of water for medicinal reasons first started in 1326 (Patmore, 1963). Collin Le Loupe, a Liege iron-master, founded a health resort at a fountain of water containing iron and claimed that he was cured using it (Thomson, 1978). Spa is the
old Walloon word for fountain, and the town that was founded around the fountain took the name 'Spa' (Thomson, 1978). Two hundred years later it became an English term, referring to a place with a mineral spring, able to cure various diseases. The use of the word was attributed to Timothy Bright who gave the name 'the English spaw' to 'Tewit well at Harrogate' (Patmore, 1963). The word spa is also rooted in the Latin language and means "salus per aquam." that means "health from water" (Croutier, 1992).

In the Oxford English Dictionary (1989) the word 'spa' is defined in three ways:

*With capital.* 1. The name of a watering place in the province of Liege, Belgium, celebrated for the curative properties of its mineral springs. 2. A medicinal or mineral spring or well. 3. A town locality, or resort processing a mineral spring or springs.'

It is widely known that Romans were the founders of spas, however Romans were not the first or only ancient civilization to use social bathing; they were the civilization that perfected it (Hembry, 1990). Social bathing was used by numerous civilizations including the Egyptians, Mesopotamians, Minoans, and Greeks (Yegül, 1996). The ancient Babylonian word for physician is translated as 'one who knows water' (Yegül, 1996). Greeks associated the power of healing with many springs and there are many legends proving the value the ancient Greeks gave to water. When Ulysses returned from Ithaca, he found his father, Laertes, in a poor state of health and he recommended warm bathing to cure him. By the fifth century BC this idea of healing waters was well incorporated in medical practice and many places where patients could come for treatment were built. These contained baths and springs and many were built near mineral or thermal springs - such places were called Asklepieia (Yegül, 1996).
At an early stage man has discovered how significant water is. He found that by drinking certain waters he could dissolve stones in his bladder, and by drinking other waters he could restore the functionality of his bowels. Some more precious waters when used internally and externally could cure women from barrenness. Hence water with these properties became sacred and an object of pilgrimage (Yegül, 1996). Two doctor-priests of Greece set up the first organised health resorts, which were called sanctuaries and were usually built beside springs or on the slopes of mountains (Turner, 1967). Turner gives some examples of these establishments at Epidaurus, Cos, Pregamum and Tricca. The cures offered there were a blend of faith healing, hydropathical and nature. Spas have long been used for cure or for its medical properties that were able to help cure several diseases. Therefore there has been a long debate where spas should be associated with: medical studies or tourism studies (Economist, 1990, 1996).

Turner (1967) relates interesting stories of how people were treated at that time; he mentions that at Epidaurus, which a cult took hold of in the fifth century BC, the sick had to purify their bodies and then sleep in a portico among sacred snakes. When they were fortunate the god would come to them in their dreams and prescribe their cure. It was believed that the tongues of snakes, which licked the sick in the night, transmitted the messages of god. Another story of ‘cure’ was that of Cleo, who gave birth to her long-delayed son as soon as she left the temple. The story goes further to say that the boy scampered off on his own accord to the fountain and washed himself. Another woman with a monstrous tapeworm, which no physician was able to remove, came to Epidaurus. However the god was temporarily absent and the two attendants removed her head and searched her side until they gripped the worm ‘an animal of great size’. After removing the worm they were not able to restore the head and when Asclepius returned he scolded his servants for taking on more duties than those in their power and restored the head. Sometimes the god did nothing more than prescribe a change of diet or exercise, or both. A group of patients was ordered to sail across a stormy bay.
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eating honey and acorns and to vomit as much as they could. The mentally disrupted were
instructed to write poetry or invent comic mimes.

As time passed, the emphasis shifted from magic and faith healing to physical treatment: curative,
bathing, dieting, exercise, herbal medicines and simple surgery. Other factors were very important to
these sanctuary-spas; they were built in serene surroundings, as beauty and peace were recognised
as curative aids. Other elements were added to sanctuaries, such as theatres and other forms of
amusement (Yegül, 1996). It is said that these sanctuaries were an inspiration for the founders of
many other spas, such as Bath and Cheltenham. It is not very surprising that sanctuaries of ancient
Greece continued to attract the sick until long after the dawn of Christianity (Turner, 1967).

As Fegan (2002) points out the Romans took over the concept of the healing powers of water.
Roman citizens bathed daily in the now famous Roman Baths. The Romans soon developed baths
on a massive scale and baths became an established feature of Roman life. It is unclear when the
Romans used the first public bath, but during the reign of Caesar Augustus from 27 B.C. to 14 A.D.,
there were approximately 170 baths throughout Rome (Fegan, 2002). While many of these were
public baths, they were primarily built as garrisons and used by the soldiers of Rome. While the
Roman soldiers had used baths for decades as a way of easing the wounds of battle, by 43 A.D., the
Roman public began to take on a different view of baths and bathing (Fegan, 2002). Until about the
second century BC, only wealthy Romans possessed baths. At this time, citizens of Rome began to
view baths as a way of providing rest, relaxation, and comfort to all people, not just those weary of
war. It was after this time that public interest in baths began to peak. After that time, gradually public
baths began to appear (Fegan, 2002). Romans taught people how to respect their bodies and during
Roman times many baths were built surrounded by other facilities, such as colonnades, courts,
gardens, resting places and wrestling places. In short a luxury social life was created around water
(Turner, 1967). In 70 A.D., the Romans built a spa and dedicated it, as a shrine consisting of a reservoir around the hot springs at Bath, a complex series of baths, and a temple, to the honour of the goddess Sulis Minerva. As the Roman Empire grew, so did the number of public baths. By the year 300 A.D., there were over 900 baths throughout the empire (Fegan, 2002).

Baths were an important part of the daily life of both Roman men and women of all social classes and the ancient Romans managed to transform it into an art. While members of the Roman upper class frequently built private baths in their home or villa, they still favored the public bathhouses that were present throughout the Roman Empire. These large public baths were known as thermae and frequently spanned several city blocks. There was a fee for using the thermae, but it was minimal and could be afforded by most free Romans (Turner, 1967). However, the fee for women to use the public baths was twice as much as the fee for men. Roman men and women observed separate bathing times. While there were some baths that allowed mixed bathing, this practice was generally considered in poor taste and no self-respecting Roman woman would be caught bathing in the presence of men. Mixed baths were seen as a venue for prostitutes to promote their trade. Baths were typically open to women from daybreak until just after noon and for men from about 2:00 in the afternoon until sunset. Baths were rarely used in the evenings. A visit to the bath would traditionally last several hours and include exercise, bathing, and socializing (Turner, 1967).

Roman baths were adorned with lavish decorations. The structures themselves were open and filled with natural light, complemented by high, vaulted ceilings. Walls were covered with mirrors and the pools were lined with the finest marble of the day. In addition, mosaics of intricate patterns were found throughout the bath. The first room entered by visitors to the baths was the dressing room or apodyterium, the predecessor of our modern day locker room. This room was filled with shelves and cabinets for visitors to store their personal belongings. The well-to-do bathers would often bring a
servant or two to guard their belongings from thieves that frequented the baths to prey on unprotected valuables. For those bathers who did not have servants, an attendant could be paid a small fee to watch over belongings. It is not entirely clear as to what Romans wore when they were bathing, but it is not likely that they bathed in the nude. Rather, it is thought that they wore a type of light dressing gown and sandals to protect their feet from the heated floors of the other bathing rooms.

Upon exiting the apodyterium, Roman men had their bodies oiled by slaves of the bath and began their exercise regimen. This most often consisted of activities, such as weight lifting, wrestling, various types of ball games, or running. The gymnasium or exercise area was known as the palaestrae. Roman men were more likely to utilise these facilities than women, who used baths primarily for bathing and socializing. Turner (1967) describes the noises of the spas at that time and mentions that the ordeal of bodily renovation was not a silent one. He tells us of Senere, who around AD57, lodged beside a public bath and was distracted when he heard:

the groans of the muscle men as they exercised with lead weights and the whistling of their released breath; the voice of the man who liked to hear himself declaiming in the bath; the slap-slap of massage; the sounds varying when operators used flat or hollow palms; the ball player counting the score; the yells of revellers and arrested pickpockets; and the cries of the hairpluckers who were silent only when exacting yells from the patients whose armpits they were depleting.

(Turner, 1967: 22)

The baths of Diocletian (A.D.245-313) contained as many as 3000 rooms. By the time of Emperor Constantine, before the end of the Roman Empire, there were 860 baths and 11 large thermae in Rome, many of which were used for hygiene purposes.

After exercising, bathers entered the tepidarium, a room where they would prepare for their bath. The first step was to remove the oil from their body. Oil was used as a substitute for soap, which was
reserved for only the very wealthy in ancient Rome, then scraped off with an implement known as a strigil, removing dirt and grime with it. Upon completing this step, bathers were ready to enter the caladarium. This room was very hot and filled with steam, created by sunken pools of hot water. Some baths also included a room that was very hot and dry, very much like our modern day saunas, called a laconicum. Visits to the hot rooms were followed by a visit to the frigidarium. As the name implies, this room was cold and served to close pores that were open from sweating in the hot rooms. This room also frequently contained either a small pool of cold water for washing away sweat or a large pool of cold water for swimming. These rooms also provided patrons with the opportunity to receive massages with perfumed oils. Major (1939, cited in Thomas, 1978) in A History of Medicine describes the procedures of the bathing as follows:

The patrons in these baths first entered the Apodyterium, where they were undressed and massaged; then sent to the Tepidarium, which was warm and balmy; then to the warm Sudatorium, which produced marked sweating; then into the hot bath, the Calidarium; and finally into the cold bath, the Frigidarium.

(Major, 1939 cited in Thomson 1978: 4)

Romans used a system of furnaces called a hypocaust for heating baths. The floor of the bath was raised off the ground by numerous pillars. This system was under the floor of the baths and utilised the hot air from a furnace, or praefunium, which consisted of several fires in the basement of the bath, tended by slaves. This hot air flowed through a system of wall ducts and was very efficient at heating both rooms and water. In fact, bathers had to wear sandals in order to prevent their feet from being burned. Those rooms that required the most heat, such as the caldarium or laconium, were built closer; while rooms requiring little or no heat, such as the frigidarium, were built the furthest from the furnace.

Hygiene was not the only reason for using spas. Leading Roman physicians, such as Galen, used spa therapy to treat a range of major diseases including diseases of the joints and the urinary tract.
Roman baths were very social places and, in addition to a gymnasium area for exercising, the largest baths often included gardens, a library or reading room, restaurant, bar, marketplace, even museums or theatres that featured jugglers, acrobats, and recitals. Bathers moved from room to room at a leisurely pace, enjoying the company of fellow Romans and all the amenities the baths offered (Yegül, 1996).

The Romans did not limit their use of spas to Italy but some historians record hot springs at Wiesbaden and hot and cold springs in the Pyrenees. The Roman Empire spread over many countries and everywhere they invaded they built baths. Many of these spas still survive to the present day and are considered amongst the leading spas of Europe, including: Aquae Gratianae (Aix-les-Bain), Aquae Calidae (Vichy), Aquae Grani (Aachen), Aquae Augustae (Dax), Aquae Mattiace (Wiesbaden), Aquae Pannonicae (Baden bei Wien), Aquae Sulis (Bath), Aurelia Aquensis (Baden Baden), Aquineum (Budapest), and Vicus Aquarum (Baden in Switzerland) (Hembry, 1990).

With the demise of the Roman Empire, came the demise of the Roman bath. While they were not entirely phased out of existence, those in the furthest outliers of the empire frequently fell into ruin. This did not mark the end of the influence of the Roman bath. The natural hot springs in Bath, England (as will be discussed in detail in chapter five) have continued to be recognised for their therapeutic properties since their use by the Romans. This trend carried itself forth throughout history and made Bath one of the most notable ancient spa cites. At Bath, the springs generate more than one million gallons of mineral water at 120 Fahrenheit (49°C) each day. This mineral water contains numerous elements, such as magnesium, potassium, sulphur, and calcium. Even today, visitors marvel at the ingenuity of ancient baths by viewing the ruins of the steam rooms and the furnace. In the 11th century, the King's Bath was built over the ruins of the temple of Sulis Minerva at Bath. This was originally built as part of an infirmary, but by the 12th century, the magnificent healing powers of
the hot springs prompted the founding of Saint John’s Hospital at the site. Henry of Huntington, one of those involved in the founding of the hospital said:

Where the hot springs...supply the warm baths which stand in the middle of the place, most delightful to see and beneficial to health...infirm people resort to it from all parts of England, for the purpose of washing themselves in these salubrious waters; and persons of health also assemble there, to see the curious bubbling up of the warm springs, and to use the baths.

(Granville, 1971:423)

In the Middle Ages an epidemic of syphilis swept over Europe in the latter part of the fifteenth century and the early part of the sixteenth century. This led to the closure of public baths as they were instrumental in spreading the disease. However spa therapy never stopped completely and it was believed that mineral springs had a magical curative power. After the Renaissance, the medical benefits of mineral water were taken into consideration and referred to by medical practitioners in their writings.

In the mid-17th century the leisure choices of the wealthy classes were restricted to visits to large provincial towns. The assertion by medics that certain spa locations could offer a ‘healthy’ experience led to an interest in spas as alternative places to visit. The popularity of a visit to a spa, therefore, grew for the wealthy classes. By the Elizabethan Era, the popularity of the hot springs at Bath had increased greatly and expansions were made upon already existing baths (Towner, 1996).

At this time, the use of spas was becoming more widely accepted throughout Europe and by the 16th century, the Kings Bath, Cross Bath, and Hot Bath drew many visitors who were searching for cures to various illnesses and ailments. These baths were the driving force of the economy of the city of Bath and in 1574, Queen Elizabeth I visited Bath, prompting the aristocracy of England to take notice of the benefits of Bath’s natural springs. This visit led to the creation of the Queen’s Bath, built beside the King’s Bath, in 1576. In the years following, other royals, such as Charles II, James II, and Queen
Anne all frequented Bath, bringing with them the English aristocracy. By the turn of the 17th century, the popularity of Bath had increased so greatly, that the city was rebuilt to accommodate its newfound economic development and success.

This growth and development continued into the 18th century. At this time, both the Hot Bath and Cross Bath were rebuilt and enlarged. In 1738, the Royal Mineral Hospital was constructed as the healing properties of Bath's hot springs gained notoriety. It is interesting to note that, while Romans took care to protect their modesty, the English had no qualms about bathing in the nude with members of the opposite sex. John Wood the Elder, one of the men responsible for the creation of the Royal Mineral Hospital, wrote:

_The Baths were like so many Bear Gardens, and modesty was entirely shut out of them; people of both sexes bathing by day and night naked._

_(Granville, 1971:433)_

As the years passed, the development of baths and spas spread throughout and they became increasingly elaborate.

Spas were built in secluded mountain towns and provided visitors with majestic mountain vistas. This practice was especially popular in the 18th and 19th centuries. At this time, it also became a practice for spas to be staffed by medical professionals who prescribed and carefully monitored the treatments provided to each visitor, perhaps a precursor to our modern-day medi-spas. The treatments of this time were not sophisticated by modern standards and consisted primarily of either soaking or drinking. These spas were tremendously successful and they grew rapidly, eventually expanding to add restaurants, casinos, and accommodations for entertainment, such as symphonies or racetracks. This opulence was enticing to European royals, who held such events as state dinners and royal weddings in these settings. In an effort to maintain their upper-class clientele, spas worked
diligently to maintain treatments that were innovative. This remains the practice among spas throughout Europe, even today.

By European standards, American spas are still in their infancy and the differences between American and European spas are manifold. Traditionally, Europeans have viewed spas as a venue for the treatment of present illnesses and the prevention of future ailments. In addition, Europeans also placed special emphasis on the importance of spas in helping visitors relax by combating the stresses of everyday life. In contrast, traditional American spas have maintained their focus on wellness, attracting individuals who are already healthy with programs in nutrition, exercise, and beauty. More recently, American spas have begun to adopt numerous new programs in areas such as meditation and spiritual communication. This is, of course, excepting specialty spas, such as medi-spas, which maintain their focus on providing alternative treatments to numerous illnesses and ailments. Over time an increasingly affluent middle-class used the developing transport infrastructure to emulate the wealthy. Spas expanded to accommodate these new spa consumers.

Low (1989) confirms that the concept of the ‘Kur’ or ‘the taking of the water’ in Europe is very seriously taken as a therapy in modern medicine. He adds that spa medicine plays a part in the treatment of a variety of diseases as the environment of the spa resort aims to enhance physical and psychic well being of the individual by promoting health activities. Bywater (1990) raised the question of where the medical side of the spas business ends and tourism begins. He thinks that it is a ‘touchy’ question within the industry however it is a question that is fundamental to any discussion of where spas fit into the travel and tourism picture.

2.2.2 European spa tourism today
The trend nowadays in Europe is shifting towards preventative measures rather than cure. Goodrich and Goodrich (1987) mention in this respect that there is a much greater concern about diet, exercise and preventative health measures. The image that the contemporary spas are promoting is 'health and young' rather than 'ill and old'. In response to that the tourist industry has created health resorts offering more leisure facilities than medical ones. The Bath Spa project, for instance, is based on 80% leisure and 20% medical. Bad Saarow in Germany offers a lot of leisure facilities and activities. Economist (1996: 54) also stresses this point:

Opinion is likely to remain divided as to whether and to what extent medicine and tourism can co-exist side by side in spas and health resorts. However those resorts that have resolved the dichotomy and found a balance between the two appear to be among the most successful today.

The fortunes of the spa industry in the UK and other northern European countries have differed considerably. For example, Bacon (1997) has shown how the decline of UK spas can be contrasted with those in Germany. Bacon (1998) argues that the failure of English spas and the success of German ones are due to economic reasons. He challenges the conventional explanations that the rise in the fashionability of seaside resorts was the reason for the failure of the inland British spa resorts. He discusses the fact that the British spa resorts in the 18th century were used as a model for spa developers in other European countries. He called the newly-developed spas in the European countries ‘second generation spas’, which continue to succeed in contrast to the first generation spas - English spas – which have declined.

Another argument Bacon (1998) challenges is that of consumer taste and he wonders why consumer tastes changed within UK but not elsewhere in Europe. He differentiates between Anglo-Saxon capitalism and the state-managed capitalism of Germany and suggests that these differences are the major contributory factors to the decline of the English spas. Bottom line in this argument is that
health wellness and well-being play a big part in the spa industry. This will be discussed in the following section.

2.2.2.1 Defining wellness

The origins of the term ‘wellness’ go back to the American doctor Dunn in 1961, who put together the two English words ‘well-being’ and ‘fitness’ to form the new word ‘wellness’ (Nahrstedt, 1999). The World Health Organization (WHO) defines the state of the health in the context of the well-being in 1948 as the state of a full body, mind, soul and social well-being. The word ‘fitness’ was developed in 1953 within the then new “Sport for all” movement in the USA (Nahrstedt, 1999). The development of the wellness definition is illustrated in figure 2.1.

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<td>Sport for all</td>
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Figure 2.1: Development of the wellness definition [Source: Nahrstedt, 1999]

Many authors use the term ‘wellness’ in their publications, (e.g. Travis, 1984; Ardell, 1986; Benson and Stuart, 1992; Greenberg, 1997). Ardell (1986), for example, interprets wellness as a state of health featuring the harmony of body, mind and spirit with self-responsibility, physical fitness/beauty care, healthy nutrition/diet, relaxation/mediation, mental activity/education and environmental sensitivity/social contacts as fundamental elements.

Nahrstedt (1999) develops a model positioning the wellness and medical tourism under the umbrella of the health tourism. This model is illustrated in figure 2.2.
Figure 2.2: The positioning of medical and wellness tourism as sub-segment of health tourism [Source: Nahrstedt, 1999]
Muller and Kaufman (2001) also attempt to position the health tourism according to demand and draw the different types that come under it. This model concurs with the model of Nahrstedt (1999) in identifying two different components under the health tourism, namely medical and wellness tourism. The model of Muller and Kaufman (2001) is illustrated in figure 2.3.

![Diagram]

**Figure 2.3: Demarcation of wellness tourism in terms of demand** [Source: Mueller and Kaufmann, 2001]

Muller and Kaufmann (2001) mention that due to the lack of a standard definition of wellness and differing interpretations of it, wellness products are not clear-cut and develop an expanded wellness model as shown in figure 2.4. This model clearly shows the components for wellness, which include mind, body, health and relaxation. These are made by a conscious motivation from the person as shown in the expanded wellness model shown in figure 2.4.
Kickbush and Payne (2003) stress the new demand for wellness and point out the most visible signs of the "wellness revolution" in the massive volume of electronic and print media that focuses on
health and wellness. Tourism has responded to this revolution and expanded on upgrading existing facilities and building new ones that cater for wellness in its different forms. In this respect the Timesonline (accessed January, 2005) mentions that many hoteliers are aware of the necessity of having a spa in order to be competitive. The fact that attitudes toward health have been changing, with the focus of health moved away from the treatment of disease towards the prevention of disease, puts the health agenda into a different context based around the ability to enjoy and control one's life differently - preventing illnesses, trying to reduce stress, controlling diet, widening interests, fulfilling potential, living more holistically and energetically and staying active for longer (Timesonline, accessed January, 2005).

2.2.2.2 Impact of the wellness agenda on spa industry

Spas are places which integrate medicine and leisure tourism to promote healthy lifestyles (Economist, 1991, 1996). The word 'spa' has gradually moved from the traditional role in curing disease towards promotion of health and wellbeing. The British Spa Federation reflects this through the adoption and categorization of the evolution of spas into three main chronological phases from historical through traditional to contemporary. The definition of the British Spa Federation however tries to maintain the traditional use of water within the spa, but emphasises the new function that emerged on spas in response to the new trend as follows:

1. **Historical-** A spa, holy well or spring was a special place where natural spring waters were reputed to bring relief and cure from a range of ailments. These waters engendered strong spiritual association and mystical understanding

2. **Traditional-** Spas with a tradition of being centres for healing and rehabilitation, being based on hydrotherapy administered under medical supervision. Recreation and relaxation are also encouraged alongside social interaction and entertainment.

3. **Contemporary-** Presently spa facilities are dedicated to physical and emotional well-being. Spas must use water as the primary medium for the delivery of therapies and treatments. Based on the use of natural mineral springs wherever possible, the contemporary spa provides for relief, rehabilitation and sports injuries through the spectrum of care to integrated medicine and contemporary treatments, de-stressing and relaxation to the beauty and pampering end of the
Spas create unique environments which must respect the natural assets of their site and location. (http://www.spabusinessassociation.co.uk, accessed January 2005)

The growing awareness of wellness and the extensive media coverage on well-being has created a niche market strongly focused on the trend for good health and the promotion of a 'feel good' factor. The response of the industry towards this niche market has been strong in terms of meeting the growing demand for the new trend. Not only has the new trend of wellness impacted on the definition of spas but also on their infrastructural arrangements. Harmsworth (2004) identifies different European spa types - hotel spa, city centre hotel spa, resort spa, destination spa, health farms/retreats, day spa and medi spa - each of which targets a specific type of client. The International Spa Association (ISPA) website (accessed January 2005) categorises spas into seven types from an American point of view:

- Day spas
- Destination spas
- Medical spas
- Mineral springs spas
- Resort/hotel spas
- Cruise ship spas
- Club spas

These two categorisations overlap. Harmsworth’s categories will be discussed in turn.

**Hotel spa**

Harmsworth (2004) mentions that hotel spas may have flexibility in offering spa treatments to day spa clients, depending on their locations and facilities. Other customers may include club members and
hotel guests. According to Harmsworth (2004) the average stay in a hotel spa is one to three nights. Mid-week hotel stays are dominated by business visitors. The spa facilities in a hotel can be used by corporate visitors to enhance their stay and strengthen their loyalty. On the other hand, spa facilities in a hotel increase weekend occupancy and guarantee repeat visits for both business and leisure. Harmsworth (2004) stresses the importance of convenient access to hotel spas for day spa clients and club members.

**City centre hotel spa**

This type of spa has emerged in response to the extensive demand for wellness and well-being within a very busy lifestyle. This type of spas usually targets very busy clients, who are willing to pay more for short treatments and fine facilities. The spa is often restricted on space and tends to be sophisticated and chic and offers holistic treatments.

**Resort spa**

According to Harmsworth (2004) some factors are vital for this type of spa, such as location, climate and environment. Resort spas fall into two categories, a family resort with a spa facility and exclusive spa resorts targeting adult clients and focusing on health and well-being. The spa is an attraction in itself and it offers professional spa facilities, treatments and services which are often a big motivation for choosing to spend the holiday in that particular resort and not in a hotel in the same area, especially when the spa treatments and services are inclusive in the package. In exclusive spa resorts, natural outdoor pursuits and activities are success factors. The average stay at resort spas varies between three to five nights within UK and Europe and may extend to one to two weeks for international visitors (Harmsworth, 2004).

**Destination spa**
The destination spa is the modern-day version of the traditional European spa clinic. In response to the decline of state sponsorship for European health spas, which guaranteed an ongoing customer base, spa managers have had to reconsider the scale of the clinical facilities and the overall 'look and feel' of their spas. Thus, spas focusing exclusively on clinical treatments started to be replaced by spa facilities promoting wellbeing and with a more luxurious 'look and feel' to attract customers who are willing to pay from their own money.

The motivation towards visiting this type of spa is encouraged by the need to change to a healthier lifestyle and to relax. Most of these spas run medical checkups before and after the visit and some treatment programmes are organised in response to medical checkups. The spa therapies and treatments are advanced and holistic. The spa usually benefits from promoting pure natural attributes and the wellness concept of 'back to basics' through natural skin care products and simple food.

**Health farms/retreats**

Health farms are similar to destination spas apart from retaining the old-fashioned 'spa' facilities. Health farms also are not as luxurious as destination spas and professional medical experts supervise treatments offered.

**Day spa**

Day spa is a reflection of the high demand on the wellness and spa boom. It overlaps with other forms of spas and may be located within a hotel spa, resort spa or destination spa. Day spas specialise in offering various treatments to include gym, pool, exercise areas and relaxation areas. Easy accessibility is a vital success factors in this type of spas, within a maximum of two hours traveling time, if they are located out of town.
**Medi spas**

The development of cosmetic surgery in the US has stimulated the expansion of medi spas, which are becoming more popular in the UK. Medi spas offer treatments, which have to be strictly supervised by medical professionals under strict medical guidelines.

**2.2.2.3 Wellness market**

Kickbush and Payne (2003) observe that the health promotion is being increasingly privatised and identify some major driving forces for the wellness revolution. Knowledge is identified as being the major driving force. Due to the increasing health literature, the steady flow of health education and the public sector focus on health, modern societies’ views of health has changed. The sectors within the health market are becoming more and more overlapped. Each sector wants to take advantage of the health boom and all sectors are promoting for health-related products. Kickbush and Payne (2003) identify a major trend in the wellness market, which summarises itself in that the line between food, dietary supplements and pharmaceutical products is becoming harder to draw. In this respect, Kickbush and Payne (2003) mention that pharmaceutical companies are increasingly moving into the wellness market with ‘over the counter’ and ‘prescription’ dietary supplements, preventative medicine and lifestyle drugs.

People respond to this revolution by becoming increasingly aware of the good health and its effect on their lifestyle. Furthermore, the more healthy people are, the harder they can work and the more disposable income they can create. Issues (2002, p.28) highlights the opinion of Alan Britten, the chairman of the English Tourist Board, who mentions that:

*We are working harder, living longer and our basic needs are satisfied, creating more disposable income to spend on our pleasure and leisure... we recognize that good health is an ingredient of the good life*
According to Harmsworth (2004) recent European Spa Association (ESPA) research shows that the motivation of 71% of national and international spa goers is a mix of relaxation and wellness. People are recognizing that stress is an ongoing problem and that they have to learn how to cope with it and to manage it.

Prevailing social trends are the main factors contributing to the popularity of wellness and spa market. Insights (2004, p. A-177) summarise these social trends as follows:

- The presence of an older but fitter generation;
- The younger generation is more stressed and more time-constrained;
- More demanding workloads are disruptive to the work/life balance.

Spas, as they reflect the new definition, are becoming very popular. In the mid eighties a few resorts in the USA began to add spas to their properties. The spa was considered a very big marketing tool to these resorts, not only for customers but also for investors who added new businesses to their properties. During the 1990s resort-based spas began to dominate so that it was said that a resort is not a resort unless it has a spa. Thorpe (2003) also comments that most hoteliers are aware of the necessity of having a spa in order to be competitive. Thorpe (2003) stresses that consumer demand is being met by an ever-increasing supply. The boom in the spa industry is demand-led.

This has in turn created confusion in the definition of a spa. The problem that addresses itself here is how far the new trend of spas fits into the spa industry. Timesonline's (2003) interview with Paul Simons the chairman of the British Spa Federation (BSF) stresses the problem of the blurred definition of what constitutes a spa. Paul Simons also mentions in this respect that *the tourist board
needs to bring in industry standards that will mean something to customers."
"... in the meantime there is no legislation, any hotel or leisure club can call itself a spa."

The above discussion has identified the different kinds of health tourism and has emphasised that it is down to the developer to identify the type of spa that is needed to be developed. Therefore there has to be a distinction between the traditional spas and the newly-developed types of spa in the market. The researcher has identified three main categories of spas in the spa market, as follows:

**Traditional spas:**

The emphasis in this kind of spas is on the natural attributes (mostly mineral water spring) and on the therapeutic abilities of these attributes. There is usually medical supervision and the stay in this kind of spas is usually long. The curing of illness is the main purpose for visiting these spas. The old spas in Germany are a good example of this kind of spa, e.g. Baden Baden.

**Pseudo spas:**

This type of spa has emerged as a response to a growing demand in the wellness tourism. As discussed earlier the modern lifestyle has created a demand for a wide range of quick pampering treatments, for example relaxation, massaging, etc. This type of spa does not support medical treatments and the emphasis is always on demand. Visits are frequent but short to fit with modern lifestyles. Examples of this type of spa can be found in hotels and leisure clubs, for example St. David's Hotel and Spa in Cardiff in UK.

**Hybrid Spas:**

This type of spa, as the name suggests, combines the two previously-mentioned types. It combines the traditional medical side of spa together with the new demand...
on leisure and wellness side of a spa. This type of spa is the contemporary form of traditional spas. It encompasses the natural attributes needed for a traditional spa as well as the modern facilities for quick treatment like massaging, relaxation treatment etc. Bad Saarow in Germany is a very good example of this type of spa. A hybrid spa could tend more towards the pseudo spa or towards the traditional spa. Figure 2.5 shows three hybrid spas: A - tending more towards pseudo spa; B - equal focus on traditional and pseudo spa; C - tending to focus more on traditional approaches. The requirements for each type of spa are summarised in table 2.1.

Figure 2.5: Types of spas
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Table 2.1: Different spa types requirements

<table>
<thead>
<tr>
<th></th>
<th>Traditional</th>
<th>Hybrid</th>
<th>Pseudo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical staff involvement</td>
<td>✓</td>
<td>✓✓</td>
<td>x</td>
</tr>
<tr>
<td>Natural attributes</td>
<td>✓</td>
<td>✓✓</td>
<td>x</td>
</tr>
<tr>
<td>Length of stay</td>
<td>10-15 days</td>
<td>1-15 days</td>
<td>1-6 hours</td>
</tr>
</tbody>
</table>

This classification of types of spas raises a series of points, which will form a part of the checklist, developed in chapter five.

2.3 TOURISM DEVELOPMENT PLANNING: LINEAR AND NON-LINEAR APPROACHES

2.3.1 Linear approaches to tourism planning

Many authors comment on tourism development planning and they all agree about the key role it plays in coordinating tourism development and enabling stakeholder coordination and coherence through the development process (e.g. Pearce 1989; Gunn 1994; Cooper et al., 1998; Godfrey and Clarke 2000). Many definitions are suggested for development. Thomas (2000) relates development to progress implying positive transformation or good change. However Sharpley (2002) suggests the term "development" has been used ambiguously and often descriptively and normatively to refer to a process through which a society moves from one condition to another.

A traditional view suggests that careful planning is needed for successful development. Planning is vital in terms of managing future events. In this respect Inskeep (1991:15) defines planning in general as 'organising the future to achieve certain objectives'. Cooper et al. (1998: 208) emphasise that:
The concept of planning is concerned with organizing some future events in order to achieve pre-specified objectives.

Getz (1987: 3) stresses the role of research and evaluation in tourism planning and elaborates on the contribution of tourism to human welfare and environmental quality in defining tourism planning as:

A process based on research and evaluation, which seeks to optimize the potential contribution of tourism to human welfare and environmental quality.

Getz (1986) explains the evolution of tourism planning and mentions that it can be considered in three distinct phases since the Second World War. The first phase emphasised facilitation of travel. The second phase focused on promoting a systematic approach to tourism planning. However, by the third phase, during the 1960s, tourism was recognised as an industry that was making a major contribution to economic development and thus this phase focused on tourism planning from an economic growth perspective. Potentially in the new millennium we are in a fourth phase with a more balanced view of the positive and negative impacts of tourism where contemporary approaches to tourism planning emphasise triple bottom line sustainability and balance economic, social and environmental aspects in the tourism planning process.

Tourism planning, in the traditional sense, plays a vital role in tourism development. It reduces the 'externalities' of the latter and enhances its positive impacts (Pearce, 1989: 244) in a simple cause and effect relationship. Pearce (1989) observes that recognition of the importance and value of planning for tourism is reflected in the plethora of tourism plans which have been prepared in the last two or three decades.

The World Tourism Organization (WTO) (WTO, 1994: 3) takes a much more focused view of tourism planning and emphasises its significance follows:
Planning tourism at all levels is essential for achieving successful tourism development and management. The experience of many tourism areas in the world has demonstrated that, on a long-term basis, the planned approach to developing tourism can bring benefits without significant problems and maintain satisfied tourist markets. Places that have allowed tourism to develop without the benefit of planning often suffering environmental and social problems.

WTO (1994) also points out the advantages of undertaking national and regional tourism planning, which include: establishing the overall tourism development objectives and policies; developing tourism sustainably (i.e. so that resources are maintained and conserved for future as well as present use); integrating tourism into the overall development policies and establishing close linkages between tourism and other economic sectors; optimizing and balancing the economic, environmental and social benefits of tourism; providing a physical structure which guides the location, types and extent of tourism development of attractions, facilities, services and infrastructure; laying the foundation for effective implementation of the tourism development policy and plan and continuous management of the tourism sector; offering a baseline for the continuous monitoring of the progress of tourism development and keeping it on track. The WTO asserts that proper implementation of these principles in tourism planning will bring substantial benefits to an area.

Lickorich and Jenkins (1997: 169) describe the planning concept as ‘very wide’ in scope however they focus on the tourism system components specifically and point out that it is ‘essentially about the utilisation of tourism assets and their development into a marketable state’.

Although Williams (1998) takes a mechanistic approach to tourism planning, he realised the complexity or the “fragmented nature” of tourism and implies that tourism planning has a number of key objectives, which include:

1. The creation of a mechanism for the structured provision of tourist facilities over large geographic areas;
2. The coordination of the fragmented nature of tourism;
3. Certain interventions to conserve resources and maximise benefits to the local community;
4. The redistribution of tourism benefits.

2.3.2 Tourism planning levels

Tourism planning can take place at different levels. WTO, which recognises the importance of the tourism planning, identifies five different scales of tourism planning as follows: international, national, regional, local and sectoral (Pearce, 1989). Godfrey and Clarke (2000:6) similarly identify that planning takes place at a number of levels from 'national and international level to local communities and individual attractions'. Inskeep (1991) defines the levels and types of tourism planning as follows: international, national, regional, sub-regional, development area land use, facility site and facility design. There are disagreements about the number of levels, therefore, but no dispute that there are levels.

The various levels of tourism planning: international; national; regional/local, will therefore each be discussed in turn in the following sections.

*International tourism planning:*

Traditionally this level of planning is often criticised as being weak in structure and lacks enforcement. International tourism organizations, such as the WTO and the European Union (EU) for example, undertake a limited form of tourism planning (Cooper et al. 1998). The main emphasis at this level is on joint marketing and promotional plans. Countries can join together to form a stronger regional image or undertake market research, which would be ineffective if done by individual countries (Pearce, 1989). International or intraregional planning can be important where the product promoted appeals to international circuit travelers (Pearce, 1989). Despite the weakness of this
level, it has an important role in sponsoring regional tourism projects. In this respect, Inskeep (1991: 34) comments that:

The international planning level is rather weak because it depends on the cooperation of individual countries, but it is nonetheless important for special function activities and is receiving encouragement from international agencies through their sponsorship of regional tourism projects.

**National tourism planning:**

At the national level, economic objectives tend to be the main driver. National tourism planning summarises the tourism development plans for a whole country but usually comprises specific objectives for certain regions within the national boundary (Cooper et al., 1998). Cooper et al. (1998) identify a number of ways in which tourism plans manifest themselves, including: tourism and other policies, marketing strategies, taxation structures, incentive/grant schemes, legislation, infrastructure developments, external and internal transport systems and organizations and education/training and manpower programmes. The main elements of national tourism planning comprise a tourism policy together with a spatial development plan, which should identify:

*major tourist attractions, designation of tourism development regions, international access points and the internal transportation network of facilities and services*

Inskeep (1991: 35)

The plan would consider key infrastructure issues, notably transport (major tour routes and their interconnection), accommodation (quantity and quality standards) and other requisite tourist facilities and services and analyse their socio-cultural, environmental, and economic impacts. A national tourism policy should establish tourism organizational structures, legislation and investment policies, an overall tourism marketing strategy and promotion programme as well as education and training programmes for human resource development. A national tourism development plan should be
broken down into its constituent projects and be accompanied by an implementation strategy to enable the phasing and coordination of individual projects (Inskeep, 1991; WTO, 1994).

Acerenza (1985) argued that planning for tourism at the national level should be undertaken in the light of broader national development goals and objectives. The clarity of these goals varies from case to case – in some instances there may be a firm direction provided by government, whereas in others tourism planners are given little guidance as to the national goals to be achieved through the development of tourism. In many cases tourism plans focus completely on tourism goals with little direct reference to more general goals, hence lessening the possibility that tourism will contribute effectively to national development (Pearce 1989).

In the light of the above definitions this level of tourism planning is understood to consider tourism as an open system that interacts with all systems in the whole country's national development plan. Viewing tourism as part of a bigger system and not only as a standalone, closed system makes it easier to manage and control.

**Regional/ Local Tourism Planning:**

This level of tourism planning is concerned with issues that affect a specific sub-national area. It is usually more detailed than the national level and will vary from area to area depending on the specific needs of each. Cooper *et al.* (1998) also suggest that sub-national or regional plans should not detract from the overall aims and objectives of the national plan or those of another region and ideally they should work in harmony with the national plan as far as local conditions will allow.

Inskeep's list (Inskeep, 1991) of the elements of a regional tourism plan mirror those of national tourism plans and comprise: a regional tourism policy integrated with other policies; a spatial
development plan considering the location of tourism areas and resorts and zoning regulations; consideration of access, transportation networks and distribution of facilities/services; consideration of the type and location of tourist attractions; specification of accommodation (quantity, type and quality); regional level environmental, socio-cultural, and economic considerations and impacts analyses; regional level education and training programs; marketing strategies and promotion programs; organisational structures, legislation, regulations, and investment policies; and an implementation strategy to phase and coordinate individual projects.

2.3.3 The Tourism planning process

McIntyre (1993) explains that planning is carried out through a systematic process ranging from setting objectives, survey and analysis, formulation of the plan and recommendation, and implementation, followed by continuous management. Figure 2.6 illustrates the tourism planning process.

![Figure 2.6: The tourism planning process [Source: WTO, 1994: 12]](image)

This figure clearly views the tourism planning process as a linear process in contrast with the dynamic concept of planning outlined by Cooper et al. (1999). Planning can take a variety of forms; however Cooper et al. (1999) identify that there is a consistent structure that can be applied to the
process of planning. Cooper et al. (1999) divide the planning process into nine steps (see figure 2.7). The first step is concerned with recognizing the study, i.e. what needs to be planned which they see as a vital step forward. After that the objectives or goals for the strategy should be set, i.e. why should there be any development? Following that step is a survey of existing data so that any gaps can be filled by further research if needed. Next is data analysis that enables the formulation of an initial plan followed by several recommendations for the policy or plan implementation. The last step is the monitoring step, which involves a loop for feedback to the initial plan formulation or more fundamentally the objectives and goal setting stage.
Figure 2.7 illustrates the process for preparing a detailed comprehensive tourism development plan. Tourism development involves some major steps, the first one being the study preparation. Recognizing the need for developing tourism, expanding or improving existing development in a planned manner is the key issue in this step. WTO (1994) identifies four main activities in this step -
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formulating the project terms of reference; selecting the technical team to carry out the study; appointing a steering committee; organizing the study activities.

The second step is the determination of objectives and is particularly important because it involves considerations that must be made in relation to the proposed tourism development. Objectives should be determined closely with the government because they are the key drivers for tourism policies and plans. Objectives should be clear, unambiguous, non-conflicting and achievable. Cooper et al. (1999) specify some major objectives commonly found in tourism development plans. High quality and cost-effective tourism development at all levels and respects is the first objective. Tourism should be used to encourage both cultural and economic exchange. Host communities should be the first beneficiaries of tourism development, both directly and indirectly. Objectives of the tourism development should also consider sustainability and the retention of local traditions as emphasised by Cooper et al. (1999: 208):

To preserve cultural and natural resources as part of tourism development and facilitate that through architectural and landscape design which reflect local traditions.

Site and facility development should be used to open up markets both internationally and domestic. As tourism is a major wheel in the economy, maximizing foreign exchange earnings to ensure a sound balance of payment, has to be a development objective. Efforts should be made to attract high spending up-market tourists and employment opportunities have to be increased. Social objectives have also to be considered in terms of objective of raising incomes and employment in peripheral regions slows down or halts emigration.

After setting objectives comes the survey of all elements. As the word ‘survey’ suggests, this step is concerned with collecting both qualitative and quantitative data on all related aspects of tourism.
(WTO, 1994). WTO (1994: 13-14) specifies the data to be collected as including: market information; spatial data; data relating to social, economic and cultural issues; environmental analysis; organizational, investment and legislative arrangements for tourism. These are detailed in turn below.

Market information includes data relating to global and regional tourism patterns and trends (regional here refers to geographically-related countries, e.g. Africa and Western Europe) – information which can be obtained from WTO; analysis of competitor destinations; patterns of tourist arrivals in the country or region; extant and potential tourist attractions and activities; extant and planned tourist accommodation and other tourist facilities and services,

Spatial data includes existing and planned transportation facilities and services, including access to the country or region and the internal transportation system, other extant and proposed infrastructure developments; existing natural resource, land use and land tenure patterns (land ownership or leasing patterns).

Data relating to social, economic and cultural issues covers economic and employment patterns, including employment in tourism, and economic and manpower development plans; physical and social development plans, which may be combined with the economic and manpower development plans. Analysis of the potential impact of the proposed tourism development on the local societies and cultural patterns; existing and already planned education and training programmes and training programmes and training institutions designed to support human resource development for tourism employment.
Environmental analysis relates to environmental characteristics (including such factors as climatic patterns and topography) and environmental quality (including the extent of air, water, noise and visual pollution, congestion, architectural interest and other factors).

Organisational, investment and legislative arrangements for tourism covers existing government and private-sector organisations in tourism, and their organisational structures and staffing; investment policies and availability of capital for investment in tourist facilities, services and infrastructure; extant tourism legislation and regulations.

The next stage is analysis and synthesis. According to Inskeep (1991: 53) synthesis refers to ‘the combination and integration of the various components of the analyses’ and includes, for example, relating the types of tourist attractions to the types of the tourist markets. A very important type of synthesis is identifying the major opportunities or constraints in order to determine future tourism development and to formulate recommendations on developing or expanding and to improve tourism (Inskeep, 1991).

The next stage is policy and plan formulation. Tourism policy lays the basic philosophy for development and effectively sets a map for the future of tourism in the destination (Godfrey and Clarke, 2000). Policy statements, according to Godfrey and Clarke (2000), should be positive, concise and to the point. The policy statement may open with an indication of the general reasons for supporting tourism and then move to a series of specific points indicating how tourism issues will be viewed and addressed. Inskeep (1991) argues that the best approach to formulating tourism policy is to first prepare and evaluate alternative policies and outline plans. He also points out that there is no ideal plan for any area that achieves all the desired objectives. However the optimal plan is one that achieves most of the objectives without causing serious problems and will be developed
through the evaluation of alternative policies and plans (WTO, 1994). During the plan formulation stage steering committees involving and/or consulting appropriately with relevant stakeholder must be involved (WTO, 1994).

Following analysis and synthesis, institutional recommendations can be formulated. Inskeep (1991) mentions that no changes to the existing situation may be necessary for some elements of the plan; however that fact must be explicitly stated. He also mentions that it is important to involve the government and other stakeholders in reviewing all recommendations.

The plan can then be implemented and monitored. Specifying the implementation techniques to be utilised is an important final step and must ensure that the final plan and recommendations are realistic to achieve and implement. Tourism development must be monitored and well managed during and after the implementation, in order to ensure that it is achieving the objectives and reaching the recommended policies. Cooper’s model (Cooper, 1999) demonstrates a very linear approach to tourism in the form of specific steps that follow each other in an ordered sequence. Outcomes from a linear approach are always predictable (McKercher, 1999).

Gunn (2002) defines the structure of tourism in terms of the economic concepts of demand and supply. The importance of Gunn’s analysis of tourism structure is that it points out that successful tourism depends on planning in two economic arenas, not just the one. There must be balance in creating both demand and supply or projects and plans will fail.

**Demand**

Demand in Gunn’s model is population. The first cut of population into a tourist market occurs with the availability of two discretionary resources-time and money; this cut probably produces a potential
global tourist market of certainly less than 10 percent of the world's population. Refinement of the potential tourist population into specific market segments toward whom marketing campaigns and promotions are geared is a cash cow for many marketing and advertising consultants. The work involves survey research and sophisticated multi-vitiate statistical analysis of the results.

**Supply**

Many tourism writers speak about tourism supply and give its components different labels (Jafari, 1982; Murphy, 1985; Mill and Morrison, 1989; Blank 1989). WTO (1994) breaks down the supply factors and classifies attractions into natural, cultural and special types of features and relates the activities to these attractions. Accommodation includes all types of places where tourists can stay overnight for example, hotels, motels and guesthouses. Under the factor 'other tourist facilities and services' comes tour and travel operations, restaurants, shopping, banking, medical and postal facilities and services. Other facilities and infrastructure are required for other activities in everyday life but they relate to the supply factors, these include transportation (air, road, rail, water, etc.), water supply, electricity/power supply, sewerage and solid waste disposal and telecommunications. Because tourism is an inter-related system, provision of adequate infrastructure is also important not only to protect the environment but also to help maintain a high level of environmental quality that is essential for successful tourism as well as advantageous for the local community. Gunn (2002) views supply as composed of five components: transportation, attractions, services, information and promotion. Transportation has to be considered on two levels. First is the linkage between the tourists' place of origin and their destination, second is the destination region's transportation network. A complete planning process should consider provision of all aspects of physical infrastructure: transportation, water, sewerage energy and communications in this structural component.
Attraction, and Gunn's attractions component, should be explicitly expanded to include events, function in two ways in successful tourism planning. First they are the magnets that entice a person to travel to a particular destination to achieve that dreamed of experience. Second they are part of the real tourism experience of a destination region. Service is the other significant experience-generating component of tourism. The focus of this component is accommodation and food and beverage establishments and their personnel. Here appropriate design, good taste and well-trained staff is often the key ingredients to successful experiences.

Gunn's last structural component is information and promotion. It is important to provide each tourist market segment with information and promotional materials that create the experience expectation and bring tourists to a destination. Unfortunately it is this component which has often been badly out of balance in traditional tourism planning to such an extent that resources that should go into training, destination design and physical development have often fallen short. This is less the case now than it was in the late 80s and early 90s. Another aspect of this component is providing good signage in the destination region to ease and direct movement of people.

Gunn (2002) stresses that every part of tourism is related to every other part and this relationship, according to Gunn (2002:33), is guided by a "hidden hand". When these relationships are complementary, the system functions smoothly, otherwise it collapses. Gunn (2002) emphasises that tourism cannot be planned without understanding the interrelationships between the various parts of the supply side, especially as they relate to market demand. The tourism system is market driven and consists of two major categories: demand and supply, which are interrelated as are the various elements that compromise the supply side. This is illustrated in figure 2.8.
Figure 2.8: The tourism functioning system [Source: Gunn, 2002: 34].

Other authors define these elements differently but they all relate to the same meaning, which are the components of the complex tourism system.

As has been discussed earlier in this chapter, spa tourism development, as a type of tourism, also interacts in a dynamic way. The demand for wellness tourism has dominated the market and in response the supply side has had to react accordingly and offer what people want. This explains the transformation of the development of the spa industry from pure 'cure' to the promotion of health and wellbeing. Sometimes suppliers go to the extreme end of the market and offer very basic beauty services as a form of well-being and to reflect the new demand trends for spa. The change in demand for spa tourism has also led planners, hoteliers and spa owners – whether they are private, public or both - to change their plans and/or to expand their existing establishments. Spas that were totally offering medical or cure services began adding other buildings and other services for wellness or well-being. New projects tend to concentrate more on the leisure side of spa, as will be seen in
the Bath Spa Project in UK and in Bad Saarow in Germany, offering more leisure activities than curative or traditional spa services. 100% traditional spas will not be able to compete in an ever-growing market for wellness-oriented spa tourism products.

Tourism development involves many forms and physical types. Not all forms are appropriate for all countries or regions. Many factors control how appropriate certain forms or types of development can take place in a region, including: specific resources; location; tourist markets; tourist policies adopted (Inskeep, 1991). Examples of the different types of tourism development include: resort-based development, urban tourism, special interest and adventure tourism, water transport tourism and residential tourism. In this respect the researcher's main concern is resort-based tourism, which will be reviewed in detail in the section 2.4.

2.3.4 Non-linear approaches to tourism planning

Tourism system approaches to date, although recognising that tourism is a complex phenomenon in nature (McKercher, 1999), focus on the tourism industry itself, concentrating on the interrelationships within the tourism industry rather than on the external system elements that influence tourism outcomes. Consequently the complexities involved in the complex system in which tourism operates are only partially understood. According to Farrell and Twining-Ward (2004) tourism is often managed with incomplete knowledge.

There is a call for promoting the idea that the future for tourism planning lies in complex systems science, which focuses on different elements within the system (Stacey, Griffen, and Shaw, 2000; Farrell and Twining-Ward, 2004). Tourism in a complex system is viewed as a part of a number of interrelated systems and sub-systems, external to the tourism system, which demonstrates a number of behaviours. Many authors identify tourism as an open system and not as a standalone industry,
however the focus until recently has been on breaking down the components of the tourism system in isolation from the bigger system in which tourism operates. Systems model, such as proposed by Mill and Morrison (1985; 1998), are open systems but focus only on breaking down tourism components and do not consider the interrelated external components of the system in which tourism operates holistically. A complex systems approach to tourism, according to Reid (2003), however enables a more holistic understanding of the relationships and behaviours external to the tourism system that have an influence.

Sustainable development in a large part relates tourism to the whole system. WTO (1994) mentions that the environmental planning approaches should be used in order to achieve sustainable tourism. This requires careful surveying and analyzing of the elements of the environment to determine the most appropriate type and location of development. Wahab et al. (1997) point out that evaluating the community's sensitivity to tourism development is the first step towards sustainability, the reason being the benefits that tourism generates for it. Wahab et al. (1997: 40) talks about the principles for sustainable tourism to be used by local planners as discussed in the Globe' 90 Conference, Tourism Stream and Action Strategy for Sustainable Tourism Development as follows:

Tourism planning, development and operation should be part of conservation or sustainable development strategies for a region, a province (state) or the nation. Tourism planning development and operation should be cross sectoral and integrated, involving different government agencies, private corporations, citizens groups and individuals thus providing the widest possible benefits.

Non-tangible qualities of a country, e.g. traditions, culture, environment and politics, should also be sustained. In this respect Maclyntyre (1993) further highlights the importance of agencies, corporations, groups and individuals following ethical and other principles, which respect the culture and environment of the host area, the economy and traditional way of life, the community and traditional behaviour, leadership and political patterns. To achieve this, tourism should be planned
and managed in a suitable manner, with due regard for the protection and appropriate economic uses of the natural and human environment in host areas. Furthermore, tourism should be undertaken with equity in mind to distribute fairly benefits and costs among tourism promoters and host peoples and areas.

Maclyntyre (1993) suggests that researching the nature of tourism and its effects on the human and cultural environment should be made available prior to and during the development. He also suggests that local people should be informed so that they can influence the direction of development and its effects, both in the interests of individuals and collectives. He stresses the importance of the influence of local people and expects them to undertake leading roles in planning and development, supported by government, business, and financial and other interests.

Other recommendations by Maclyntyre (1993) include conducting integrated environmental, social and economic planning analyses before commencing major projects and giving careful consideration to different types of tourism development and the ways in which they might link with existing uses, ways of life and environmental considerations. He also suggests that careful assessment, monitoring and mediation programmes should be conducted to enable local people and other stakeholders to take advantage of opportunities or respond to changes, throughout all stages of tourism development and operation.

WTO (1994) also suggests that the concept of quality tourism should be built into the tourism planning, development and management process. Quality tourism, according to WTO (1994), refers to tourist attractions, facilities and services that offer good value for money and protect tourism resources and attract the kind of tourists who respect the local environment and society.
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Not only does sustainability link tourism with the whole system but it is the nature of development that dictates this link. Cooper et al. (1998:199) for instance suggest that development is:

Infinite and takes place in an ever changing environment. Therefore development plans should attempt to facilitate the desired objectives while taking into account the changing factors that influence not only the objectives but also the means of achieving them.

Braddon (1982) offers a comprehensive definition that unpacks the process of tourism planning as a complex system. Braddon (1982:12) emphasises that the term must be analysed to enable its understanding - ‘an analysis of its constituent elements helps an understanding of the term’. Braddon (1982:18) accentuates the importance of aligning tourism planning with development planning and taking account of a series of supply and demand factors potentially impacting:

Tourism planning is very closely linked with development planning in most parts of the world. The planning process needs to take account of many factors ranging from topography to economy to tourists’ needs. It is subject to a great many external influences which both modify the process and the outcome – the implementation of the plan.

Although not directly mentioned, Braddon’s definition indicates linking tourism planning with other systems that influence and interact together.

However, the importance of levels in tourism planning cannot be ignored and ‘has to operate at various levels - nationally, regionally, locally’ (Braddon, 1982:18). Braddon (1982) stresses the importance of conserving environmental quality, and the achievement of this through careful consideration of spatial planning. Full integration of tourism planning with other socio-economic activities is key to promoting the long-term sustainability of tourism development projects:

Ideally tourism planning should be fully integrated with all socio-economic activities and at all levels of involvement. This would ensure the optimal use of tourist resources with the least social, economic and environmental costs.

(Braddon, 1982:26)
The importance of economic considerations and adoption of a market-orientation are critical success factors in ensuring optimal and cost-effective use of natural resources:

Tourism planning is not just the formulation of plans for the future, it also encompasses implementation of the plans. It is therefore important that the right economic conditions exist for development to take place in accordance with the plan. It is also important that tourism planning is market-oriented, providing the right product for the tourist consumer.  

(Braddon, 1982:28)

Finally, Braddon (1982) emphasises the importance of setting clear aims for the tourism development projects at their outset.

As Mill and Morrison (1998: 3) state ‘the tourism system is like a spider’s web, touch one part and reverberations are felt throughout the system. Tourism does not operate in isolation and can be influenced and impacted upon, both positively and negatively, by the external environment. Importantly, Mill and Morrison (1998: 4) point out that tourism interacts with numerous stakeholders whose goals and interests may not always be compatible.

Sautter and Leisen (1999) realise the complexity of the tourism components and break them down and define the steering committee and the interested parties as ‘stakeholders’, which are likely to include: tourism planners; local businesses; employees; government; competitors; tourists; national business chains; activist groups; residents (see figure 2.9).
A number of other authors adopt alternative approaches to viewing tourism as a system. For instance, Pearce (1989) discusses tourism development in terms of its component parts to build a big picture (attractions, services and facilities, and transport). Gunn (2002) distinguishes between supply and demand aspects of tourism (as discussed earlier) and focusses upon attractions, transportation, information, promotion and services. All authors consider different aspects of the tourism system to explain tourism phenomena and contribute to the study of tourism.

Murphy (1985: 15) adopts a systems approach and defines planning as:

...concerned with anticipating and regulating change in a system, to promote orderly development so as to increase the social, economic and environmental benefits of the development process. To do this, planning becomes an ordered sequence of operations, designed to lead to the achievement of either a single goal or to a balance between several goals.
Inskeep (1991) also adopts a complex systems approach and emphasises the importance of integrating tourism objectives holistically into a country's total development plan and programme and lists a number of reasons for the importance of tourism planning. First, modern tourism is a new activity and some governments and the private sector lack the experience to develop it - a tourism plan and development programme can provide guidelines. Second, tourism is a multi-sectoral activity involving other sectors (e.g. manufacturing, agriculture, historic, park and recreation features, community facilities and services, transportation and other infrastructure) - a tourism development plan enables coordination between sectors. Third, careful and integrated planning enables optimization of direct and indirect economic benefits, which might not otherwise be realised. Fourth, tourism is about using facilities and services to sell visitor experiences – planning is required to match supply to demand without compromising environmental and socio-cultural objectives. Fifth, careful planning optimises the socio-cultural benefits generated from tourism and lessens the problems arising from it. Sixth, tourism planning determines the right type and level of tourism to prevent degradation in the environment. Seventh, tourism planning sustains cultural and natural resources for tourism. Eighth, tourism planning is a tool for revitalizing and upgrading outmoded or badly developed tourist areas as well as developing new tourism areas that allow for future flexibility. Ninth, tourism planning enables specification of the human resource capacity to service tourism development through providing essential training and education, which may require specialist training facilities.

According to the WTO (1994: 5), tourism must be viewed as an integrated and inter-related system; hence tourism planning must aim for integrated development of all parts of the system, i.e. 'both the demand and supply factors and the physical and institutional elements'. Figure 2.10 illustrates the tourist system.
Demand Factors
- International tourist market
- Domestic tourist market
- Residents' use of tourist attractions, facilities and services

Supply Factors
- Attractions and activities
- Accommodation
- Other tourist facilities and services
- Transportation
- Other infrastructure
- Institutional elements

Figure 2.10: The tourism system [Source: WTO, 1994: 5]

The demand factors consist of international and domestic tourist markets as well as local residents who use the tourist attractions, facilities and services, whereas supply factors consist of tourist attractions and activities, accommodation and other tourist facilities and services.

Carlsen (1998) also argues strongly for a systems approach to enable a greater understanding of tourism as it becomes more complex. Carlsen emphasises the need to consider the external influences like social and environmental aspects which interact with the tourism sector. As Reid (2003) contends, many of the problems faced by the tourism industry in the past have resulted from a failure to recognise tourism as a naturally occurring system. Analysis of tourism in the past has taken a reductionist approach, whereby the component parts, such as the economic (demand and supply), geographic or social parts of the tourism system provide the focus (Carlsen, 1998; Reid, 2003). Thus understanding tourism in isolation leads to a partial understanding of tourism (Farrell and Twining-Ward (2004). A systems approach provides a more holistic understanding of tourism which is important in an era where sustainability is linked with new forms of tourism (Carlsen, 1998).

Within the literature there is support for systems thinking as an alternative paradigm view to simplistic reductionist perspectives taken in regard to tourism. However, there are those who argue that
systems thinking still takes a reductionist approach and that the future lies in complex systems science, which focuses on different elements within the system (Stacey, Griffen, and Shaw, 2000; Farrell and Twining-Ward, 2005).

Mill and Morrison's model (see figure 2.11) for example, links the tourism product, promotion of travel, the travel purchase and the shape of travel. The focus of the model is on tourism components, not the interrelated components of the whole system in which tourism operates.
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Figure 2.11: Mill and Morrison's tourism system [Source: Mill and Morrison, 1998:7]
Timothy (1998) examines the importance of co-operation between various planning sectors and integrative tourism development. He argues further that very little had been written about the importance of co-operative efforts between public agencies, different levels of government, and same level political units in tourism planning. In the light of this argument he presented four types of co-operation that can lead to successful integrative tourism, i.e., between government agencies, between levels of administration, between same level politics and between private and public-sector (see figure 2.12).

![Figure 2.12: The four types of co-operation necessary for the development of successful integrative tourism [Source: Timothy, 1998: 54]](image)

Systems thinking lead the way to complex systems science. However Stacey, Griffen and Shaw (2000: 59) believe the weakness of systems thinking is that it fails to adequately explain the role of freedom of individuals and the patterns of behaviour which bring about fundamental changes to an organisation. An underlying theory of causality still exists in systems thinking, whereby explanations of behaviour and sources of novelty are located outside the system (Stacey et al., 2000). In other words, systems thinking suggests that self-organisation from within the system does not bring about changes but these changes are only done due to external influences. Complex systems thinking attempts to explain patterns of behaviour, taking into account individual freedom, through viewing the connections between diversity, conflict and creativity from within the system (Stacey et al., 2000: 83).
The diversity and conflict within a system is a vital component of the system which allows the capacity for spontaneous novelty or self-organisation (Stacey et al., 2000). In essence, ‘creativity and destruction, order and disorder, are inextricably linked to the creative process’ (Stacey et al., 2000: 84). This aspect sets complexity thinking apart from systems thinking.

The Newtonian scientific model, which led to a mechanistic explanation for phenomena, existed for the past 300 years. It contrasts starkly with this new science. Systems in Newtonian thinking were structurally simple, resulting in a linear relationship of cause-effect (Faulkner and Russell, 1997). Systems in a complex systems thinking on the other hand, are inherently complex, have non-linear interactions and do not display equilibrium characteristics. Because complex systems operate over time and scale, they are dynamic in nature, unpredictable, and fluctuate through periods of turbulence and stability (Farrell and Twining-Ward, 2005). While there are periods of stability within a system, stability is never permanent due to the unpredictable outcomes of underlying patterns of behaviour. The view of the world that suggests that systems (economic, health, ecological, tourism) that experience disturbances or perturbations will always return to an equilibrium state has predominantly guided natural and social science research, which includes tourism research (Farrell and Twining-Ward, 2005).

Waldrop, 1992 notices that as a result of Newtonian thinking, a reductionist approach to science has dominated in the scientific community, whereby complex phenomena are explained by being broken down into the simplest components. The relationship between the components has been understood in terms of working like clockwork mechanisms (Waldrop, 1992). Anderla et al., 1997 explain that it is believed that the whole can be more easily understood completely if one understands its parts and the nature of their sum. By breaking down the component parts, linear thinking leads to predictive
outcomes (Byrne, 1998). For example in the equation \((x + y = z)\), the interaction of \(x\) and \(y\) will always result in \(z\). However, as Burns (1998) points out, the real world does not operate in this way, behaviours are not predictable, nor do they produce linear type outcomes. Byrne, 1998: 20 argues that causation is complex in social systems and outcomes of interactions may be the result of multiple causes which when combined, may not necessarily be the 'sum of the separate effects'. Factors influencing interactions are able to reinforce or cancel each other in non-linear ways and therefore outcomes to the system are not simply linear in nature. Thus it is very hard to reduce a complex system to its basic components, not because they do not exist within the system, but because important relational information may be lost in the process (Cilliers, 1998:10).

For example, under a reductionist approach, the explanation of the concept of rain could be approached by breaking the rain down to its various individual components such as the weather systems, heat, humidity, air, water, steam, temperature and so on, and trying to understand each component. A complex systems approach, on the other hand, would take a holistic view and explain the concept of rain by explaining the interrelationships of the individual components within the total system (i.e. the rain). This is to say that each of the individual components of rain in themselves, do not make rain. It is the unique and complex interrelationship of all the components that result in rain and through looking at only the individual components, the relational information is lost. Each component of rain has an effect on the other components but taken individually, they may produce some other phenomena, but not necessarily rain.

Farrell and Twining-Ward (2004: 275) argue that tourism as a field of study appears to be isolated and they admit that conventional, linear methods provide valuable results within a short span, however criticise them of being "wanting" in discussion of sustainability, particularly in the case of unexpected processes and events. Authors conclude that tourism science is largely nonlinear,
integrative, generally inpredictive and characterised by "causes giving rise to multiple outcomes, quite out of proportion to initial input". In their view the problem that faces tourism researchers nowadays is that they were schooled in a tradition of linear, specialised, predictive, deterministic, cause and effect science.

The complexity of tourism as an open system is demonstrated by many authors. Cooper et al. (1998) for example widen the scope of tourism and mention that tourism development is a multi-sectoral activity which brings with it environmental, social and economic impacts; therefore it requires careful planning if it is to be successful and sustainable.

McKercher (1999) argues that many tourism systems models incorporate an underlying assumption that tourism is a linear and deterministic activity which operates in a predictable environment and can be controlled and managed through planning. Tourism, however, is seen by a complex system approach to operate in a dynamic and often unpredictable environment, out of which new behaviours and self-organisation emerges. A complex systems framework allows understanding of the values and perceptions that influence and shape tourism by concentrating on the underlying behaviours and interrelationships of different systems. Walker, Greiner, McDonald and Lyne (1999) believe that viewing tourism as a complex system and understanding the forces that shape it, will enable sustainable tourism development to occur. Farrell and Twining-Ward (2004) propose that a complex systems perspective will allow greater understanding of the links between human and natural systems through non-linear methods, hence a greater understanding of the environmental issues that are associated with tourism's use of natural resources.
Figure 2.13: Model of tourism planning and management based on chaos and complexity theory [Source: McKercher, 1999:430]

Baud-Bovy and Lawson (1998) confirm that a tourism development plan has to conform to the various and often-conflicting parties involved. They also state that the role of national, regional and local public authorities play a major role in tourism development. These roles include planning.
decision-making, monitoring and legislative programmers. Their role also involves investment in infrastructure and facilities, both directly and through incentives.

Tefler (2002) discusses the four main development paradigms, which include modernisation, dependency, economic neoliberalism and alternative development. Tefler (2002) develops a model showing the complexity of the relationship between tourism and development studies, which is presented in figure 2.14. The model shows how all areas of development are interconnected together in a non-linear manner. In this respect Tefler (2002) criticises the fact that there has been little interaction between the fields of development and tourism and that little has been written in the development literature on tourism despite its enormous economic and social importance and its use as a development strategy by developing countries. The importance of tourism to economic development in Egypt will be discussed in chapter four (Spa Tourism in Egypt).
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Dominant Development Paradigm

Global Political Economy

Structure of international tourism production system

Global socio-cultural environment

Tourism consumption patterns and trends

Nature of Tourism Development

Environmental Development

Economic and Political Development

Socio-cultural Development

Community roles/Development

Human Resources Development

Nature of Local/Regional/National Development

Figure 2.14: Model showing relationship between tourism and development studies [Source: Tefler, 2002:4]
Thus it could be argued that a complex system approach is best adopted to manage and plan tourism. It is worth noting that complexity is not a methodology or a set of tools. The theories of complexity provide a conceptual framework, a way of thinking and a way of viewing the world (Kelly, 1998). There is no formal definition for complex systems; however Cilliers (1998) identifies some properties that characterise complex systems, as follows:

- The complex system comprises a large number of elements;
- Elements interact in a non-linear way and have a somewhat short range;
- Feedback loops are present in the interactions;
- Complex systems are open systems and are not in equilibrium;
- Future in a complex system is not an extension of the past, it is rather born in the present.

2.3.5 Summary

From the above discussion it becomes clear that linear models e.g. Cooper (1998) and Gunn (2002) are oversimplifications and do not reflect the dynamic nature of tourism. On the other hand non-linear models reflecting tourism as an open system within a wider development environment are seen as being a more appropriate representation of the complexity of tourism e.g. Braddon (1982), McKercher (1999). The latest thinking represents tourism as open adaptive system, in which "adaptive management" stands out as an effective way of managing the comprehensive tourism system (Farrell and Twining-Ward, 2004: 284).

Table 2.2 shows differences between linear, Newtonian, mechanic models versus complex, non-linear, dynamic models as identified by Faulkner and Russell (1997)
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Table 2.2: The Cartesian-Newtonian versus chaos-complexity models

<table>
<thead>
<tr>
<th>Cartesian-Newtonian Model</th>
<th>Chaos-Complexity Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on 19th century Newtonian Physics (deterministic, reductionist clockwork model).</td>
<td>Based on biological model of living systems (structure, patterns, self-organisation).</td>
</tr>
<tr>
<td>Systems seen as structurally simple, with a tendency towards linear or quasi-linear relationships between variables.</td>
<td>Systems viewed as inherently complex, with a tendency towards non-linear relationships being more prevalent.</td>
</tr>
<tr>
<td>Systems tend towards equilibrium and are driven by negative feedback.</td>
<td>Systems are inherently unstable and positive feedback driven processes are more common</td>
</tr>
<tr>
<td>Individual differences, externalities and exogenous influences that create deviations from the norm are exceptional, noise generating factors.</td>
<td>Individual differences and random externalities provide the driving force for variety, adaptation and complexity.</td>
</tr>
</tbody>
</table>

Source: Faulkner and Russell (1997:414)

2.4 RESORT-BASED TOURISM

This type of development is the most common form of modern holiday tourism and is usually designed to offer a range of facilities and services. Inskeep (1991:199) defines a tourist resort as:

*A destination area that is relatively self-contained and typically provides a wide range of tourist facilities and services including those designed for recreation and relaxation, learning experiences or health.*

Resorts also can be looked at as attractions, which are self-contained. Cooper et al. (1998: 105) define a resort as:

*a place that attracts large numbers of tourists and that tourism endows with special characteristics, so that revenue produced by tourism plays an important role in its existence.*

Inskeep (1991) talks about resort-based tourism and the process of resort planning in detail.
The researcher will review resort planning using Inskeep (1991) as the major source. There are two main principal forms of resorts: integrated resorts and town resorts. Integrated resorts could also include holiday villages. They are developments, planned mainly for tourist use and are oriented to specific features; some examples include ski slopes, national parks, health resorts, major archaeological or historic sites and sometimes a combination of them. The size of integrated resorts may vary. It could range from one hotel to several hotels and other types of accommodation. The types of accommodation within integrated resorts may vary and include: various types of hotels and cottages; self-catering apartments; townhouses; villas. The resort usually contains several tourist facilities and services, recreational and sports facilities, a conference centre or major meeting facilities within hotels. A town resort includes the usual uses and activities of a town community but is economically focused on resort activities. Town resorts are usually oriented to a specific attraction; some examples include snow skiing, a beach, a lake, important archaeological and historic sites, spa facilities and religious pilgrimage. Nowadays there are many spa, beach and ski resort towns in Europe and Egypt.

2.4.1 Resort planning approach

Many writers analyse the cycles that resorts go through - the most famous one is Butler's resort model (Butler, 1980). This theory talks about the stages a resort goes through as follows: discovery, growth, maturity and decline. Butler (1980) however emphasises that resorts are able to rejuvenate themselves in recognizing a rejuvenation stage. Inskeep (1991) concurs with Butler that through the planning process traditional resorts can be rejuvenated with environmental improvements and development of new markets and products. New resorts need not reach the decline stage and can remain viable through the continuing planning process.
Inskeep (1991) mentions various types of resorts to be considered in planning, including beach and seaside resorts, mountain and ski resorts, holiday villages, spas and health resorts. He identifies that resorts are based on two components: attraction and activity. Recreation and learning facilities and services are important components of resort planning and operational management due to market trends towards greater orientation towards activities by tourists.

Inskeep (1991) identifies key steps in his linear model of the resort planning process, which is illustrated in figure 2.15. Each step will be discussed in turn. On the diagram the first step is market and product assessment of the area and results in consideration of the development objectives and identification of the desired type and character of the resort. Following site selection the process moves to consideration of the spatial arrangements of the resort and determination and mapping of external access to the resort and other external land use or transportation issues that might affect resort planning. Community feedback on the resort development and local government policies and regulations that affect the resort and maintenance of close coordination with the local government agencies and community organizations should then be considered. The resort developer must consider socio-economic and infrastructural issues and their impact on the local community, including the local labour supply, as well as housing and community facilities and services for future resort employees and their families. Using environmental analysis maps, the areas of the resort suitable for development, conservation, and other uses can be determined. Facility and land use area requirements can then be mapped and resort-planning principles applied. The number and type of accommodation units to be developed on the designated accommodation sites in the resort can then be determined. Simultaneously, vehicle access points and internal circulation systems can be planned, with a particular focus on pedestrian-oriented and non-polluting types of transport. Plans for other aspects of the infrastructure can then be developed.
Alternative outline composite land use and infrastructure plans should be prepared and evaluated using a matrix technique to ensure that the resort: meets the development objectives and achieves the desired resort type and character; meets regional development objectives; provides the types and number of accommodation units required to meet the targeted market demand; stays with capacity parameters. Positive and negative socio-cultural impacts must be considered, as must the economic feasibility of providing the requisite infrastructure and appropriately phasing the proposed developments. This will enable the optimum plan to be selected and refined.
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Figure 2.15: The Resort Planning Process [Source: Inskeep 1991: 202]
The first stages of resort development are typically planned in more detail than the subsequent stages. Development standards and architectural and landscape design concepts are likely to be established early in the resort planning process. The detailed resort plan allows environmental and social impact assessments of the resort to be finalised and any necessary adjustments made to the plan as well as enabling final economic and financial analysis. Finally, an implementation plan can be prepared. The implementation plan will include: zoning regulations and design review procedures; public and private investment policy; financial plan estimating costs, revenues, cash flows, and financial arrangements, including sources of financing; administrative procedures for development and operation of the resort together with management arrangements; development program for first stage development of the resort; investment brochures and promotion of the resort.

Inskeep (1991) identifies some fundamental principles of resort planning. It is critically important to emphasise the uniqueness of the type of the resort and its environment in order to provide a distinctive image and character. For example, in considering a spa resort development a mineral water source would be key. Inskeep (1991) suggests that if the resort does not possess a unique attraction, the design, planning and landscaping of the resort should act as an attraction in its own right. In either situation he mentions further it is essential to establish a compatible relationship and proper scale between the resort facility development and the natural environment. Planning for a resort should not just consider the resort only. Contact with local residents is important, so that the resort is not an isolated enclave. Thus contact could take place in the nearby towns and villages by developing interesting attractions, such as shopping and museums. Contact with residents must be achieved if residents are going to be encouraged to visit the resort attractions and to use its recreation and commercial facilities.
Other principles of resort planning identified by Inskeep (1991) include:

- conserving any special environmental features to maintain the resort character;
- careful siting and height controls to maintain nearby and distance views of important environmental features, e.g. mountains and beaches;
- zoning of resort facilities and activities to enable efficient use by visitors and to offer contrasting activity areas;
- establishing appropriate relationship between the major accommodation areas to the main resort attraction;
- locating commercial and recreation facilities centrally for convenience;
- controlling traffic access to the resort to limit the amount of traffic in the resort and reduce traffic problems;
- developing efficient and interesting internal circulation networks with adequate off-street parking and good landscaping;
- creating a buffer zone around the resort as a boundary between the resort and adjacent areas;
- providing appropriate public access to the resort and major attractions so that direct contact can be established between locals and tourists;
- providing an adequate infrastructure which is cost-effective to operate in order to prevent environmental problems;
- appropriately designing facilities and landscaping to provide an interesting and attractive setting;
- staying within the environmental capacity of the resort site for long-term sustainability;
- developing adequate housing and community facilities and services for resort employees;
- phasing development in self-contained stages which can function effectively before the later stages are developed.
Gunn (2002) similarly adopts a linear model for the smaller scale of planning: the site planning process that incorporates similar steps to those of Inskeep (1991). This model is illustrated in figure 2.16.
1. MARKET ANALYSIS

2. PROGRAM STATEMENT

SITE SELECTION-REVISED PROGRAM

4. SITE ANALYSIS

5. SYNTHESIS

6. CONCEPTUAL DESIGN

7. FEASIBILITY

8. FINAL PLAN

9. EVALUATION

Figure 2.16: A model site design process [Source: Gunn, 2002: 363].
The nine steps illustrated in figure 2.11 are - according to Gunn (2002) - followed generally in the design of a site for a tourism project.

**Market analysis**

The first step is market analysis. This is a particularly important step in creating the proper project design. Consideration should be given to both potential domestic as well as international travelers. Gunn (2002) is the meaning that understanding the potential travel user is absolutely essential for every project at the site scale in order to create the proper project design. Gunn (2002) uses Forbes and Forbes (1992) recommendation for evaluating several interest travelers. These recommendations include identifying and articulating specific, significant profiles of potential travel groups that contain detailed characteristics, purchasing behaviour, needs and expectations. Recommendations also include developing clear management goals as a foundation to conceive, organise and execute the various roles required to serve the traveler. Determining the existing competencies available to serve these traveler needs and expectations and assessing new market opportunities are also some recommendations of Forbes and Forbes (1992).

**Programme statement**

Programme statement is also an essential step for the success of the project. This step comprises every planned structure and land use intended for the site design project. As will be detailed in the Bath Spa Project case study, programme definition was a major step. Incomplete or wrong programme definition is the major reason for project failure as observed by Motloch (2001). An estimated programme statement will be the outcome of this step, which will be followed by other steps that will suggest needed revision of the programme.

**Site selection**
The site selection and revised programme step is ideally being the collaboration effort of designers and developers. Preliminary studies are usually being made to determine the best suitable site for the planned project. One of the selected sites is superior to all others. Factors need to be considered during the selection phase for example access, extent of land preparation, size, location, and cost, availability of land, land use regulations and relation to competition. After selection, discussions may lead to modifying or revising the programme.

**Site analysis**

Site analysis comes next and involves detailed analysis of the piece of land selected for the proposed project. This analysis includes two part investigations: the first being the description of the internal characteristics of the site, and the second being assessment of external characteristics. Gunn (2002) identifies on-site factors and off-site factors in the site analysis process. On-site factors according to Gunn (2002) include constructed elements, natural resources and perceptual characteristics, while off-site factors include surrounding land uses and their characteristics, external utilities, transportation and negative influences of sounds and smells.

**Synthesis**

The synthesis step is also an important step as this is the step that makes sense of gathered facts. Designers try to experiment functional relationship between the several elements of the project. Also within synthesis two important actions are involved, namely public participation and sustainable assessment. The public must know what is being developed and how the site is going to be used. Public participation can be used through well-managed workshop meetings. The project also must define its intentions towards environmental sustainability, which includes social and economic potential impact as well as impacts associated with natural and cultural resources.
Conceptual design

Conceptual design is the result of the five earlier steps. This is the creative step that involves the conceptualization of the project. This step encompasses imagination of what function each part of the project will have and relationship between all parts.

Feasibility

In the past feasibility has always meant financial feasibility. Gunn (2002) states that today short and long-range sustainability are equally important. Financial feasibility involves an estimate of total capital costs, site development and architectural development. Physical environmental feasibility refers to positive and negative environmental impacts of each of the designs. Assessment of how the project will influence all existing natural and cultural resources is needed.

Final plan

As the name indicates, the final plan includes clear instructions on exactly what is to be built and how. Construction drawings are one part of the final plan that includes precise dimensions for every aspect of development. The second part is the specifications, which include detail description of materials and how they are to be used. The contract is the third and last part of the final plan and encompasses final agreement between contractors and designers and owners. Contracts define the complete costs of construction and schedule of the work to be performed.

Evaluation

Evaluation is a mechanism to assess success of the project after completion that shows how well the design met the objectives. This exercise gives the developer the chance to modify design according to feedback from visitors.
Baud-Bovy and Lawson (1998: 95) confirm that spa resort planning specifically needs special attention to be given to:

- defining the hydrogeological 'protection zone' around the water resource;
- creating an attractive, relaxing atmosphere, with sheltered landscape, interesting parks, gardens and features, attractive approaches and protected surroundings;
- linking accommodation to the spa treatment complex by covered ways (arcades, etc);
- ensuring adequate room for future phased expansion of the resort and for the residential population (which may be in a separate village);
- eliminating vehicular traffic and other resources of pollution as far as possible whilst ensuring adequate access for individuals.

Although the model of Gunn (2002) mentioned earlier provides a framework for resort development planning, it is very linear and fixed, which contradicts with the dynamic nature of tourism. The model has at its basis a much more simplified view of the tourism system and therefore includes a fair amount of limitations and restrictions. It is therefore suggested if this model is used further in this research that it has to widen the scope of the resort and link it with the tourism system as part of a bigger system. Some modifications have to be made to reflect the dynamic nature of tourism as an open system. This will be discussed later in chapter five.

2.5 DEVELOPMENT OF A UNIFIED MODEL OF CRITICAL SUCCESS FACTORS FOR SPA RESORT DEVELOPMENT

The planning literature emphasises the complexity of tourism. It also concentrates on levels of development planning and critically local and national, but not international, development plans in spa resort planning and ultimately success. Resort development plans must complement local and
national development plans and be explicitly mentioned within them. The spa project should be viewed as part of a bigger complex system (tourism), which in turn should be part of a whole bigger system. Governments therefore should adapt a complex systems approach in their national and local development plans in which tourism is dealt with holistically as part of a bigger system, whose components interact (see Figure 2.14). Farrell and Twining-Ward (2004:279) urge a basic understanding of destination in terms of panarchy of systems in order to add substance and meaning and the possibility of discovering how destination character emerges, and how it is kept or enhanced. The planning literature and the resort literature both highlight the interaction between market analysis elements: demand and supply.

From the literature it is possible to identify factors that can influence the success or decline of a spa. Market analysis and identifying the demand patterns are vital steps towards the success of the spa. Supply should reflect to demand through designing a project, which takes appropriate account of available resources.

Market analysis relates to supply and demand factors. Supply factors include: access to potential markets; the availability of investment funding; an infrastructure capacity or potential capacity to service the resort; appropriate levels of professional expertise at managerial and operative levels. Demand factors for spa tourism are complex and there is still no comprehensive model that can lead to a confident generalisation. These factors must be placed within regional, national and international political, socio-economic and cultural conditions. Present-day spas not only serve local and regional visitors, they also depend on the demand from international markets. These include a growing demand for health and fitness-based holidays, an ageing population in the developed world and an increased acceptance of preventative medicine (Economist 1990, 1996). An analysis of success factors in European spas in the Economist (1990: 53) identifies three key factors:
A strong historic belief in the value of spa treatments; acceptance of the value of the treatments by the medical profession; and a willingness on the part of the medical insurers... to reimburse.

However the second and third of these success factors have gone, because of the changing demands. The names of modern day spa treatments echo historic names to reinforce the belief in the value of spa treatments, which underpins their ongoing viability.

These critical success factors are brought together diagrammatically in a unified model of the critical success factors for spa resort development (see Figure 2.17). The model shows the spa resort project nesting within the local and regional development plans. Within the project market analysis of demand and supply determine the project feasibility and the nature of the spa to be developed appropriate to the site selected and lead to conceptual design of the project. In other words the model demonstrates a system within a system. This system needs to involve stakeholders appropriately through aims, objectives, targets and evaluation as well as steering committees (see figure 2.9)
2.6 SUMMARY

This chapter has resulted in the development of a unified model of spa tourism planning incorporating critical success factors. This model will be used as a framework for the development of the pilot case study of Bad Sarrow included in the methodology chapter (chapter three), and the case studies of Bath and Egypt which will be presented in chapters four and five. The case studies will be used to inform the development of a model and a checklist applicable to the evaluation of potential success of spa resort developments in chapter five. The next chapter, chapter three, will outline the research approach and detailed methodology adopted in the development of the case study to achieve the study objectives.
2.6 SUMMARY

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CHAPTER THREE
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3.1 INTRODUCTION

The aim of the research as the title of the thesis indicates is "to build a generic model for spa tourism development" and to develop elements of the generic model into a checklist for spa tourism development. Through the literature review the researcher found that there are gaps in the tourism literature about spa development particularly in relation to the development of a non-linear model of spa tourism development that considers spa tourism development within the context of a wider complex system. Whilst some literature was found on the history of spa tourism, very few references could be found to contemporary spa development. It was therefore decided to try and collect data about more recent spa development through a case study in United Kingdom (Bath Spa Project) (BSP) and in Egypt (Pharaoh's Baths Spa Project) (PBSP). The results from the case studies are presented in chapters four and five and are analysed to identify success and/or failures found. These are subsequently incorporated into a first stage model in chapter five to inform the checklist for spa tourism development (see chapter 5, sections 5.4 and 5.5).

This chapter clarifies the research approach adopted in this qualitative research study to operationalise the objectives identified in chapter one. It presents the research methodology and the epistemological dimensions of the study. Section 3.2 introduces the research design. The following sections provide an answer to Crotty's four questions related to qualitative research. Section 3.2.2 answers the question: What methodology governs the choice and use of methods? This leads to some explanation of case study design (section 3.2.2.1), conducting (section 3.2.2.2) and reporting (section 3.2.2.3). The question of: What methods are proposed to be used? is answered in section
3.2.3. Theoretical approach and epistemology are then discussed in sections 3.2.4 and 3.2.5. Section 3.3 provides an overview of the research design.

The research objectives and how they were implemented are each discussed in turn. Section 3.4 discusses objective 1 - the literature review. Section 3.5 discusses objective 2 and the application of case study methodology to the pilot case study of Bad Saarow (section 3.5.1), the Bath Spa Project (BSP) case study (section 3.5.3) and finally the Pharaoh’s Baths Spa Project (PBSP) case study (section 3.5.4).

Section 3.6 discusses objective 3 regarding the building of the model and section 3.7 discusses objective 4 and the selection of the experts (3.7.1) and the interaction with them (3.7.2). Finally section 3.8 summarises the chapter.

3.2 RESEARCH DESIGN

3.2.1 Introduction

Crotty (1998) identifies four major questions that have to be asked before a qualitative research study can be conducted. These questions relate to four major elements that Crotty argues form the foundation for qualitative research. These questions as posed by Crotty (1998) are:

- What methods are proposed to be used?
- What methodology governs the choice and use of methods?
- What theoretical perspective underpins the chosen methodology?
- What epistemology informs the theoretical perspective?

The answer to these questions provides the four main elements of the qualitative research. The four elements feed into one another as illustrated by Crotty (1998) and shown in Figure 3.1. It is however worth noting that whilst Crotty (1998) illustrates the four elements, he starts with epistemology, going
through theoretical perspective, methodology and ends up with methods (see figure 3.1) he lists his questions starting from methods, i.e. in reverse order.

The epistemology and the theoretical perspective together comprise the theoretical approach. The methodology and methods comprise the practical approach. This division into theoretical approach and practical approach was found to be very useful by the researcher. Matching the order of these to the questions would suggest developing the practical approach first and identifying the underpinning theoretical approach later. In the early phases of the research it was much easier to focus on the methodological choices. Consideration of the theoretical approach came later. Crotty identifies that the theoretical approach is more fixed and the practical approach is more flexible to reflect the specific objectives of the research. Thus methodologies (and methods) were selected.

Figure 3.1: The Four Elements of Qualitative Research. [Source: Crotty, 1998]
according to the specific objectives and later the underpinning theoretical perspective and epistemology were identified.

For both objective two and objective four, both of which involve data collection, the choice of methods was made in response to having selected the methodology to be deployed. For objective two the researcher decided to use a case study approach and selected methods appropriately as sources of evidence. Similarly for objective four it was decided to utilise an expert panel which preceded the selection of appropriate methods to collect data from the experts. Following this the theoretical approach lying behind the methodologies was considered and finally the epistemology informing this theoretical perspective was determined. Thus Crotty's questions as used in this study would be ordered as:

- What methodology governs the choice and use of methods?
- What methods are proposed to be used?
- What theoretical perspective lies behind the methodology in question?
- What epistemology informs this theoretical perspective?

The following sections will consider these questions in this order and will focus on the four elements adapted in this research.

3.2.2 What methodology governs the choice and use of methods?

Objective two as discussed above reinforces the use of case study methodology. Yin (2003) defined case study methodology and distinguished it from other research strategies. He describes case study as being an empirical inquiry that, among other things, investigates a contemporary phenomenon within the frame of its real-life context. The case study methodology according to Yin (2003) is helpful when the boundaries between phenomenon and context are not clearly evident and when multiple sources of evidence are used.
Yin (2003:13-14) further associates case studies with multiple sources of evidence as:

The case study inquiry copes with technically distinctive situation in which there will be many more variables of interest than data points and as one result relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result benefits from the prior development of theoretical propositions to guide data collection and analysis.

Similarly Hartley (2004) asserts that case study research enables detailed investigation of phenomena, within their context that is achieved through collection of data over a period of time. The aim of the investigation usually relates to the provision of analysis of the context and processes, which illuminate the theoretical issues being studied.

Case study research is a heterogeneous activity that covers a range of research methods and techniques. It involves single or multiple case studies, varied levels of analysis and different levels of involvement. (Hartley, 2004)

Case study research is increasingly becoming more used in qualitative research. Hartley (1994, 2004) suggests that case study method is increasingly being used with a growing confidence and that case study is a rigorous research strategy in its own right. Case studies are widely used in organizational studies and across the social sciences. Stake (2000) agrees that case studies have become one of the most common ways to do qualitative inquiry. Yin (2003) also argues that using case studies for research purposes remains one of the most challenging of all social science endeavours.

Yin (2003:2) points out, "The distinctive need for case studies arises out of the desire to understand complex social phenomena". This is due to the fact that "case study method allows investigators to retain the holistic and meaningful characteristics of real-life events" (Yin, 2003:2). Case studies
seem to be the preferred strategy when “how” or “why” questions are being posed, when the investigator has little control over events and when the focus is on a contemporary phenomenon within some real life context (Yin, 1993, 2003). Stake (2000) categorises case studies into intrinsic, instrumental and collective. According to Yin (2003), case studies, can be divided into three main types (explanatory, exploratory and descriptive case studies) depending on the type of research question posed. The case study question is the question that the investigator must keep in mind during data collection, the extent of control an investigator has over actual behavioural events and the degree of focus on contemporary as opposed to historical events.

3.2.2.1 Case study design

According to Hartley (2004:333) research design is "the argument for the logical steps which will be taken to link the research question(s) and issues to data collection, analysis and interpretation in a coherent way". Yin (2003) identifies the following five components of research design as especially important for case studies:

- The research question;
- The propositions;
- The unit(s) of analysis for the study;
- A logic link from the data to the propositions;
- The criteria for the interpretation of the findings.

It is therefore crucial to consider whether the case study will be exploratory, descriptive or explanatory and a key decision to be made is whether the research will be based on a single case study or on multiple cases (Hartley, 2004). In this research multiple case studies were used. The first case study, Bad Saarow, was a pilot case study and was intended to identify key issues relating to case study design to inform the later case studies. The Bad Saarow case was selected due to the
language proximity. However, practical problems related to geographical proximity and the lack of multiple informants. These problems were addressed in the second, and major, case study, which was of the BSP. The third case of the PBSP was selected to further inform the development of the model and checklist resulting from this research. The PBSP has, as yet, not achieved a successful outcome and therefore to reflect the problems it has encountered in the model and checklist were seen to be important.

Furthermore, for case studies, theory development as part of the design phase is essential, whether the ensuing case study’s purpose is to develop or test theory, with theory development taking place prior to the collection of any case study data being an essential step in doing case studies (Yin, 2003). However, depending on the depth and range of the extant literature, the initial focus of the case study may be quite focused or broad and open-ended. Therefore, because the case study strategy is ideally suited to exploration of issues in depth and following leads into new areas of new constructions of theory, the theoretical framework at the beginning may not be the same one that survives to the end (Hartley, 2004). In this study the theoretical framework at the beginning was based strongly on that of Gunn (2002). However Gunn’s approach to resort planning is extremely linear and contracts strongly with more recent non-linear approaches to planning (e.g. Farrell and Twinning-Ward, 2004). Non-linear approaches also proved to better reflect the practical scenarios evidenced by the case studies. Thus the initial theoretical framework adopted did not survive to the end and the theoretical model and practical checklist evolving from this study are inherently non-linear.

Besides, theory development not only facilitates the data collection phase of the ensuing case study, the appropriately developed theory also is the level at which the generalization of the case study results will occur. This role of theory has been characterised by Yin (2003:31-32) as "analytic
generalization" and has been contrasted with a different way of generalizing results, known as "statistical generalization" (Hartley, 2004:331).

Yin (2003) recommends that researchers continually judge the quality of their case study design. Four tests that are commonly used are to assess if the study has construct validity, internal validity, external validity and reliability. Yin argues that these tests should be applied throughout the case study process: during design, data collection, data analysis and reporting. Following these recommendations will "increase the quality of your case study tremendously, and overcome traditional criticisms of the weakness of case study research" (Yin, 2003:242). Table 3.1 summarises recommended tactics covering these four tests and also indicates the ways in which the research design and conduct for this case study responded to these recommendations.
### Table 3.1: Case study tactics and responses

<table>
<thead>
<tr>
<th>Tests</th>
<th>Case Study Tactic</th>
<th>Research Phase in which tactic occurs</th>
<th>Action taken in this research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct validity</td>
<td>Use multiple sources of evidence</td>
<td>Data collection</td>
<td>Use of interviews, documentary evidence archival records and direct participation</td>
</tr>
<tr>
<td></td>
<td>Establish chain of evidence</td>
<td>Data collection</td>
<td>Interview data both taped and transcribed in real time; multiple evidence sources entered into database</td>
</tr>
<tr>
<td></td>
<td>Have key informants review draft case study</td>
<td>Validation phase</td>
<td>Outcome of case studies-model and checklist- were reviewed and evaluated by people responsible for projects.</td>
</tr>
<tr>
<td></td>
<td>study report</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Do pattern matching</td>
<td>Data analysis</td>
<td>Not performed due to the use of holistic analysis that involves breaking down of the data into categories and drawing conclusions based on the data as a whole.</td>
</tr>
<tr>
<td>Internal validity</td>
<td>Do explanation building</td>
<td>Data analysis</td>
<td>Some causal links identified</td>
</tr>
<tr>
<td></td>
<td>Do time series analysis</td>
<td>Data analysis</td>
<td>Not performed in this research, could be considered for follow up work</td>
</tr>
<tr>
<td></td>
<td>Do logic models</td>
<td>Data analysis</td>
<td>Not performed- as it requires time series data</td>
</tr>
<tr>
<td>External validity</td>
<td>Use rival theories within single cases</td>
<td>Data collection</td>
<td>Multiple cases were examined with the help of Gunn’s model</td>
</tr>
<tr>
<td></td>
<td>Use replication logic in multiple-case studies</td>
<td>Data collection</td>
<td>Multiple cases investigated using replication logic</td>
</tr>
<tr>
<td>Reliability</td>
<td>Use case study protocol</td>
<td>Data collection</td>
<td>Same data collection procedure followed for each case; semi structured interviews had the same framework, use of documentation and participant observation.</td>
</tr>
<tr>
<td></td>
<td>Develop case study database</td>
<td>Data collection</td>
<td>Interview transcripts, other notes of direct participation, documentation and archival records entered into database</td>
</tr>
</tbody>
</table>

#### 3.2.2.2 Case study implementation

This section will give a short overview of the main steps in undertaking case studies, drawing mainly from Yin’s (2003) seminal work on case study research.
Evidence collection

According to Yin (2003) there are six possible sources of evidence for case studies: documents, archival records, interviews, direct observation, participant observation, and physical artefacts. Indeed, the case study's unique strength is "its ability to deal with a full variety of evidence—documents, artifacts, interviews, and observations" (Yin, 2003:8). In this study interviews, documents, direct observation and archival records were used (see figure 3.2) as will be described in detail for each case study in section 3.5. Interviews were the dominant method used for data collection. Interviews facilitate the collection of rich qualitative data reflecting the lived experiences of the informants as consistent with the theoretical perspective of phenomenology. Case studies do not imply the use of a particular type of evidence and they can be done using either qualitative or quantitative evidence (or both) (Yin, 2003). Nevertheless, while quantitative data often appears in case studies, qualitative data usually predominates (Patton & Applebaum, 2003).

The strengths and weaknesses of each type are identified in Table 3.2 (Yin 2003).


Table 3.2: Strengths and weaknesses of sources of evidence

<table>
<thead>
<tr>
<th>Source of Evidence</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation</td>
<td>Stable – repeated review</td>
<td>Retrievability - difficult</td>
</tr>
<tr>
<td></td>
<td>Unobtrusive – exist prior to case study</td>
<td>Biased selectivity</td>
</tr>
<tr>
<td></td>
<td>Exact - names etc.</td>
<td>Reporting bias-reflects author bias</td>
</tr>
<tr>
<td></td>
<td>Broad coverage – extended time span</td>
<td>Access-may be blocked</td>
</tr>
<tr>
<td>Archival Records</td>
<td>Same as above</td>
<td>Same as above</td>
</tr>
<tr>
<td></td>
<td>Precise and quantitative</td>
<td>Privacy might inhibit access</td>
</tr>
<tr>
<td>Interviews</td>
<td>Targeted - focuses on case study topic</td>
<td>Bias due to poor questions</td>
</tr>
<tr>
<td></td>
<td>Insightful - provides perceived causal inferences.</td>
<td>Incomplete recollection</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reflexivity - interviewee expresses</td>
</tr>
<tr>
<td></td>
<td></td>
<td>inaccessible</td>
</tr>
<tr>
<td></td>
<td></td>
<td>what interviewer wants to hear</td>
</tr>
<tr>
<td>Direct Observation</td>
<td>Reality - covers events in real time</td>
<td>Time consuming</td>
</tr>
<tr>
<td></td>
<td>Contextual - covers event context</td>
<td>Selectivity - might miss facts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reflexivity - observer’s presence might cause</td>
</tr>
<tr>
<td></td>
<td></td>
<td>change</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cost – observers need time</td>
</tr>
<tr>
<td>Participant Observation</td>
<td>Same as above</td>
<td>Same as above</td>
</tr>
<tr>
<td></td>
<td>Insightful into interpersonal behaviour</td>
<td>Bias due to investigator’s actions</td>
</tr>
<tr>
<td>Physical Artefacts</td>
<td>Insightful into cultural features</td>
<td>Selectivity</td>
</tr>
<tr>
<td></td>
<td>Insightful into technical operation</td>
<td>Availability</td>
</tr>
</tbody>
</table>

Source: Yin, 2003: 80

Documents

Documents could be letters, memoranda, agendas, study reports or any items that could add to the database. The validity of the documents should be carefully reviewed to avoid incorrect data being included in the database. One of the most important uses of documents is to corroborate evidence gathered from other sources. The potential for over-reliance on documents as evidenced in case
studies has been criticised. There could be a danger of this occurrence ‘if the investigator is inexperienced and mistakes some types of documents for unmitigated truth’ (Yin, 2003: 23).

Archival records

Archival records are useful in some studies and include service records, maps, charts, lists of names, survey data, and even personal records such as diaries.

Interviews

Interviews are one of the most important sources of case study information. The interview could take one of several forms: open-ended, focused or structured. In an open-ended interview, the researcher could ask for the informant's opinion on events or facts. This could serve to corroborate previously-gathered data. In a focused interview, the respondent is interviewed for only a short time, and the questions asked could come from the case study protocol. The structured interview is particularly useful in studies where a formal survey is required. The use (or not) of tape recorders during the interviews is left to the discretion of the parties involved.

Direct observation

Direct observation in a case study occurs when the investigator makes a site visit to gather data. The observations could be formal or casual activities, but the reliability of the observation is the main concern. Using multiple observers is one way to enhance the reliability of the data collected through direct observation.

Participant observation

Participant observation is a unique mode of observation in which the researcher may actually participate in the events being studied. This technique could be used in studies of neighbourhoods or...
organisations, and frequently in anthropological studies. The main concern is the potential bias of the researcher as an active participant. While the information may not be available in any other way, the researcher should carefully consider the drawbacks.

**Physical artefacts**

Physical artefacts could be any physical evidence that might be gathered during a site visit. That might include tools, art works, notebooks, computer output, and other such physical evidence.

The data collection principles as suggested by Yin (2003: 21) are as follows: 'Use multiple sources of data; Create a case study database; Maintain a chain of evidence'. Using multiple sources of data means that evidence can be triangulated. Triangulation increases the reliability of the data and the process of gathering it. In the context of data collection, triangulation serves to corroborate the data gathered from other sources. The cost of using multiple sources and the investigator's ability to carry out the task should be taken into account prior to deciding on the use of this technique.

The data that are collected during this phase need to be organised and documented just as it would be in an experimental study. The two types of databases that might be required are the data and the report of the investigator. The design of the databases should be such that other researchers would be able to use the material based on the descriptions contained in the documentation. All types of relevant documents should be added to the database, as well as tabular materials, narratives, and other notes.

In recommending that a chain of evidence be maintained, Yin (2003) was providing an avenue for the researcher to increase the reliability of the study. The procedure is to have an external observer follow the derivation of evidence from initial research questions to ultimate case study conclusions.
Yin (2003) contends that the benefits from these six sources can be maximised if three principles are followed:

- Using multiple sources of evidence;
- Creating a case study database;
- Maintaining an evidence chain.

Gillham (2000: 20) also sees the use of multiple sources of evidence as "key characteristics of case study research" because "all evidence is of some use to the case study researcher: nothing is turned away".

Finally, Yin (2003) recommends conducting a pilot case study as a final preparation for data collection. This helps to refine the data collection plans with respect to both the content of the data and the procedures to be followed. The pilot case study used in this study was the case of Bad Saarow, which is discussed in section 3.6 of this chapter. Lessons learned informed the development of the Bath Spa Project case study presented in chapter five.

Analyzing case study evidence

Data collection and analysis are "developed together in an iterative process," which can be a strength as it allows for the development of theory which is grounded in empirical evidence (Hartley, 2004). Besides, a careful description of the data and the development of categories in which to place behaviours or process have proven to be important steps in the process of analyzing the data. The data may then be organised around certain topics, key themes or central questions, and finally the data need to be examined to see how far they fit or fail to fit the expected categories (Hartley, 2004)
Yin (2003:109) argues that data analysis consists of "examining, categorizing, tabulating, testing, or otherwise recombining both quantitative and qualitative evidence to address the initial propositions of a study". In general, "data analysis means a search for patterns in data" (Neuman, 1997:426). Neuman (1997:426) states that once a pattern is identified, it is interpreted in terms of a social theory or the setting in which it occurred and that the qualitative researcher moves from the description of a historical event or social setting to a more general interpretation of its meaning. In fact, "the ultimate goal of the case study is to uncover patterns, determine meanings, construct conclusions and build theory". According to Yin (2003) there are three general strategies for analyzing case study evidence:

- Relying on theoretical propositions;
- Thinking about rival explanations;
- Developing a case description.

He contends that any of these strategies can be used with five specific techniques for analyzing case studies: pattern matching, explanation building, time-series analysis, logic models, and cross-case synthesis (Yin, 2003).

It is worthwhile mentioning that checking the findings with the case study participants can be a valuable part of the analysis and can enhance validity (Hartley, 2004:30). Besides, the analyzing of data is enhanced by reference to the existing literature and using this to raise questions about whether the researcher's findings are consistent with or different from extant research.

3.2.2.3 Reporting case studies
Results and findings of a case study need to be brought to light. This step is called reporting, numerous forms of which being available, and the typical case study report being a "lengthy narrative" according to Yin (2003:41). Stake (2000:436) on the other hand notes that a "case study is both a process of inquiry about the case and the product of that inquiry" i.e. the report.

3.2.3 What methods are proposed to be used?

The selection of the case study methodology dictates the use of some methods that are incorporated in the case study methodology as identified by Yin (2003). These methods allow the researcher to gain in-depth information about particular cases to be able to evaluate the concept of spa tourism development and to identify success factors. In order to achieve this objective, the use of live cases of spa developments was suggested, in order to extract their success factors. Thus the first proposed method to be used was direct observation, which occurs when the investigator makes a site visit to gather data (Yin, 2003). The researcher also thought of using documents and archival records available on the cases, which include service records, maps, and charts, lists of names, survey data, and even personal records such as diaries. It was also proposed that interviews would be conducted with main informants in the selected cases, so that a deeper view and more first hand information could be sought from them. The detail of the number of interviews, the documents used, archival records and participant observation are shown in application of each case in section 3.5.

3.2.4 What theoretical perspective lies behind the methodology in question?

At the level of theoretical perspective interpretivism or the interpretation of the perspectives of different stakeholders is consistent with a constructionist epistemology. Crotty (1998) identifies three forms of interpretivism: phenomenology, hermeneutics and symbolic interactionism. This research will adopt a phenomenological approach as the wellness agenda and its impact on the tourism industry, particularly the spa industry, can only be regarded as a phenomenon. As will be detailed
later in the chapter phenomenology is best used when trying to unveil the internal structure of meaning.

Interpretivism

The interpretive researcher's assumption is typically that the social world is much too complex to generalise specific empirical findings from one situation to another - a perspective that might be called the 'history' view of generalisation (Walsham, 1995). Walsham argues that the reasons for the outbreak of the First World War are not really generalisable to anything in a strictly empirical sense as the conditions are not likely to repeat themselves. However, some general "principles/heuristics/theories" about the outbreak of the war may be drawn from the specific case of the outbreak of the First World War, which is why policymakers study history (Walsham, 1995: 76). These principles should provide some sort of guidance for future action. It is a complex world, thus it is not possible for any one researcher to fully appreciate when their interpretation will be useful to others. The term "transferability" of research findings, rather than generalising, is used to emphasise the limitations of the research. Walsham (1995) asserts that it is not up to the researcher to even claim he or she knows where their findings can be generalised but for others to identify if the research can be transferred to their situation.

Walsham (1995:78) poses the question "what can be generalised from an interpretive case study?" He adds that the research may be generalisable in the sense that the perspective/principle/heuristics/concepts used could be found to be useful or that there was a richer understanding of the problem domain. This knowledge could be useful for improving future actions. That is, interpretive research can improve generalisability in the areas of:

(a) development of heuristics/principles/perspectives,

(b) generation of perspectives,
(c) drawing of specific implications, and
(d) contribution of rich insight, as opposed to merely wanting to generalise the empirical findings.

Phenomenology

In the light of this definition the researcher used phenomenology to better understand the reasons for success and failure of spa development, i.e. to attempt to understand the meaning. Case study methodology enabled evidence from the lived experiences of spa developers to be integrated into a model of best practice of spa development. Phenomenology generally seeks to gain access to 'things in themselves' without pre-judgment or the influence of theoretical perspective (Crotty 1998:54). Since some of the objectives of this study require gaining access to lived case studies thus the spa projects become the tool to study the phenomenon of spa tourism development which makes this research fall well into phenomenology as a theoretical framework.

Phenomenology is a movement in philosophy that has been adapted by certain sociologists to promote an understanding of the relationship between states of individual consciousness and social life. As an approach within sociology, phenomenology seeks to reveal how human awareness is implicated in the production of social action, social situations and social worlds (Natanson 1970).

The word 'phenomenology' is defined in the Collins English Dictionary (1991: 1168) as:

"1. The movement founded by Husserl that concentrates on the detailed description of conscious experience, without resources to explanation, metaphysical assumption and traditional philosophical questions. 2. the science of phenomena as opposed to by the science of being."

Thus Holloway (2005) perceives phenomenology as an attempt to describe lived experiences without making previous assumptions about the objective reality of those experiences. According to Holloway (2005) phenomenology aims to gain a deeper understanding of the nature of the meaning
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of our everyday experiences and it also aims to describe a person's lived experiences (phenomena) in an attempt to enrich lived experience by drawing out its meaning.

3.2.5 What epistemology informs the theoretical perspective?

In this research the main aim is to construct a model for spa tourism development and to develop a checklist for spa tourism development. This is to be achieved through building up information sought first from literature review (objective 1), then from lessons learned from major case studies (objective 2). These elements are put together to form the "meaning" in a form of a model and a checklist (objective 3). Validity and generalisability is then tested through a carefully selected expert panel (objective 4).

Epistemological approaches include objectivism, constructionism and subjectivism. Objectivism for example sees that meaning and meaningful reality exist as such apart from the operation of any consciousness (Crotty, 1998). A thing is a thing, regardless of whether anyone is aware of its existence or not. That means that it comes into the human knowledge as discovery and not as invention or creation. Scientific research is usually objectivist.

In subjectivism meaning does not come out of communication between subject and object but is imposed on the object by the subject (Crotty, 1998). That means that the object makes no contribution to the generation of meaning, i.e. meaning is created out of nothing. Crotty (1998) suggests that meaning is imported from somewhere else.

Constructionism on the other hand is an epistemological approach that emphasises engagement with the world and mind to reach meaning. Constructionism, as explained by Crotty (1998), is not to create meaning but to construct meaning. The constructivists work with the world and the objectives
of the world and meaning is constructed through the engagement between constructivists and the
world they are interpreting. Crotty (1998) explains further that there is no meaning without a mind.
Therefore constructionism is seen to be the best philosophical epistemology to approach this piece
of research.

3.3 OVERVIEW OF RESEARCH DESIGN

To sum up the research design can be summarised in figure 3.2 as adapted from the four questions
posed by Crotty (1998).
Figure 3.2: Research design

The detail of the application of the methods in this study will be considered in turn for each of the four objectives.
3.4 OBJECTIVE 1: TO UNDERTAKE A CRITICAL REVIEW OF RELEVANT LITERATURE RELATING TO TOURISM PLANNING AND SPA TOURISM DEVELOPMENT AND TO DEVELOP A UNIFIED MODEL OF SPA TOURISM DEVELOPMENT

3.4.1 Developing the literature review search strategy

In this study the main emphasis is concentrated on many keywords that were identified by the researcher. Tourism planning, tourism development, spa, spa history, spa tourism, spa development and spa tourism development are some of the terminology list that was established early in the research process. Alternative terms were also identified to assist in covering the range of literature available on the topic of study and Boolean operators (and, or, not) were also used in the electronic search. Reference databases were searched, e.g. CABI, Hospitality and Tourism index, EBSCO, Science Direct and Mintel. Also key articles, which were relevant to the study, provided some useful bibliographies, which lead to other relevant items. References for articles and books were identified and acquired. These were reviewed and some were excluded for not being suitable or not giving the required flow of the literature. The others were then positively read and main headings were plotted. Slowly the literature review started to grow and the first objective of the study was fulfilled. The literature review produced a unified model that combines the literature on spa with the literature on tourism planning that was identified to be a gap in the body of literature.

3.5 OBJECTIVE 2: TO EVALUATE THE CONCEPT OF SPA RESORT DEVELOPMENT IN A SELECTED SPA TOURISM DESTINATION IN NORTHERN EUROPE AS WELL AS IN EGYPT AND TO IDENTIFY CRITICAL SUCCESS FACTORS

3.5.1 Application of Case Study Methodology to Bad Saarow Case Study

It was decided to conduct the case study of Bad Saarow as a pilot case study. In the researcher attended an international conference in October 1999 about spa tourism in the city of Bad Saarow in Germany. Thus direct observation was the first method to be used. The researcher used the opportunity of being there for a conference and visited different parts of the spa town. The second
source of evidence used was an interview. One main target for interviewing was identified, i.e. the spa director and planner. Permission was sought to interview him and questions were prepared and the interview was conducted in October 1999. It was then transcribed and analyzed. Participant cooperation proved to be a key issue.

Follow up e-mails with the project director were then made, however for some reason there was no reply for a long time. The researcher decided to make direct contact with the director by phone but then found that he had left his position in that particular spa to direct another spa in Germany. Contact with the newly-appointed spa director of Bad Saarow was attempted and more than ten e-mails were sent before the researcher abandoned this approach. A search was undertaken on the Internet to find the contact details of the previous spa director and planner. The researcher made contact with him again and reminded him of her. Then the researcher asked for a follow up interview with him via the e-mail. Although he agreed to it, after the questions were prepared and sent, no answer was received. Three reminders were sent to him, to which he finally replied that he was too busy and he asked if the researcher could re-contact him after one month so that he could have some time to answer the questions. The researcher contacted him again after the specified time with the questions but no answer was being received. Difficulties of access are therefore emphasized. Geographical proximity did not facilitate access to participants.

The researcher had then to rely on the documentation that was collected during the visit to the spa and brochures were used and analyzed to describe the spa of Bad Saarow. This data was supplemented with information from the web site of the spa on www.bad-saarow.de as will be seen in chapter five. Table 3.3 shows the sources of evidence used in the Bad Saarow case study. However the case study of Bad Saarow did not produce the expected results due to the lack of
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information. It is only mentioned in the methodology to present what has been done. Results in chapter five will rely mainly on the Bath Spa Project case study.

Table 3.3: Operationalising Yin’s (2003) six sources of evidence in the Bad Saarow case study

<table>
<thead>
<tr>
<th>Source of evidence</th>
<th>What</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct observation</td>
<td>Visit to the spa</td>
<td>October 1999</td>
</tr>
<tr>
<td>Documentation</td>
<td>Brochures of the spa</td>
<td>1999</td>
</tr>
<tr>
<td></td>
<td>German spa federation publications</td>
<td>1999/2000</td>
</tr>
<tr>
<td></td>
<td><a href="http://www.bad-saarow.de">www.bad-saarow.de</a></td>
<td>1999-2004</td>
</tr>
<tr>
<td>Interviews</td>
<td>Interview with the spa director</td>
<td>October 1999</td>
</tr>
</tbody>
</table>

3.5.2 Lessons learned

The aim of the pilot case study is to pinpoint the lessons to be learnt so that problems could be avoided in the actual or main case study to be conducted. In the Bad Saarow case study the researcher used language proximity (the researcher is fluent in German) as a criterion for identifying the case study. However the lack of success in developing the Bad Saarow case has proved that physical proximity is more important in case studies. Physical proximity not only allows the researcher to visit the case study as frequently as necessary but also to facilitate gathering data from multiple sources.

The second lesson to be learnt was the identifying of multiple informants. In the case of Bad Saarow the main informant was only one person - the developer, planner and spa director. When he
became busy and was no longer appropriately in place to provide the requisite information for the case study, the whole study ceased. Thus the key inclusion criterion that underpinned the selection of the Bath Spa Project case study were:

- Physical proximity
- Multiple informants
- Language proximity

3.5.3 Application of Case Study Methodology to Bath Spa Project Case Study

The Bath Spa Project was selected as a main case study in order to help evaluate the concept of spa resort development in Northern Europe. Table 3.4 shows how Yin’s sources of evidence were used in the Bath case study. Having had Bad Saarow as a pilot case study, physical proximity was one of the first criteria for choosing the case study of the Bath Spa project. Fortunately Bath is only one hour drive from where the researcher resided. The informants are also multiple as the project includes many parties that can be contacted. Language proximity was met by the researcher being fluent also in English. This is shown in chapter five.

According to Yin (2003) the researcher has to specify a unit of analysis for the case study. To specify the unit of analysis for this study the researcher made three initial visits to the City of Bath. Remains of the Roman period were found as well as the spa project, which was in the planning stage. It was decided to exclude the Roman Baths from the study, as they are heritage sites and no longer used as a working spa. The new Bath Spa Project was then taken to be the unit of analysis for the study. The second step was to try and identify the project team and to make a relationship with them. Two major persons were identified; the first one was the project director and the second one was the project co-ordinator. Connection was established first with the project co-ordinator, who agreed to an interview. Multiple informants eased the access issue and enabled the researcher to
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Before going to the interview the interviewee was sent a copy of the eighteen questions, which were mainly aimed at exploring the project and understanding more about it. The interview went very well. Permission was sought from her to tape record the interview. The interview went well however, some questions, e.g. in relation to marketing plans, were not be answered, as they were considered commercially sensitive by the interviewee.

Table 3.4: Operationalising Yin’s (2003) six sources of evidence in the Bath case study

<table>
<thead>
<tr>
<th>Source of Evidence</th>
<th>What</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation</td>
<td>Feasibility study and market research</td>
<td>1997</td>
</tr>
<tr>
<td></td>
<td>Committee Reports</td>
<td>1999-2004</td>
</tr>
<tr>
<td></td>
<td>Spa news letter updates</td>
<td>1998-2002</td>
</tr>
<tr>
<td></td>
<td><a href="http://www.bathspa.co.uk">www.bathspa.co.uk</a></td>
<td>1999-2004</td>
</tr>
<tr>
<td></td>
<td><a href="http://www.bathnes.gov.uk">www.bathnes.gov.uk</a></td>
<td>1999-2004</td>
</tr>
<tr>
<td></td>
<td><a href="http://www.thermaebathspa.co.uk">www.thermaebathspa.co.uk</a></td>
<td>2005-2006</td>
</tr>
<tr>
<td>Archival Records</td>
<td>Planning and listed building application</td>
<td>1999</td>
</tr>
<tr>
<td></td>
<td>Conservation statement</td>
<td>1999</td>
</tr>
<tr>
<td>Interviews</td>
<td>Interview with project co-ordinator</td>
<td>1999</td>
</tr>
<tr>
<td></td>
<td>Interview with operating company marketing director</td>
<td>1999</td>
</tr>
<tr>
<td></td>
<td>Interview with spa director</td>
<td>1999</td>
</tr>
<tr>
<td></td>
<td>Follow up interview with spa manager</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td>Interview with Thermae Bath spa managing director</td>
<td>2006</td>
</tr>
<tr>
<td></td>
<td>Interview with Thermae Bath spa marketing director</td>
<td>2006</td>
</tr>
<tr>
<td>Participant Observation</td>
<td>Twelve visits to City of Bath and the project site.</td>
<td>1998-2005</td>
</tr>
<tr>
<td></td>
<td>Two visits to spa after opening.</td>
<td>2006</td>
</tr>
</tbody>
</table>

Another source of documentation was the local library in the City of Bath where the researcher spent some time searching for information about the background of this project and the history of the Bath
spa. Also some visits were made to the planning office and some photocopies of planning documents as well as some third party opinions. The researcher also was advised to get updates about the project through the project website (http://www.bathspa.co.uk).

A second interview was arranged with the spa director to discuss the wider context for spa projects. The interview went very well and the interviewee was helpful and willing to answer and to discuss the spa industry with researcher. The interview lasted almost two hours and a half, which gave the researcher the chance to know more about the project and the wider context for spa development and to discuss more issues with him.

A follow up interview was then decided to be done with the researcher making contact with the project manager by e-mail. Questions were prepared and focused about the progress and problems encountered so far with the project. Again the permission was sought to tape record the interview, which was then transcribed and analyzed. Analysis resulted in model building, which is discussed in section 3.8 and the resulted model was verified through discussion with an expert panel as explained in section 3.9. The results of revisions of the model and checklist following integration of the comments of the expert panel are presented in chapter six.

3.5.4 Application of case study methodology to Pharaoh's Baths Spa Project case study

The Egyptian case study was selected with the same aim of evaluating the concept of spa tourism development. The rationale for choosing the Pharaoh's Baths Spa Project (PBSP) lies in the fact that it echoes the Bath Spa Project in its flagship for other potential projects. PBSP is the first major spa project in Egypt, which, according to the project consultant, has full government support. Another reason that echoed the BSP was that the PBSP was still in its first planning stages. This
was thought to be an advantage for the researcher in order to gain more backstage information on the process of the spa planning and development.

The researcher identified the main informants for interview to be the project consultant, Dr Shawky Hussein, as an inside informant. An outside informant was identified to be from the Tourism Development Authority, Mr Ashraf Hamdy, who is responsible for spa development projects in Egypt.

First an interview request was arranged with Mr Hamdy, who welcomed it. A semi-structured interview was conducted and documents about spa tourism development plans for Egypt were collected. In the interview Mr Hamdy confirmed that PBSP was one of the priority zones for spa development and reference to the new project was made. He also spoke about the importance of spa development in Egypt, based on the rich natural qualities it possesses. The data gathered are presented in chapter four.

An interview appointment was secured with Dr Hussein to discuss the project. Permission to record the semi-structured interview was requested. The researcher tried to cover all aspects of the project within the interview. Some documents and reports about the project were also collected; however some other documents such as the feasibility study could not be collected as they were regarded commercial sensitive. The researcher also had the chance to view the three dimensional version of the project plan.

Another follow up interview was conducted with Dr Hussein in 2003 to provide some update on the project status. Unfortunately the project encountered some problems with the construction company at that time. This problem has costed the project extra funds and brought it to a standstill.
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Table 3.5: Operationalising Yin’s (2003) six sources of evidence in the PBSP

<table>
<thead>
<tr>
<th>Source of Evidence</th>
<th>What</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation</td>
<td>Report on the PBSP</td>
<td>2001</td>
</tr>
<tr>
<td></td>
<td>Reports on spa tourism development in Egypt</td>
<td>2001-2003</td>
</tr>
<tr>
<td>Interviews</td>
<td>Interview with project consultant</td>
<td>2001, 2003</td>
</tr>
<tr>
<td></td>
<td>Interview with TDA personnel</td>
<td>2001</td>
</tr>
<tr>
<td></td>
<td>Follow up interview with project consultant</td>
<td>2003</td>
</tr>
</tbody>
</table>

Therefore key areas to be explored in the interviews immersion of data emerged from the theoretical framework. These elements of the framework therefore provide a series of headings for the presentation of the results. The interviews were transcribed and then read many times by the researcher to pull out the key issues involved, which were developed into the model. The process of model development is described in the next section.

3.6 OBJECTIVE 3: TO INTEGRATE THE CRITICAL SUCCESS FACTORS IDENTIFIED IN OBJECTIVE TWO INTO A Refined MODEL OF SPA TOURISM DEVELOPMENT AND TO DEVELOP A CHECKLIST FOR THE BEST PRACTICE OF SPA TOURISM DEVELOPMENT PROJECTS

3.6.1 Model building
The main aim of the study is “to build a generic model for spa tourism development”. In this section findings of the research are drawn into a proposed model of spa development which can be used to predict the wide success of potential spa tourism projects. The researcher will review the process of model making in tourism planning and then go through the proposed model to highlight its components.
3.6.2 Model building in tourism

Getz (1986) stressed that the common usage of the term 'model' can be confusing and that it has many connotations. He also mentions that there is a necessity in specifying the nature and purpose of models. Getz (1986) has divided models into two main types: theoretical models and planning/management models, as can be seen from figure 3.3

**Figure 3.3: Classification of tourism models [Source: Getz, 1986]**

To differentiate between the two types of models some explanation will be made in the following section. Getz further subdivides the theoretical models according to the way they model the whole tourism system, or parts of it, as follows:

- Descriptive models define the tourism system's components.
- Explanatory models purport to show how a system or subsystem works (such as by demonstrating interactions among components) with or without specifying casual relationships.
- Predictive models rely on knowledge of causal relationships to permit forecasting. It should be noted here that true prediction differs considerably from mere projection based on trend extrapolations.

He also subdivided process models as follows:

- Subjective types are based on dogma or idiosyncratic style (i.e. the 'best' or approved way to plan);
- Most traditional models are based on problem-solving models (following the sequence: goals, generating alternatives, evaluation of alternatives, choice, and implementation);
- The third and most complex approach is based on systems theory.

Building on this, the proposed model would be considered as a theoretical explanatory model designed to reflect best practice and critical success factors for spa tourism development with a checklist elaborating further on the specific elements of the model and the key issues relating to each element.

3.6.3 Building the model for spa tourism development

The main aim of the study was specified to "develop a model of spa tourism development appropriate to an international spa market and to develop a detailed checklist against which critical success factors can be considered". Two phases for building the model were specified. The first phase being building a unified model extracted from the literature review of the tourism planning and combines it with the literature review of the spa tourism development. This unified model is put together in figure 2.17.
The second phase was completed using Gunn’s model illustrated in figure 2.16 (with some modification to respond to the complexity of the system, referred to in chapter 2) as a framework together with the critical factors extracted from the conducted case studies. A wider framework was identified as the “national and local development plan”, with which the project has to be consistent as part of a wider complex system. The second framework identified was the “feasibility-funding” framework, which plays a major part in the implementations of the project. The spa resort with its components then form the inner part of the model, which comprises market analysis, programme statement and the identification of spa type according to the previous step (market analysis), spa site selection and analysis and finally the final plan with its components of conceptual design and issues relating to human and physical design. Finally identifying key performance indicators for evaluation is the last element that gives feedback for better management. This model is illustrated in figure 5.12.

3.7 OBJECTIVE 4: TO TEST THE GENERALISABILITY OF THE MODEL AND CHECKLIST FOR INTERNATIONAL SPA TOURISM DEVELOPMENT THROUGH A CAREFULLY SELECTED EXPERT PANEL AND TO PRODUCE A REVISED VERSION OF THE MODEL AND THE CHECKLIST.

3.7.1 Selecting the experts

Objective 4 as mentioned specifies the use of an expert panel to validate the model and checklist. After the model and checklist were developed the researcher had to validate the findings of the research. The best approach was to choose a panel of spa experts to review the model and checklist and to provide some further ideas to enhance them. As discussed the model and the checklist for spa tourism development were derived from the BSP case study as well as from the literature on spa tourism and tourism planning. The reason for using experienced people is to see if the checklist resonates with their practical experiences in the spa industry. Feedback and comments will be used to produce revised versions of the model and checklist and will allow for generalization
of the model and the checklist. The criteria for selecting the expert panel lay in choosing personnel with spa experience in different areas of interest. These included trade bodies representing spa industry, team responsible for the BSP, and consultants and academics specializing in the spa field.

Trade bodies acting as representatives for the spa industry were identified as first category. This category comprises BSF, the British International Spa Association (BISA), ESPA, the German Spa Federation and ISPA.

The second category identified was the team responsible for the Bath Spa Project (BSP), i.e. the Council of Bath and Northeast Somerset and the operating company Thermae Development Company (TDC). This is particularly important as not only are the model and checklist derived from it, but also BSP represents the biggest live spa development project in the UK. This category includes Mr John Beatty, the director of planning and development in the council, Mr Henk Vershuur, the managing director of TDC and Thermae Bath Spa (TBS) and Mr David Rawlands the marketing director of TBS from the operating company side.

The third category was spa consultants and academics specialising in the spa field. This category comprises Spa consultant and head of the Beauty Therapy of Coleg Powys in Llandrindod Wells, Ms Sara Lloyd, as well as a well-known American Professor in the spa field, Prof. Mary Tabacchi from Cornell University in America.

3.7.2 Interacting with the experts

Emails were sent to the first category of the expert panel. Having identified the experts in the first category access by email was established. A read receipt was received from all spa associations; however no reply was received from BSF or ESPA. However, the director of research and
development at ISPA, Stephanie Ashley agreed to comment on the model and the checklist and asked for a copy of them. Similarly a reply from the administrator in BISA asked for a copy of the model and the checklist for one of the board members to comment on. A copy of the model and the checklist was sent to Stephanie Ashley of ISPA as well as to BISA. A second round of the same email was sent to the non-responding spa associations again. BSF, ESPA and the German spa federation sent a reply after the second reminder, asking for a copy of the model and the checklist to direct to the appropriate person.

Email was a relatively successful method of communication and facilitated interaction with an international expert panel, which would not have been possible otherwise. Most of the organisations responded and their comments informed the final versions of the model and checklist.

An interview request to discuss the model and checklist was sent to members in the second category of the expert panel: Mr John Beatty from the council and Mr Verschuur and Mr Rawlands from the operating company. Also an interview request was sent to Ms Sara Lloyd.

An email was sent to the rest of the chosen expert panel, introducing the aim of the research and kindly requesting if they would be interested to be part of the expert panel and to send some feedback and comments on the model and checklist. Some explanation was given as to how their feedback will be used to draw conclusion to the study as well as to produce a revised model and checklist that may benefit the whole spa industry. Their attention was also drawn to the importance of their reply. A read receipt was set up in the email system to enable the researcher to find out when every individual has read the message and to use a seven days interval period to send a reminder email if no reply was sent.
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The first respondent was Ms Sara Lloyd, who welcomed an interview and an appointment was set with her for a meeting. Similarly Mr Rawlands welcomed an interview. However Mr Verschuur and Mr Beatty were not able to set a meeting appointment due to their busy timetables. Mr Beatty however offered to look at the model and the checklist and send his comments and feedback to the researcher. In another attempt an interview appointment could be secured with Mr Verschuur to discuss the model and checklist, details of which will be presented in chapter six.

Unfortunately the BSF reply was rather disappointing as surprisingly the spa secretary sent a reply implying that there was no person available to comment on the model and checklist. That was rather surprising, as the researcher has explained that the model and checklist were derived from a British spa project and BSF is the trade body representing the spa industry in the UK.

Similarly despite promising to send a reply soon after a copy of the model and checklist was requested, no further response was received from the ESPA and the German Spa Federation apart from the read receipt messages to the four follow up reminder emails. As it became apparent to the researcher that no reply would be received from these respondents, she concentrated on getting comments from the other trade bodies. As part of the limitations of the research process, no control can be guaranteed over respondents. However alternative respondents had to be sought. The researcher hence got in contact with the Director of the Hungarian Spa Association as well as the Director of the Czech Spa Association with the same email. They were happy to receive a copy of the model and checklist, to which they ticked boxes relevant to their spa market in both countries.

Two interviews were conducted with Ms Sara Lloyd and one interview was conducted with Mr Rawlands. Finally another interview was held with Mr Verschuur.
ISPA’s Director of Research and Development, Stephanie Ashley, the BISA’s Treasurer, Mr Czik, as well as Prof. Tabacchi sent their replies with comments on the model and the checklist.

The comments received from the members of the expert panel were included in the refined model and checklist, which are presented in chapter six.

3.8 SUMMARY

This chapter has presented the research design to achieve the four objectives identified in chapter 1. The methodology was identified for its appropriateness to each objective and methods identified accordingly.

Objective 1- the literature review uses keyword searching to identify relevant literature in relation to tourism planning and spa tourism from which a unified model was developed and formed the basis of the subsequent research.

Objective 2 uses case study methodology to develop three case studies of spa tourism destinations and identifies critical success factors, which will be presented in chapters 4 and 5. In relation to the case studies three key issues were identified: geographical proximity, competence to undertake interviews in an appropriate language depending on the location of the case studies and multiple informants. Language competence is obviously important, both in the data collection and data analysis phases. Of the other two issues multiple informants is probably the more critical as a single informant can act as a gatekeeper to prevent access to data although problems relating to geographic proximity may exacerbate access issues. Claims of commercial sensitivity were an issue used as an excuse in some cases for not releasing data. In these cases the researcher needs to explore alternative routes to access data. Geographical proximity can help overcome this issue.
In objective 3 the data gathered from the three case studies are analysed and built into a model of best practice in spa tourism development and a checklist for spa tourism development projects.

In objective 4 an expert panel is established to test the generalisability of the model and checklist for international spa tourism development. From rationalisation of the comments of the expert panel a revised model and checklist are developed and presented in chapter 6.
CHAPTER FOUR

SPA TOURISM IN EGYPT

4.1 Introduction

In this chapter the importance of tourism in the economic development of Egypt is highlighted. Section 4.2 analyses the Egyptian context for tourism development. Section 4.3 provides a brief history of spa tourism in Egypt. Section 4.4 presents is given to the spa/health tourism, which is considered as part of the diversification plan, from both the government view and from the market view. Three Egyptian spas will be discussed; two working spas and one potential spa that is still in the planning stage. Some lessons are to be learnt from the Egyptian tourism and spa tourism experience; these are highlighted at the end of the chapter.

This chapter together with the next chapter (chapter five) will draw some lessons from the case study. These will feed into the model and checklist to develop a revised version of the unified model extracted from the literature review (see figure 2.17). The revised version of the model and checklist will be validated through a carefully selected expert panel and final versions of the model and checklist will be presented in chapter six.
Tourism has been recognised as a tool for economic development and most countries around the world exploit tourism as a key part of their economic development strategy. As emphasised by (Sharpley, 2002: 221), tourism is 'a ubiquitous vehicle for economic development and diversification and ... an integral element of economic development policy'. No less so in Egypt where tourism has been recognised by the Egyptian government as a vital driver for economic development and positive steps have been taken to enhance the performance of tourism and to maximise the economic benefits of tourism.

The tourism industry in Egypt is governed by the Ministry of Tourism, which implements government policy relating to tourism. It supervises the Tourism Development Authority (TDA), whose main responsibilities include encouragement of private sector investment, developing guidelines for environmental planning and sustainable development as well as playing a co-ordinating role...
4.2 Overview of tourism in Egypt

Tourism has been recognised as a tool for economic development and most countries around the world exploit tourism as a key part of their economic development strategy. As emphasised by (Sharpley, 2002: 221), tourism is ‘a ubiquitous vehicle for economic development and diversification and ... an integral element of economic development policy’. No less so in Egypt where tourism has been recognised by the Egyptian government as a vital driver for economic development and positive steps have been taken to enhance the performance of tourism and to maximise the economic benefits of tourism.

The tourism industry in Egypt is governed by the Ministry of Tourism, which implements government policy relating to tourism. It supervises the Tourism Development Authority (TDA), whose main responsibilities include encouragement of private sector investment, developing guidelines for environmental planning and sustainable development as well as playing a co-ordinating role
between the various organizations involved in the tourism industry (Tourism Development Authority, 2002).

Egypt has long realised the importance of tourism to its economy. In the 1950s a long average length of stay characterised tourism visitation to Egypt. In 1952, for example, arrivals totaled 75,000 tourists with 2.2 million tourist nights and an average length of stay of 30 nights (Wahab, 1997). As a result of an ambitious tourist development and marketing programme, in which the State of Tourist Administration (now the Egyptian Ministry of Tourism) and the Egyptian General Organization for Tourism and Hotels had joint leadership, tourist traffic totaled 600,000 tourists with 10.4 million tourist nights and at an average length of stay of 17.3 nights (Wahab, 1997).

However, political circumstances have influenced the growth of tourism to Egypt. The wars of 1967 and 1973 between Israel and Egypt resulted in the decline of the Egyptian tourist traffic, whilst worldwide tourist competition became more intense. Some steps were taken to revive tourism, one of which was the government's open-door policy starting in 1975. The open-door policy offered a more liberal economic regime with special incentives for local and foreign investment. However, it was not until 1986 that tourism achieved steady progress in terms of its contribution to the Egyptian economy and the government recognised tourism as an important tool within the national economy and started to introduce a more dramatic programme of economic reform. Some measures of this liberalisation program included the introduction of what became known as the "free banking market" for foreign exchange, which replaced the previous system of multiple rates. This has resulted not only in the virtual disappearance of the black market in foreign exchange but also in a sharp increase in the number of foreign visitors and in their average length of stay. Other measures included:
• the easing of restriction on charter flights and private airlines, which were encouraged to introduce international scheduled services not covered by Egyptair;

• the replacement of law 43 of 1974 by law 230 of 1989, which provided generous tax exemptions and other privileges to individuals and institutions with the main purpose of attracting them to invest in Egypt.

Wahab (1997) relates the success of reaching or exceeding the expected targets to these measures. Targets for tourism set in the second five-year plan (1987-1992) was exceeded mid-term. The target of 2.5 million visitors was achieved in 1989 and the accommodation target of 50,000 rooms was passed in 1990.

Political circumstances affected the tourism sector again. That was obvious in the Gulf crisis of 1990/1991 when Iraq invaded Kuwait, invoking United Nations reaction and resulting in the Gulf war. This had significant effects on the growth of tourism and slowed down the predicted growth - 1990 ended with only 3.9% rise in foreign arrivals to 2.6 million visitors and a 5.5% decline in receipts to in US$ 1.9 billion. Trends in the first half of 1990 and forward bookings predicted total arrivals approaching 3 million. 1991 saw a similar trend - arrivals fell by 15% although receipts increased by 4.4% in US dollar terms (Wahab, 1997).

The political situation settled down in 1992 and that year recorded the best ever year in Egyptian tourism history - international arrivals rose by 44.9% and receipts rose by 34.5% (Wahab, 1997). However 1993 ended up with a very weak record as a result of internal disturbances. Since 1998 international tourist arrivals to Egypt has been increasing. Egypt has achieved significant growth
between 1999 and 2003 at 127% (Ministry of Tourism, 2004) the effect of the growth of tourism is reflected further in the tourism revenues for the same period. Table 4.1 summarises the international arrivals and tourism receipts from 1989-2004.

Table 4.1: Egypt’s international visitor arrivals and tourism receipts, 1989-2004

<table>
<thead>
<tr>
<th>Year</th>
<th>Arrivals (mn)</th>
<th>Receipts (US$ mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989</td>
<td>2.5</td>
<td>2.0</td>
</tr>
<tr>
<td>1990</td>
<td>2.6</td>
<td>1.9</td>
</tr>
<tr>
<td>1991</td>
<td>2.2</td>
<td>2.0</td>
</tr>
<tr>
<td>1992</td>
<td>3.2</td>
<td>2.7</td>
</tr>
<tr>
<td>1993</td>
<td>2.5</td>
<td>1.9</td>
</tr>
<tr>
<td>1994</td>
<td>2.6</td>
<td>2.0</td>
</tr>
<tr>
<td>1995</td>
<td>3.1</td>
<td>2.7</td>
</tr>
<tr>
<td>1996</td>
<td>4.0</td>
<td>3.3</td>
</tr>
<tr>
<td>1997</td>
<td>3.9</td>
<td>3.8</td>
</tr>
<tr>
<td>1998</td>
<td>3.5</td>
<td>2.8</td>
</tr>
<tr>
<td>1999</td>
<td>4.9</td>
<td>3.9</td>
</tr>
<tr>
<td>2000</td>
<td>5.3</td>
<td>4.3</td>
</tr>
<tr>
<td>2001</td>
<td>4.3</td>
<td>3.4</td>
</tr>
<tr>
<td>2002</td>
<td>5.2</td>
<td>3.8</td>
</tr>
<tr>
<td>2003</td>
<td>6.0</td>
<td>5.5</td>
</tr>
<tr>
<td>2004</td>
<td>7.5</td>
<td>6.1</td>
</tr>
</tbody>
</table>


The Ministry of Tourism developed a crisis management strategy composing alternative methods to enhance tourism after big political or domestic problems. For instance, after the terrorist attacks of September 11 on the World Trade Centre in New York, tourism declined sharply in Egypt. One of the immediate solutions was to concentrate on Arab holidaymakers, who were also reluctant to travel to Europe and America. Another strategy was to develop an extensive promotional and advertising campaign in Europe and elsewhere to regain international tourists. This approach was also adapted following the attacks on tourists in Luxor in 1998 and following the recent war on Iraq and the
"Intifada" in Palestine, which made the Middle East region unsettled and potentially unattractive to tourists. The Ministry of Tourism responded quickly to these problems by enhancing and improving the hotel infrastructure and promoting new destinations and developing the tourism product to include newer types of tourism, e.g. eco-tourism, spa/health tourism, safari tourism, religious tourism and adventure tourism.

The demand market for Egypt is broad and it covers a range of countries, internationally and regionally. The international source market for Egypt is led by Germany, Italy, Russian Federation and United Kingdom. Table 4.2 reflects the tourist arrivals for the ten top source markets, which generate over 60% of inbound tourists to Egypt in 2002/2003.

Table 4.2: International tourist arrivals by in the top ten markets, 2002/2003

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>730,000</td>
</tr>
<tr>
<td>Italy</td>
<td>700,000</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>450,000</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>376,000</td>
</tr>
<tr>
<td>France</td>
<td>280,000</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>250,000</td>
</tr>
<tr>
<td>Libya</td>
<td>225,000</td>
</tr>
<tr>
<td>Benelux</td>
<td>200,000</td>
</tr>
<tr>
<td>Israel</td>
<td>146,000</td>
</tr>
<tr>
<td>Scandinavia</td>
<td>114,000</td>
</tr>
<tr>
<td>Total</td>
<td>3,471,000</td>
</tr>
</tbody>
</table>

Source: [Ministry of Tourism, 2003]
According to the Ministry of Tourism (2003), Germans and Italians prefer beach holidays and tour operators offer them mixed, reasonably-priced packages. The short time and increased number of charter flights (20-30 charter flights per week from Italy alone) have facilitated ease of travel. A journey from Italy to Sinai only takes about two hours, which encourages frequent visits. The Tourist Promotional Authority has also launched a campaign targeting the former Eastern countries, e.g. Russia, former Eastern Germany, which represents a large number of middle-class tourists.

As mentioned before the North American source market has declined since the 9/11 attacks and the war on terrorism. American tour operators used to organise their trips to Egypt using their national carriers but since the attacks American airlines do not fly to Cairo. This has resulted in a halving of the American arrivals to Egypt from 325,000 tourists in 2000/2001 to 168,000 tourists in 2002/2003 (Ministry of Tourism, 2003). Other factors, such as the devalued Egyptian pound, have encouraged independent young travelers to visit Egypt despite of all other circumstances. The Egyptian Tourist Authority recorded 116,139 arrivals in 2004.

To cater for the demand for tourism in Egypt there has to be different accommodation types. The building of new rooms for tourism has more than doubled compared to the beginning of last decade. In 2004 there were 140,000 hotel rooms and ten years previously there were only 53,727 hotel rooms (Ministry of Tourism, 2004). Table 4.3 shows the hotel room capacity from 1991 to 2004.
Table 4.3: Egypt – Hotel Room Capacity, 1991-2004

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of rooms</th>
<th>Percentage change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>53,727</td>
<td>-</td>
</tr>
<tr>
<td>1995</td>
<td>64,958</td>
<td>17.3%</td>
</tr>
<tr>
<td>2000</td>
<td>114,000</td>
<td>43.0%</td>
</tr>
<tr>
<td>2004</td>
<td>140,000</td>
<td>18.6%</td>
</tr>
</tbody>
</table>

Source: [Ministry of Tourism, 2004]

Occupancy rates reflect the popularity of certain destinations. In Egypt the most popular destinations are Cairo, Red Sea, South Sinai and Luxor. There are a variety of hotel types to cater for visitors. Table 4.4 shows the occupancy rates in the above-mentioned destinations in 1 to 5 star hotels.

Table 4.4: Egypt – Hotel occupancy rates at tourist destinations, 2002

<table>
<thead>
<tr>
<th>Destination</th>
<th>1-star</th>
<th>2-star</th>
<th>3-star</th>
<th>4-star</th>
<th>5-star</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cairo</td>
<td>35%</td>
<td>62%</td>
<td>71%</td>
<td>77%</td>
<td>77%</td>
</tr>
<tr>
<td>Red Sea</td>
<td>65%</td>
<td>71%</td>
<td>77%</td>
<td>81%</td>
<td>89%</td>
</tr>
<tr>
<td>South Sinai</td>
<td>60%</td>
<td>73%</td>
<td>82%</td>
<td>88%</td>
<td>92%</td>
</tr>
<tr>
<td>Luxor</td>
<td>19%</td>
<td>38%</td>
<td>48%</td>
<td>60%</td>
<td>66%</td>
</tr>
</tbody>
</table>

Source: [Ministry of Tourism, 2004]

As can be seen from the table the occupancy rate in Cairo is quite high as the capital of Egypt and hotels catering for business travelers as well as tourists. Also the high occupancy rate in the South
Sinai area emphasises its popularity. The low occupancy rate in hotels in Luxor can be explained by the fact that the floating hotels, which offer Nile cruises, are a major alternative and preferred tourist accommodation type in this area.

To secure international access, Egypt has air and sea networks. The Egyptian Airports Company manages all Egyptian international airports, apart from Cairo, which is managed by the Cairo International Airport Company (Mintel, 2004). The Cairo International Airport Company handles over nine million passengers annually - 75% of whom are international travelers (Mintel, 2004). Egyptair is the national carrier and it operates its domestic and international flights from terminals 1 and 2 (often called the old terminal). Egyptair was established in May 1932 and is owned by the government. The company owns 37 aircraft and is planning to expand its fleet to 70 aircraft by end 2007 (Mintel, 2004). The national carrier operates more than 400 flights per week to 84 destinations, both domestic and international. Egyptair carried five million passengers in 2003/2004, which is 5% higher than the year before (Mintel, 2004).

Mintel (2004) identifies two major divisions in Egypt’s cruise industry, namely the large ships with a capacity of 1500 passengers (or more) and small floating hotels with an average of 100 cabins. The large ships that cruise the Mediterranean usually stop in two major Egyptian ports - Alexandria or Port Said. The passengers then have a one-day sightseeing tour to Cairo. Some other ships stay longer in Egypt and sail through the Suez Canal to visit resorts such as Sharm El-Sheikh or Safaga.

Suez Canal is the waterway linking the Red Sea with the Mediterranean Sea. 14,500 vessels use the Suez Canal yearly and the government charges them a fee, which is a major source of income to
Egypt's economy. Table 4.5 shows the Suez Canal revenues from fiscal year (FY) 2000/2001 to 2003/2004.

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues (US$ millions)</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/2001</td>
<td>1,843</td>
<td></td>
</tr>
<tr>
<td>2001/2002</td>
<td>1,819</td>
<td></td>
</tr>
<tr>
<td>2002/2003</td>
<td>2,236</td>
<td></td>
</tr>
<tr>
<td>2003/2004</td>
<td>2,848</td>
<td>35%</td>
</tr>
</tbody>
</table>

Source: [Suez Canal Authority, 2004]

4.3 Background on spa tourism in Egypt

Egypt has always depended on its antiquities and ancient monuments as a main attraction. That means that cultural tourism has always been the main type of tourism that Egypt has promoted and this type of tourism is mainly located in Cairo and Giza in Lower Egypt in the North, and along the Nile Valley into Upper Egypt in the South. The government has realised the importance of diversifying the tourism product and started to use its natural qualities and other man-made attractions to promote other types of tourism, such as conference tourism, religious tourism, diving and recreational tourism, eco-tourism and spa tourism. This section will focus on the development of health and spa tourism in Egypt to date and the governmental plans for its further development.

The history of spa tourism in Egypt suggests that the main emphasis lies on the therapeutic side of the spa industry, which relies mostly on Egypt's natural attributes. Egypt has always enjoyed sunny dry weather, which was one of the reasons that made Herodotus, the ancient historian, mention that Egyptians were healthier than any other nation due to the qualities of the weather. He also pointed
out the importance of using spring water for curing diseases and recommended a period of cure of no less than 21 days (Tourism Development Authority, 1998).

In the time of the ancient Egyptians temples were used as cure centres; thus the locations of the temples were determined by various factors, including a dry climate with a lot of sunshine and the existence of spring mineral or sulphur water. These factors contributed to the building of a large number of temples in the Western desert that enjoys these resources (Omran, 1995).

The Greeks also pointed out the importance of Egypt's dry climate in the 'cure'. Socrates confirmed (in his famous journal) 'Egypt's climatic therapy' and he recommended travelling to Egypt due to its mineral and sulphuric springs, the dry climate that is not humid, and the sand and mud which were used to cure a lot of diseases (Egyptian Tourism Promotional Authority, 2000).

Health tourism took its economic, scientific, and tourist position in the late nineteenth century. The first two cities that were used for health tourism were Aswan and Helwan. The latter was the winter resort for Europeans until Britons discovered the Riviera in France during the First World War. The number of visitors to Helwan has thus decreased (Taher, 1980). Helwan is a district south of Cairo. Helwan has always been famous for its sulphur springs and its therapeutic properties. At the time of Mohamed Ali (1805-1848), Helwan was first put on the sulphur springs' map. At the time of Abbass II (1892-1914) a building was erected around the springs to cure skin-diseased Egyptian soldiers. Factors contributing to Helwan's position were its dry climate and its special location on the Nile. In 1962 a project draft was submitted to the government to transform Helwan into an international health resort for rheumatic patients. However this project was not completed. After the Ministry of
Tourism was formed some attempts were made to use the therapeutic qualities of Helwan through a contract between Egypt, Denmark and Sweden. However due to the outbreak of the 1948 war this project was stopped (Bakir, 2001). In the second half of the twentieth century Helwan’s nature changed due to urbanisation and the erection of cement factories. This affected the sulphur and mineral springs and erased Helwan from the health tourism map as well as making the area of Helwan dangerous for the health of its residents (Shehata, 2000). This particular case shows how significant it is for the different development sectors of a country to cooperate and to develop within one overall framework, so that any planned development does not have negative effect on existing or potential developments and hence the overall development of a region. This specific situation poses two key issues for successful spa tourism development; the first issue is particularly aimed at the success of the traditional spa type selection:

- the water source is not subject to any pollution,

The other issue is aimed at the spa site selection:

- the spa site is appropriate for tourism and is not located near heavy industrial projects.

The history of spa development in Egypt led the governmental bodies to concentrate on the traditional side of the spa industry. As has been discussed in the wellness tourism section (chapter two, section 2.2.2.2), the current emphasis for spa tourism is on health, wellness and wellbeing rather than curing. Demand is the main factor that directs the market and the demand requests
'pseudo' or 'hybrid' spas. Traditional spas are no longer in favour, which was the main reason for closure or redevelopment of well established traditional spas in Europe. The following part will bring three examples of spas in Egypt into spotlight and it will discuss the governmental view of developing spa tourism in Egypt versus the market view.

TDA has specified some inclusion criteria when it was considering suggestions for spa tourism areas in Egypt. These criteria include:

- natural attributes, for instance mineral or sulphur springs;
- easy access, nice scenery and monuments;
- separation from manufacturing areas, which cause pollution;
- separation from heavily-populated areas;
- the inclusion of special geological and geomorphologic features, which have a positive effect on cure, for instance active rays, chemical combinations or hot natural springs or wells (Tourism Development Authority, 1998).

The Egyptian Tourism Promotion Authority (2000) has defined the suggested spa tourism areas as a result of their natural attributes as follows:

- Matrouh, Siwa oasis and Cleopatra Baths;
- Red Sea, Marsa Alam, Safaga and Hurgada;
- Aswan, Abu Simbel
- South Sinai, Pharaoh's Baths.

The TDA (1998) has identified three types of attributes for spa tourism in Egypt: natural attributes (location, climate and curative elements); historical and monumental attributes; infrastructure. The
official national newspaper (Al-Ahram) published an article stating that the government is planning to create a special unit for therapeutic tourism, with the collaboration of tourism and health ministries. This unit will incorporate experts from both ministries as well as representatives from other ministries in the country. As stated in the article this unit will open new horizons for expanding into therapeutic tourism, which according to the government is increasing worldwide. (Al-Ahram newspaper, 2005). These new plans show clearly how the government perceives the future of the spa tourism in Egypt and its focus on the therapeutic side. In the researcher’s opinion this relates more to a traditional view of spa, which puts natural attributes as a major success factor for a spa development. This contradicts with the global perception of spa development which focuses first on the global demand and matches supply to it and not vice versa. It is also related as discussed in the literature review to a lack of a unified definition of the word “spa”. As discussed in the wellness tourism section (see section 2.2.2.2) there is falling demand for this type of spa development, which is being replaced by wellness tourism or a combination of both, with the emphasis being on the wellness and not cure market. The government's focus for its proposed spa market in Egypt runs counter to wellness and health market trends in Egypt and beyond. The next section will shed light on the spa market in Egypt and on the extent to which it copes with international changes in the spa market.

4.4 Egyptian Spa Tourism Examples

There are currently no official statistics quantifying the number of spas in Egypt. However in thoroughly looking into the hotel industry in Egypt, the names of the hotels alone suggest that the word “spa” has become a significant feature of the hotel industry. Furthermore standalone day spas are currently seen all over the country and are increasing in number. In this respect two examples of spas are discussed. The first example (Four Seasons Hotel and Spa) is one of the hotels in the
heart of Cairo, offering a wide range of spa treatments. The second example is La Rose Spa, a standalone day spa also in Cairo, which also offers a wide range of treatments. Both spas have a focus on pampering treatments. Typical products include: Sauna, Cleopatra-bath, Moroccan hammam, facial and body treatments and different types of massages.

- **Four Season Hotel and Spa**

The Four Seasons Hotel is a luxury five star hotel, located in the heart of Cairo. This hotel is part of a very big chain, which spreads over the Americas, Europe, Middle East, Africa and Asia. The Canadian-originated chain, which was founded in 1960, includes 69 hotels and resorts spreads over the mentioned areas and each hotel or resort has its own spa services. In Egypt, Four Seasons hotels have three hotels: two in Cairo and one in Sharm El-Sheikh. The spa amenities that the hotel offers are all relaxing, pampering and body rejuvenating rather than therapeutic, which follows the spa demand trends globally. The spa offers a wide range of body treatments, massages, skincare as well as beauty. All these services run in the day spas and sessions range between 70 to 90 minutes although clients are able to use other facilities throughout the day. As was discussed in the wellness tourism section (see Section 2.2.2.2), the modern lifestyle is creating a demand for quick, rejuvenating treatments, which can be visited frequently for short periods rather than single long visits for ‘the cure’. The spa in the Four Seasons hotel has concentrated on this niche market and developed these services for day visitors. This poses a key consideration for pseudo spas to inform the checklist:

- the spa provides short beauty and pampering treatments for day visitors to match market demand.
In terms of human resource implications there are no doctors employed in the spa but there are specialist therapists. The spa employs 13 therapists altogether, 9 Egyptians, two Thais and two Indonesians. The Egyptian therapists have graduated from the Helwan Physical Education College, which teaches as part of its course body anatomy and psychology. This particular understanding gives the therapist a better advantage in handling the body. To supplement this understanding, Canadian and American trainers provide in-house training. The Thai therapists have all been trained in a college in Thailand and transferred to the Four Seasons Cairo from other Four Seasons hotels. The Indonesian therapists were also transferred from other Four Seasons hotels. The spa in the Four Seasons Hotel is managed by Four Seasons Hotels, as part of a big international chain, which analysed the market demand and developed the supply accordingly.

- **La Rose Spa**

The second example of the existing privately-run spas in Egypt is the La Rose Spa. Located in the heart of Cairo, the day spa offers a wide range of services, again aimed at pampering, rejuvenating and beauty. Examples of the services offered include ozonematic bath, which comprises water therapy bath with fresh oxygen and whole body massaging. The Moroccan Hammam treatment includes sitting in hot steam after lubricating the whole body with Moroccan liquid soap and scrubbing the whole body. The spa also offers various massages, such as Swedish massages and other massages to reduce weight. Other pampering services include hair and nail treatments as well as henna designs.
These particular examples give an insight on what is happening in the Egyptian spa market. The emphasis is on the day spa, which offers pampering, relaxing and beauty services. These services, as discussed in the wellness section, are becoming more and more in demand by people as part of the modern lifestyle. In Egypt hotel spas are generally part of big international chains that are managed by the mother international company. In contrast, the Egyptian spa tourism development policy as discussed earlier in the chapter is concentrating mainly on the old traditional, therapeutic spa type. As can be seen the modern spa market has a pampering approach, which is taking a major priority in the spa tourism nowadays. If the government wants to develop the spa market in Egypt, it is recommended that the planning for the market has to shift towards the newer approaches or a mix of both or it will fail at the first hurdle.

These two examples of pseudo spas were brought into the spotlight and clarified the trend of spa tourism in Egypt as a reflection of the international demand for spas.

The following section will discuss a case study of Pharaoh’s Baths Spa Project, from which some factors will be extracted to feed into the model and the checklist.

4.5 Pharaoh’s Baths Spa Project Case Study

This case study will discuss a major potential spa project, which, according to the project consultant, Dr Shawky Hussain, is having extensive governmental support. As part of the national development plan, the area of the project is considered to be a priority zone for development and the type of development (health and spa tourism) is considered to be a priority tourism type development as
part of the diversification policy discussed earlier in this chapter. The discussion will conclude with some lessons learned, that will feed into the elaboration of the model and the checklist.

The project is designed to be a five star resort comprising the following components:

- 200-room hotel, and 27 chalets with a total capacity of 454 rooms to be increased to 560 rooms in the future;
- A fully equipped 500-700 guest/day spa centre of international standards;
- A wide range of sports facilities including three swimming pools;
- A state-of-the-art beauty centre with its own brand of beauty products;
- Restaurants offering a variety of health, ethnic and international cuisine, coffee shops;
- Shopping arcade;
- Helicopter pad;
- Landscapes with green areas blending with natural surroundings.

The area in which the project is located can be reached by a multitude of routes and ways - land, sea and air. Ras Sudr can be reached by land via the Cairo-Suez highways across the Ahmed Hamdi Tunnel then on the provincial coastal highway that runs for 130 km along the Suez Gulf. The area is also connected with the Sinai Peninsula’s towns through a network of roads and highways linking El-Arish, El-Qantara Sharq and Ras Sudr at a distance of 175 km, or El-Tor with Ras Sudr at a length of 200 km.

Access by sea is also relatively easy. The area is linked with the seaports of Suez (40 km north) El-Adabbeya (70 km northwest), El-Arish (173 km north), and El-Tor (200 km south). Again this makes
the area mainly accessible through the road routes, which could be a major obstacle in drawing international visitors to the spa.

Existing access by air is not easy with the closest airports. There are international airports in Cairo, 140 Km to the northwest, in El-Arish about 175 km to the north, and in El-Tor 200 km south of the project in Sinai. However if using these airports other transport will be needed to reach the Ras Sudr area, which means that no direct international access is present at the moment. In addition, there are international airports in Cairo, 140 Km to the northwest, in El-Arish about 175 km to the north, and in El-Tor 200 km south of the project in Sinai.

There are some long-standing plans, as yet unrealised, for an international airport at Ras Sudr, which would be only 30 kilometres from the PBSP site and was scheduled for completion prior to the spa’s inauguration. This airport would provide easy access to the project as well as supporting tourist development in the region. The airport was planned to be build-operate-own (B.O.T). The airport however at the time that this piece of research was produced had still not been built. The contract was signed between the Egyptian Airports Company (which has a 20% interest) and the Ras Sudr Investors Tourism Development Company. Investments for the first stage of airport development amount to LE 70 million, of which LE 20 million has been provided, whereas the remaining amount is loans and contributions made by other companies. 40 tourism companies are said to be participating in the airport project (Ministry of Transportation, 2002).
Figure 4.2: Image of Pharaoh's Baths Spa Project
The demand for the new project, which affected to some extent the design of the spa, will be domestic and international. The cultural as well as religious values in the Arab world indicate that people of the opposite sex must not take their clothes off in front of each other; further people from the same sex cannot appear naked in front of each other. In an interview conducted with the project consultant, Dr. Shawki Hussein in November 2002, he mentioned that treatment rooms would be divided into compartments to guarantee privacy. Medical staff and professionals would also be from the same sex as the clients undergoing treatment to ensure values are not disturbed. Studies have been made by the company show that Egyptians from upper-middle and upper income brackets undertake three to seven annual trips to foreign destinations, where cure is the main motive. Official statistics as well as interviews conducted by the company consultants with leading doctors indicated that a big portion of citizens suffer from ailments which can be spa cured, which makes them potential customers to the spa.

Customers from other Arab countries also form a potential target market. According to a market survey conducted in Cairo among Arab visitors to Egypt, the launch of a modern spa with international standards will attract a large number of Arab tourists due to proximity, common customs and language and lower cost. On the other hand executives of several European spa resorts stated that Arab nationals represent the majority of their clients. In some cases they represented a 70% of the total accommodation capacity.

International customers also form a big part of the target market as warm dry weather added to the Egyptian civilisation already attracts a big number of tourists. Thus the new project according to the project report (2001) will be an ideal destination for tourists seeking a mix of cure, wellness, culture
and recreation in addition to warm climate. The researcher however has some reservations about the demand forecasted by the company, as it only concentrates on one niche market that is seeking cure and neglects the wider demand trends that is booming all over the spa market globally.

As discussed earlier, the diversification policy, which the government adopts, encourages development in spa and health tourism as a newer type of tourism to be introduced to Egypt. The overall policy of Egypt's national tourism development plan is focused on shifting the image of Egypt away from only cultural and heritage tourism destination to a wider image, where other forms of tourism could be practised. These alternative forms of tourism product include: religious tourism, conference tourism, leisure tourism and health tourism (Travel and Tourism Intelligence, 1999).

TDA (2002) has identified the development plan for the area of Ras Sudr, the area where the PBSP is located (see figure 4.3).
Some elements of the development plan for that area include:

1. Construction of coastal tourist resorts along the coast starting Ras Masalla in the north till Ras Malaab in the south.

2. Construction of spas and health resorts in Oyun Moses (Moses springs) - Taraky & Hammamat Pharaoh (Pharaoh's Bath).

On the other hand the government provides investors with a lot of facilities, in order to draw private investment. The government has made a top policy priority to encourage the private sector both
local and international, to invest in the various sectors of production and service and play a greater role in developing the national economy. That end, the government offers investors a range of incentives exemptions and facilities. For tourism projects in such areas as Ras Sudr that are designated as priority zones, it offers the following:

1. Ten Year profit tax holiday starting the fiscal year that follows inception and operation;
2. The profit tax holiday may be extended for five years more upon approval by the Council of Ministers;
3. Exemption from stamp duty on project capital;
4. Exemption from stamp duty and notarization requirements for all construction contracts up to the date on which the project is implemented.

In addition, the TDA provides investors with lands for their projects whether on the beach or behind the coastal road, at special low prices and attractive payment arrangements that include a three-year period. TDA, in coordination with other government agencies and authorities, also makes every effort possible to smooth obstacles that may face investors. This shows that the project is consistent with the national and local development plans. Factors of national and local development plans were identified as major frameworks for the unified model extracted from the literature review.

Pearce (1989) identified that an adequate infrastructure is needed to support the facilities and services. Cooper et al. (1998) defined the infrastructure as all forms of construction above or below ground needed by an inhabited area, together with extensive communication with the outside world. Public utilities include electricity and sewage disposal in addition to the transport infrastructure for
instance roads, airfields, railway lines and harbours. Since the government has realised the importance of tourism to the economy, it has started to develop the supply of adequate infrastructure to support tourism development in prioritised areas. Egypt now has a good infrastructure, but this is not yet fully developed in all tourist areas. Many of the areas proposed for spa tourism are prioritised for infrastructure development in the medium term. This includes the area around Pharaoh's Bath, which is the subject of this case study. The Egyptian Tourism Promotion Authority (2003) justifies the fact that these areas are not developed due to the high expense predicted to supply the necessary infrastructure. In an update phone call with the project consultant (2004) he confirmed that infrastructure has already been supplied for the project area. However the lack of the airport could be a big obstacle to the project in the future as access will only be available through car routes.

Funding plays a major role for any development. As the development of big spa projects involves extensive amount of money, sources of funds have to be secured before commencing the project. PBSP as a major spa project, that enjoys full governmental support- according to the project consultant- has drawn the interest of private investors and organizations. The project will be funded by an Egyptian company called “Sinai Curative Tourism Company”, which was established in 1977, according to investment laws in Egypt. The shareholders are all Egyptians as include: Misr Sinai Tours, National Bank, Cairo Bank, Nasser Bank, Development & Housing Bank, Al-Shark Insurance Co., Misr Insurance Co, Al-Ahly Insurance Company. Table 4.6 shows the amounts each shareholder is contributing towards the project
TABLE 4.6: Shareholders' contribution towards Pharaoh's Baths Spa Project

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Equity participation (L.E.000s)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt Sinai Tourist Co.</td>
<td>11,000</td>
<td>11</td>
</tr>
<tr>
<td>National Bank of Egypt</td>
<td>12,500</td>
<td>12.5</td>
</tr>
<tr>
<td>Banque de Caire</td>
<td>3,5000</td>
<td>3.5</td>
</tr>
<tr>
<td>Nasser Social Bank</td>
<td>12,500</td>
<td>12.5</td>
</tr>
<tr>
<td>Misr Insurance Co.</td>
<td>12,500</td>
<td>12.5</td>
</tr>
<tr>
<td>Housing &amp; Reconstruction Bank</td>
<td>8,750</td>
<td>8.75</td>
</tr>
<tr>
<td>National Insurance Co.</td>
<td>8,750</td>
<td>8.75</td>
</tr>
<tr>
<td>El Shark Insurance Co.</td>
<td>8,750</td>
<td>8.75</td>
</tr>
<tr>
<td>Uncovered quotas</td>
<td>21,750</td>
<td>21.75</td>
</tr>
<tr>
<td>Total</td>
<td>100,000</td>
<td>100</td>
</tr>
</tbody>
</table>

[SOURCE: REPORT ON PHARAOH'S BATHS SPA PROJECT, 2003]

Public-private partnership is obvious in this project as the government facilitates this kind of partnerships. In 2005 72% of projects were funded privately (Ministry of Planning, 2005). Information regarding the profit distribution could not be acquired although the project consultant has confirmed that they are all planned; however no further details could be extracted regarding this matter. The continued development of the project would suggest that neither alternative funding sources nor contingency funding have been an issue. Little information is available in relation to profit distribution or planning for maintenance and emergency repairs.
A contract was signed with the Italian/Egyptian contracting company Ferrari-Gepco-Meic for the construction and equipping of the hotel, chalets, and spa centre, there were however financial problems with the construction company. They gave a price in the tender made before the project began, however when implementing further amounts were asked for. The company had to suspend the contract with the construction company and both companies sued each other. Until this problem was resolved the project was brought to a standstill. The problem has now been resolved and another local contractor (Arab Contractors) has been chosen for the job. That was the main reason for the delay of the opening of the project, which was due to open by end 2004. Until the production of this piece of research no progress was made regarding the construction of the planned project. This problem brings to the attention the necessity of the right choosing of human resources for a particular job in the right time.

As for the management of the spa development, an agreement for the hotel and spa was concluded with Steigenberger Hotels and Resorts, which has extensive experience in the field of curative resorts, operating 12 spas in Europe. However this company has withdrawn itself from the project after the delay in the opening time. Another contract was made with the American company Sonesta International for Hotels and Resorts to benefit from managing the hotel and spa on a fifty years lease.

Site selection and analysis is identified by Gunn (2002) to be a major step in the process of developing a resort. Pharaoh’s Baths is one of the most famous springs in Sinai. It is located in the southern part of Ras Sudr about 45 kilometres from the main town. The site lies 250 kilometres south east of Cairo. For many years it has been used by the local inhabitants of Sinai, and is well
known among residents of Suez, as a cure for rheumatism and other ailments. Figure 4.4 shows a map of Sinai showing the location of Pharaoh's Baths.

![Map of Sinai showing Pharaoh's Baths](http://www.touregypt.net)

Figure 4.4: Map of Sinai showing Pharaoh's Baths (Hammam Faru'un) [Source: http://www.touregypt.net]

The site comprises a cave and a hot spring which feeds a rock bath. Inside the cave the darkness is heavy with the steam from the spring (Saad, 2000). The development site at Pharaoh's Baths
covers an area of 360,000 square metres and consists of two parts: the Kahf or the Cave and the springs themselves (see Figure 4.5).

![Figure 4.5: The cave of Pharaoh's Baths [Source: http://www.tourinvest.com.eg](http://www.tourinvest.com.eg)]

The cave extends about 25 metres into the mountain, while the sulphuric water springs that line the seashore produce significant quantities of water – about 2000-m$^3$ daily - with temperatures as high as 72 degrees Celsius. The water is said to have effective properties that can be used for the treatment of bone and skin diseases. The surrounding mountains also provide a positive element for developing a health facility. Natural attributes of the site, which consists of location, climate and curative elements; initiated the development of the project. The Sinai Curative Tourism Company has developed a plan for developing a modern hotel/spa facility capitalising on the area's unequalled natural ingredients of thermal springs, seawater, and, clay and sun. The report that was written October 2001 about the project mentioned that the spa would open at the end of 2004, which will put Egypt in the international health tourism map. Prior to the commencement of work on the site, reputable Egyptian and European research establishments conducted an extensive series of analyses and studies. These studies include:

- Soil investigation;
- Thermal and sea water quality;
- Geo-technical investigation;
- Climatic conditions;
- Environment.

The seismic investigation of the spring water proved its therapeutic value, and classifies it as 'thermal fluoride and sulphur containing sodium-calcium-chloride water' (Hussein, 2000) From the medical point of view, the spa source water is effective for curing skin disorders, disorders of the motor apparatus, and respiratory disorders. As for the site seawater analysis, the water was specified as thermal fluoride containing sodium and chloride with concentrations of 79.9% and 90.7% respectively, which far exceeds the quality standards of the German Spa Association (Hussein, 2000) All other studies and analysis produced positive results and offered a solid base for the development of the project. Copies of these studies could not be acquired due to the commercial sensitivity.

The above-mentioned attributes have encouraged the Sinai Curative Company to select this site and plan to develop a hybrid spa with more tendencies towards traditional medical type. This type as have been identified by the researcher in the literature review in figure 2.5 will represent a type C hybrid spa. The selection of this spa type is a major concern according to the conclusions from the literature review. As has been noticed emphasis is more on the type A hybrid spa, which represents a mix of traditional and pseudo spa with more tendencies towards the latter. Global demand for spa tourism as discussed in chapter three is shifting towards wellness and wellbeing and not cure or medical anymore. This was the major reason why a lot of well established traditional spa
destinations either chose to redevelop and present the required pampering, beauty and wellness services instead of concentrating on curing and medical services, or if they could not cope with expenses and market competencies go to the extreme end and shut down. Looking at the PBSP as a major project, which aims to put Egypt on the spa tourism map, choosing to focus more on the traditional type of spa will not guarantee the accomplishment of this aim as a newly-developed spa destination. As discussed in chapter two well-established traditional spas have lost their customers to newly developed spas. Development of a type C hybrid spa may not guarantee a big client base, which will result in reduced profits and more running costs and consequently failure of the spa.

The major issue for PBSP would seem to be in relation to the type of spa selected, although there is justification for the spa type selected. The spa proposal tends to the traditional spa type, which runs counter to the global market demand. It is unlikely that the spa as currently proposed (type C hybrid spa) will achieve profitability. The proposed project is consistent with the national development plan which not only is considering the project site a priority zone but also considering the health/spa tourism type as a newer type to be introduced as part of the diversification plan. This point is especially evident in the fact that the government facilitates development and offers incentives and facilitations for developers in the project area; this has been detailed earlier in the chapter. The government also provides the requisite infrastructure, which is existent for the project site except for an airport. This is considered to be a major obstacle to the success of the project as international access is a very important factor in drawing visitors, since the project will be mostly dependant on international clients as their market analysis suggests.
As for supply factors, political context in Egypt allows for appropriate development opportunities as well as for private-public partnerships. As mentioned earlier, private involvement in all types of developments is very much present in Egypt and the government is aiming to attract international and local investors to develop. Attractions are part of the supply factors and the Ras Sudr area provides a mix of attractions: natural, such as the mild climate, beach overlooking sea waters, mountains, valleys, natural water springs and unique flora and fauna. It also has such cultural attractions as battle and historical sites, Bedouin heritage, and Sinai handicrafts.

The range of famed Sinai Mountains extends behind the coastal plains. They include the mountains of Far'oun (Pharaoh), EL-Teeh (Diaspora) and Om Katheera which hem in the valleys of Al-Gharandal and Abu-Gada, which are charming destinations for lovers of safari tourism and mountain climbers.

Mineral and hot water springs spread all around the coastal and mountain areas Foremost among them are the Moses sulphur springs, whose water temperature ranges between 35 and 40 degrees, and the Pharaoh’s Bath whose sulphur water temperature reaches up to 75 degrees.

Ras Sudr is known for the mountain goat (ibex), particularly popular among Sinai’s hunters, as well as for camels trained on trekking rugged mountain valleys. Vegetation is more copious in Ras Matarma and the valleys of Al-Gharandal and Abu-Gada. It includes tamarisk trees and date palms. The area attracts many kinds of birds, such as quails and partridges in their seasons of migrating from the north, particularly in Ras Matarma.
CHAPTER FOUR
SPA TOURISM IN EGYPT

The area was a station on the path of the exodus of Moses and Israelites from Egypt. Its passages were also the scene of many religious events and incidents described in holy books. They had also witnessed many military battles throughout history and were trodden and frequented by merchants’ caravans over the various ages. The area has long been regarded a historical destination. The area stretches for 95 km along the eastern coast of the Suez Gulf in one of the most spectacular spots in the province of South Sinai.

Transportation issues have been discussed earlier and a problem with the international access has been identified. Information on the project is also another issue as not enough information is available on the project. PBSP does not provide such information.

In terms of demand the emphasis for PBSP is on the domestic and regional market. This approach is justified by the market analysis carried out by the company. The reliance for a client base from the domestic market lies behind the reason that 5% of the total population undergone 3-7 trips each year to foreign countries with cure as a major motive. The report does however not suggest that these trips were to medical spas. Also domestic market as a target market is justified by official statistics that indicate that a large number of Egyptians suffer from ailments which can be cured by the project’s thermal water, as mentioned in the report about the project (Hussein, 2003).

Arab countries are also a major target market for the project due to the fact that Arab nationals form 70% of major European spas. Opening a spa in Egypt will, according to the report on the PBSP (Hussein, 2003), will attract a large number of this market due to the proximity, common customs, language and cheaper prices.
The international market is a key element of the target market for the PBSP. The project is depending mainly on the location and warm weather of the spa area. The project is also depending on the name of the operating company to ensure quality for potential international customers.

The project has considered the demands of the main target markets, namely Egyptians and people from other Arab countries. The layout and design of the facilities is orientated towards the customs and preferences of Arab and Egyptians visitors. This is a positive point for the project planning in particular, as the project has to forecast demand and try to meet it.

As has been discussed and stressed out throughout the literature review, global demand for spa tourism has changed considerably and existing and new spa projects worldwide has responded to it. Spas that have insisted on providing the same services have faced failure, examples of which can be widely seen in Germany and Italy. This is mainly because global demand cannot be challenged. A major concern in the PBSP is that the main emphasis is on the curative services that it will be offering.

The aims of PBSP are clear and realistic, they include:

- Introduce a new holiday product for the North African and Arabian area and the Middle East through a combination of spa, recreational and sports facilities.
- Achieve market-leadership in this sector.
The spa site selection is mainly based on the natural attributes of the area, starting from the mineral hot springs, warm sunny climate and the seawater. Location was also another natural attribute, which has been discussed in details earlier. The project talks about a combination of spa, sports and recreational services, but the determination of the ratio tends more towards the medical and cure facilities which puts the spa according to the spa type model developed in chapter two in the hybrid C category. Discussions have proved that types hybrid A and B are more likely to achieve success as they meet the global market demand.

The physical part of the spas final plan identifies a mix of appropriate services and facilities. Superstructure as well as infrastructure has been identified by the PBSP as has been discussed earlier. The only obstacle that may face the project is the ongoing absence of an international airport that was due to open in 2003.

The human part of the project is also considered. The project is expected to create directly and indirectly related jobs from the local market. Exact figures are not available. The spa has considered a competitive spa operator, which is Sonesta international for hotels and resorts. This American operator is known for its success in this area and it runs several hotels and resorts in Egypt and the Middle East. A training plan has been developed which will run by the operating company to the level of 200 training days each year. It is also intended that the management staff will be all from the operating company to transfer their experiences to local managers, who can take over in a two years period.
The human resources essence is choosing the right human resources for the right job at the right time are all applied in this project except for the construction company, which has caused the delay and extra costs to the project as was discussed earlier. PBSP on the other hand till the time of production of this piece of research is still having difficulties in respect to this element as the project has stood still and is being dealt with in courts as each party has sued the other.

4.6 Summary

This chapter has discussed the layout of tourism industry in Egypt as well as the spa tourism and its market. It is very evident that tourism plays a very important role in the development of Egypt in different aspects. This led the government to focus on tourism and to take necessary steps to develop the tourism sector further. In doing that some new tourism products are being developed for the Egyptian tourism market, including spa tourism. The government is trying to utilise the natural qualities of Egypt, which qualify it as a traditional spa destination. However, as will be discussed in the literature review, once successful traditional spa destinations are now facing a change of market demand, which is forcing them either to close or to redevelop as hybrid spas. The spa market in Egypt is responding to the global market demand and a wide range of pseudo spa facilities have been developed to match this demand. Two examples were discussed to emphasise the spa market in Egypt, which emphasised that there is a mismatch between Egyptian plans for spa tourism development and the key market for spa tourism products. Further a case study of PBSP was discussed and some factors were extracted to feed into the model and checklist.
Key issues were posed following the discussion of the three examples of spa tourism developments and market in Egypt. These will form part of the spa tourism development checklist in chapter five. These issues are:

- Spa provides short beauty and pampering treatments for day visitors to match market demand.
- The proposed development is consistent with the national development plan.
- The national development plan facilitates development through appropriate legal and fiscal arrangements.
- The spa site is appropriate for tourism development and is not located near heavy industrial projects.
- The water source is not subject to any pollution.
- The project does not challenge the global demand.
- The project is designed to meet the needs of the target market.
- Meet the target market's needs for ultimate customer satisfaction.
- The proposed spa type is consistent with the market demand and resources available.
- Site location is accessible internationally.
- Right human resources are chosen for the right job at the right time.
CHAPTER FIVE
THE BATH SPA PROJECT

5.1 INTRODUCTION

5.2 CASE STUDY OF THE BATH SPA PROJECT
5.2.1 Introduction
5.2.2 History of Bath as a spa
5.2.3 The planning process for Bath Spa Project
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5.3 CRITICAL SUCCESS FACTORS IN THE BATH SPA PROJECT

5.4 THE MODEL OF SPA TOURISM DEVELOPMENT

5.5 THE SPA TOURISM DEVELOPMENT CHECKLIST

5.6 SUMMARY
CHAPTER FIVE

THE BATH SPA PROJECT

5.1 INTRODUCTION

This chapter will present and analyse the results of the primary data collection from the BSP case study. Section 5.2 introduces the BSP starting with a discussion on the history of Bath as a spa, through the different periods from Roman times up to the modern day in section 5.2.2. Following that a presentation of the planning process of BSP is undertaken in section 5.2.3. This section is presented with the help of Gunn's model (2002) discussed in chapter two (see figure 2.14) but will make explicit where Gunn's model has to be enhanced to recognise the complexity of the spa resort development and its place within the 'panarchy' (Farrell and Twining-Ward, 2004:279) to recognise and integrate the diverse stakeholders involved. It goes through the different factors underpinning the site design model starting with market analysis, programme statement, spa site selection and ending with conceptual plan. A more extensive list of critical success factors is identified from the BSP case study in section 5.3. The revised model of spa tourism development is presented in section 5.4. This is then followed by the development of a checklist, mainly from the literature review and the BSP case study in section 5.5. Section 5.6 summarises the chapter. Issues and questions emerging from the case study are identified throughout the chapter and are then brought together in the checklist.

5.2 CASE STUDY OF THE BATH SPA PROJECT

5.2.1 Introduction
The aim of the case study of Bath is to help evaluate the concept of European spa tourism and to extract success factors into a model for spa tourism development. In the BSP case study it is noted that the City of Bath had, previous to this project, always been a therapeutic, traditional spa. However, when it was time to redevelop, the demand for wellness and leisure in spa tourism led the project to focus more on these areas, giving the BSP a proposed ratio of 80% leisure and 20% therapy making it a Type A hybrid spa on the model shown in Figure 2.5. This reflects to great extent the new trend in spa tourism globally as was discussed in the wellness tourism section (section 2.2.2). The history of the City of Bath as a spa emphasises its dependence on the thermal waters. The critical importance of market demand and the new trends in the spa industry are thus reflected in the planning of the BSP.

5.2.2 History of Bath as a spa

The history of Bath shows that the traditional medical type of spa has dominated throughout. The foundation of Bath according to the legend of Bladud was based on the therapeutic values of the waters of Bath. In subsequent periods Bath has always been a traditional therapeutic spa, which benefited from the hot water source in Bath. Some of the history of Bath was discussed in the literature review (see section 2.2.1). This section will focus on the history of Bath as a spa during different periods and it will examine the influence of this history as a spa on the contemporary plans for the new spa project versus the new trend demand for spa industry.

According to the legend of Bladud, the City of Bath was founded around the hot springs in 863 BC. The legend tells the story of Bladud, the ninth king of the Britons, and how he escaped from his father’s court. After becoming a leper, he went to a place called Swainswick and worked as a swineherd. He noticed that the pigs, which wallowed in the warm mud, were free of scruffs and
scabs. He was cured from his disease by using the warm water and mud. He returned to his father’s court and became king after his father died. He founded the city of Bath around its hot springs (Wood, 1765).

The most important periods influencing Bath as a spa town went through, which will be discussed in turn below as follows.

- Roman
- Medieval
- Elizabethan
- Georgian
- 20th century

The Romans founded "Aquae Sulis" as a sanctuary of rest and relaxation around AD 43. They were attracted to the South West first by the lead mines in the Avon valley. They soon discovered the other geological and natural attributes of Bath, which led to their exploitation of the waters of Sul (Little, 1961). The thermal settlement of Aqua Sulis gained some importance as a market centre (Little, 1961). Little (1961: 3) adds further that Aqua Sulis was a ‘town of peculiar type’. The real fame came to Aqua Sulis, however, as a spa. According to Little (1961) it was twenty-three acres in extent. Addison (1978) mentions that it was 73 feet by 29.5 feet. The core of the Roman bath was a rectangular area containing the baths and a religious arcade with its temples. Little (1961) describes further how Romans had started to build their thermae at Bath by the year 76. The water was naturally hot and they built a deep, semi-circular stone seated bath for cold-water treatment, which benefited King Augustus. They then built a reservoir around the hot springs, erected a series of baths and constructed a temple dedicated to their goddess "Sulis Minerva". By the end of the Roman occupation of Britain the temple and baths were ruins. In the 11th century an infirmary was
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built and the King’s Bath was part of this. This was built over the temple grounds and spring. During the 13th century writers mentioned the curative benefits of the springs and by the 1500s the baths continued to attract visitors searching for cure. In 1576 the Queen’s Bath was built.

During the Elizabethan era, Bath flourished as a spa town. In 1661 the first drinking pump at the King’s Bath was installed. In 1663 Charles II bathed in the Cross-Bath and brought his wife Catherine and in 1687 the wife of James II became pregnant after bathing in the Cross-Bath and Bath was promoted as a health resort. The visits of Queen Anne in 1692, 1702 and 1703 to take the waters encouraged the aristocracy to follow and Bath subsequently became a health resort attracting the aristocracy. However Bath was often criticized for falling far behind its status as England’s most important watering place. In 1654 John Evelyn reported that the streets of Bath were “narrow, uneven and unpleasant” (Little 1961: 31).

One of the most important persons to come to Bath in 1705, and whose work led to social future of Bath, was Richard Nash or “Beau Nash”. He set the social tone of Britain’s premier spa. Most of the recent buildings in Bath date back to the Georgian era. The three men most responsible for constructing the Georgian Bath (John Wood the Elder, Beau Nash and Ralph Allen) also built the Royal Mineral Water Hospital in 1737. The new Pump Room was constructed in 1790-1795, during which time the ruins of the Roman temple were discovered. By the beginning of the 20th century the spring water was being bottled and sold and after the First World War wounded soldiers were being rehabilitated in spa towns, such as Bath, and hence the public swimming pool at Beau Street was constructed. In 1948, and after the NHS was established, Bath provided water treatments on prescription. However in 1975 the NHS withdrew its support and in 1978 the spa closed totally after a woman died from meningitis after bathing in the spa. Thomson (1978: 44) criticised the fact that Bath Spa had to be closed. He stresses that the 1976 official guidebook to the city mentioned:
BSP could not forget the reason for the existence of Bath as a spa city, which relied mainly on the hot waters and its use for curative purposes. However as the market demand has changed significantly - as has been discussed in the literature review - into wellness and wellbeing, the project could not challenge the market demand and rely solely on a product that is not in favour anymore, i.e. curative or traditional spas. Thus the following section will discuss the details of BSP and the type and market it has chosen to serve.

5.2.3 The planning process for the Bath Spa Project

Chapter two has discussed the resort planning process and Gunn (2002) particularly has provided a model for the site development process (see figure 2.16), albeit a linear model. This figure can be used as a framework for the presentation of the BSP case study and those aspects which recognise the increased complexity of the spa development will be emphasised.

5.2.3.1 Market analysis

The first step in the figure is the market analysis referred to by Inskeep (1991) in figure 2.15 as market and product assessment of area. The market comprises demand and supply. To ascertain this Bath and Northeast Somerset (B&NES) instructed a company Deloitte and Touche (D&T) to undertake the market analysis by analyzing the spa market potential for BSP. The researcher has enquired about if this market analysis was the main market analysis that the project was developed based on and it the developing company confirmed that it was. Thus the D&T report became a key document in the development of the BSP case study.

- Demand
D&T (1997) were instructed by the B&NES to evaluate the business of redevelopment of Bath Spa. D&T produced a report analyzing the demand in the international market and in the UK. The report concluded with some characteristics of the international visitors in terms of attractiveness to spa market. Spa visitors are attractive markets because they have a high average spend per guest night, demand is evenly distributed throughout the year and average length of stay is generally longer. The repeat visitor levels are high and word of mouth recommendations attract more new visitors.

In terms of the domestic market, the report divides the demand into four markets: local, regional, tourist visitors and incremental market. D&T assumed that the use of the facilities by local people would be relatively high since the water belongs to them (Deloitte and Touché, 1997). In order to collect local support, the project had a target of collecting £250,000 from local people in the form of 1000 subscription packages at £250 each. D&T divides the local market into regular users, who represent 40% of the local market and who are likely to visit the spa 12 times a year. Irregular users on the other hand might use the spa three times a year.

The regional market is based on the catchment area of less than 60 minutes driving time to Bath, which amounts to a total population of 1.25 million. However D&T sees this figure as conservative because retail survey conducted by the Bath Chamber of Commerce and City Centre manager base the regional market on 90 minutes drive time to Bath. According to D&T the anticipated visitor number from the regional market would be 6750 visitors in the first year increasing to just under 7500 visitors from 2006 onwards.

Tourist markets are divided into four categories according to D&T (1997). Current visitors in the top hotels were assumed to generate 10,500 visitors to the spa per annum after 2006 (the proposed
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opening date for BSP). Current visitors in other hotels will generate 15,500 visitors per annum to the spa after 2006. Current visitors are that sector of the market that might visit the spa instead of other visitor attractions during their visit to the City of Bath. This sector might generate 18,000 visitors per annum.

Current tourist day visits whose segment is based on B&NES’s estimate based on on-site surveys and ticket receipts to key attractions within Bath. D&T assumes that this sector will generate 11,600 visitors per annum in 2006. D&T also include the incremental market to the anticipated spa visitors. Incremental staying visitors could generate 68,000 visits to the spa per annum and incremental day visitors could generate 27,000 visitors annually. Incremental regional day visitors will generate 9,400 visitors per annum. Following evaluation of the potential demand for the spa, a capacity level has been applied based on the plans for the facilities. Table 5.1 illustrates demand adjusted to reflect capacity constraints.

Table 5.1: Demand for spa -2006

<table>
<thead>
<tr>
<th>Market</th>
<th>Total Visits ('000s)</th>
<th>Proportion of visits (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Bathonians</td>
<td>21,885</td>
<td>12.2</td>
</tr>
<tr>
<td>Irregular Bathonians</td>
<td>8,207</td>
<td>5.6</td>
</tr>
<tr>
<td>Long/Short Stay Visitors</td>
<td>99,926</td>
<td>55.6</td>
</tr>
<tr>
<td>Day Visitors</td>
<td>49,570</td>
<td>27.6</td>
</tr>
<tr>
<td>Total</td>
<td>179,588</td>
<td>100</td>
</tr>
</tbody>
</table>

Source [Deloitte and Touche, 1997]
Some issues evolve from the discussion of the demand factors for BSP. These issues are particularly important to the development of the spa tourism development checklist. These issues are:

- **Appropriate market research has established adequate demand;**
- **Assess the international spa trends;**
- **Assess the national spa trends;**
- **Assess the regional spa trends;**
- **Forecast demand for potential spa visitors;**
- **The project does not challenge the global market;**
- **The project is designed to meet the needs of the target market.**

**Supply**

The second element in the market analysis is the supply element. Godfrey and Clarke (2000) have identified key elements of tourism supply in destination. These elements relate to the socio-economic structure of destination, the nature of facilities and environment, ownership and aspects of investment. These elements interact with each other to establish the desired impact of tourism to the destination.

Godfrey and Clarke (2000) mention that the tourist spending is very important to the overall economy of a destination, but more important is what the destination offers them to spend on. If the destination fails to supply visitors with their demand, then these will have to be imported. That in turn reduces the economic benefits to the destination as imported goods have to be paid for and this is called economic leakage. The smaller the receiving economy the bigger the economic leakage gets. That means that cities tend to have a better economic impact from tourism than towns and villages.
Since BSP is located in a big city, i.e. the City of Bath, the issue of economic leakage should be minimised. Bath as a city supplies tourists with a diversity of goods and services. Godfrey and Clarke (2000) mention that the extent of local ownership directly affects the economic benefits of tourism. The council of B&NES owns Bath Spa Project. In an interview conducted with Paul Simons, the spa director in 2000, he talked about the share of public versus private investment in the project, he mentions:

At the moment the public proportion is 70% and the private proportion is 30%. The public proportion is not all coming from one organisation it is partly coming from national and partly from local so the national part of the total percentage would be 45% and the local percentage would be 25 to 30% of public funds. The rest is all private.

Godfrey and Clarke (2000) mention further that private sector is unlikely to invest, if there is a lack of infrastructure or if there are problems with accessibility, which hinders visitors from getting into the destination. The Telegraph Weekend (3.7.2004) commented on the involvement of the appointed spa operator company, TDC as follows:

...it was the only company willing to put up some money before the millennium bid went in. Furthermore most other private bidders, when they came to look at the books, did not believe that the spa project would ever make money. But TDC had been operating a similar hot spa in Holland for 15 years and reckoned it could make a profit where the others could not.

The fact that the local council owns the BSP facility ensures, according to Godfrey and Clarke (2000), a greater local economic impact. This also affects the supply of resources used by the facility and its personnel.

In the planning literature, according to Gunn (2002), five components of supply have been identified, which are an expression of the complexity of the tourism system and the interdependence (O’Conner, 1999) of tourism products. These are attractions, services, transportation, information
and promotion. The components of supply have to match the demand in order to provide a successful outcome.

Gunn (2002) mentions that attractions are those developed locations that are planned and managed for visitor interest, activity and enjoyment. Attractions in BSP not only depend on the heritage of Bath City but also the old buildings themselves. The buildings of the spa and their uses will be described later in the chapter. The BSP also considers the state of the art modern design of the new building as an attraction on its own.

BSP's location in the city centre of the City of Bath facilitates transportation issues. It is accessible by different sorts of transportation. There are regular train services direct from London to Bath, with an average journey time of around 90 minutes. Bristol Temple Meads Station stop, just 15 minutes away by train, is a major hub for travel to all other parts of the country. Travelling by coach is also facilitated as National Express provides good-value coach travel linking all major towns and cities in the UK. Frequent services run from London to Bath. Travelling by car is also relatively easy as the road network connecting Bath City with the different cities in UK is facilitated. Bath is located just 10 miles from junction 18 of the M4 motorway which runs from London to South Wales. There are also excellent motorway links from the North of England and Devon and Cornwall via the M5 motorway. International visitors will also find it easy to get to Bath via Bristol, Birmingham, Heathrow or Cardiff Airports, Bristol International Airport, just 15 miles from Bath, is one of Britain's fastest growing airports, serving over 68 direct destinations and 300 worldwide destinations via the hub system using Amsterdam and Brussels. Access by sea is also available with the closest ferry ports located in Portsmouth, approximately 80 miles/130 km south of Bath (for boats to mainland Europe, especially France and Spain) and Fishguard in Wales, approximately 140 miles/250 km away (for boats to
Ireland). The major port of Dover is 190 miles/305 km away to the East for passengers travelling to and from mainland Europe's more northerly destinations.

Information as the fourth element of the supply is provided by regular news releases as well as the web site of both Bath spa project (http://www.bathspa.co.uk) and the Thermae Bath Spa (http://www.thermaebathspa.com) as well as the council's website that is providing information and updates on the project on a frequent base.

Some considerations arise out of the discussion of the supply factor, which will form part of the spa tourism checklist presented at the end of the chapter. These considerations are as follows:

- The supply components are present and match demand;
- The project provides an appropriate mix of attractions to tourists;
- Transportation for the project is available for both national and international visitors;
- Adequate information is provided on the spa;
- A good promotional campaign has been planned to attract visitors.

5.2.3.2 Programme statement

The second step in Gunn's figure (2002) is the programme statement. The aims of BSP are as follows

- Aims of BSP
  1. To revitalise the Spa quarter of the Georgian City.
2. To reuse the only natural thermal waters that emerges in the United Kingdom for Spa bathing.

3. To act as a catalyst for the revival of other spa towns throughout the UK.

This will involve and impact on a number of local stakeholders and must be integrated into the local development plan, which must itself be consistent with the national development plan. The local development plan must rationalise the ambitions of the various stakeholders. A steering committee involving key stakeholders should ensure the ongoing fit between the spa resort development and the local development plan and be sufficiently flexible to adapt to other local developments as part of a complex adaptive system.

The significance of BSP should not be underestimated. Spa tourism, in the sense of the European spa tradition, ceased to exist with the closure of the last facility in Bath in 1975. All other spas were either completely closed or limited only to drinking the waters some time before the world war. BSP has become the rallying cry for the spa tourism industry in the UK, which anxiously watches to see the impact that it will emanate for on re-building a spa tourism market within the UK. Several other proposals and re-developments are now progressing, including Buxton and Harrogate. However, it is BSP that is the flagship project. The point that emerges from the above discussion is that:

- The project has clear and realistic aims that are in tune with local and national development plans.

- Spa type Selection

In the wellness section the shift in the demand for spa tourism was discussed. This particular point has influenced the type and design of BSP. As discussed in the history of Bath as a spa section, the history of Bath spa suggests that the medical side has always dominated. The demand for spa
tourism nowadays however suggests that health and wellbeing is becoming the most important factors. In response to that the set ratio for leisure/cure will be 80 to 20%.

According to the global demand and trends in the spa market overall the company has recommended a leisure health spa aimed at the middle market. To determine the market positioning an analysis of three possible market sectors in terms of pricing have been analysed (Deloitte and Touche, 1997: p.3).

1. Upmarket with an exclusive price positioning and low volume.
2. Middle-market with access on a day use at a medium price, generating moderate number of visitors.
3. Popular with low admission prices to appeal to the widest market.

These markets were analysed against three possible product types (Deloitte and Touche, 1997: p.3)

1. a medical spa which is designed principally for therapy.
2. a leisure/health spa which is designed principally for rest and relaxation, but with some medical aspects.
3. a leisure pool which is designed exclusively for immersion and relaxation.

This market positioning is reflected in the following table:
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Table 5.2: Market positioning for Bath Spa Project

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>[A] Medical Spa</td>
<td>A1</td>
<td>A2</td>
<td>A3</td>
</tr>
<tr>
<td>[B] Leisure Health</td>
<td>B1</td>
<td>B2</td>
<td>B3</td>
</tr>
<tr>
<td>[C] Leisure Pool</td>
<td>C1</td>
<td>C2</td>
<td>C3</td>
</tr>
</tbody>
</table>

[Source: Deloitte and Touche, 1997]

This market positioning was recommended due to the international spa trends as well as the situation of the City of Bath and the supply it can offer. D&T (1997) has related this particular conceptual market to several reasons which included the need to offer a product with a broad appeal, the need to ensure price-accessibility for Bathonians and tourists staying in a wide range of tariff bands, the need to work on a commission basis with Bath’s hotels and guest houses to attract tourist customers, the capacity constraint of the Georgian buildings which would have difficulty in accommodating large volumes of clients and compatibility with the quality attributes of the period buildings.

Although the spa director believes that spa has to be developed in the traditional way, but the demand forces the fact that it has to compensate personal views and develop according to the global demand, i.e. to go for hybrid type. This reflects itself in the interview with the spa director Paul Simons (26.05.2000). In his opinion the City of Bath is regarded as a spa town with reservations and in his words he mentions:

> I think we are a spa town, but because of the concept of the spa town in England is now not so positive you could say that what we are building is a spa complex in a spa town. By building that we hope the whole town will start think again that it is a spa town, but I think at the moment we are building (spa complex in a spa town) to become (spa town).
Simon is accentuating the holistic nature of the development and that it cannot be seen on isolation but as part of a bigger system.

The importance of the natural qualities for a spa (mineral water) was one of the questions asked to the spa director. He analyses this issue from a legislation point of view and asserts that there is no legal control over the use of the word "spa". He also mentions that:

They say you must have mineral water in Germany. If you go to Germany you have to have mineral water within your town, within your facility if you are to be a spa. In this country the legislation doesn't control that and in North America there is no legislation at all.

In this respect he thinks that Europe has to unify the use of the word spa and formulate a definition for it. He is convinced that this definition would include specific mention of the need for natural mineral water. Europe, in his opinion, has to unify to the principle of using only natural mineral water in its spas, so that this issue becomes pre-dominant. Europe has to make its unique image for using only natural mineral water in its spas. This is the traditional image of the spa. However as the demand in the spa market is increasingly changing, the mineral water source in spas is losing importance.

Another issue was raised during the interview is what kind of treatment the new spa should be offering. In an answer to this question he mentions that due to the UK no longer having working spas offering medical treatments, the leisure market is the major spa market in the UK. This means that 80% of the cash flow in the first few years has to be generated from leisure activities in the spa and 20% from medical:

We will have 4 rooms in terms of medical centre in the spa. We have 12 private rooms and all those rooms will have equipment and facilities provided using the thermal water.
A general issue that was discussed with him was the changing image of spa. Throughout the world the image of spa is changing from “ill and old” to “healthy and young”. This issue in particular is causing a lot of changes in the spa industry throughout. This has reflected itself in some countries, like Germany, Italy and France, which are introducing modernizations to their spas to cope with this new image whilst at the same time the governments in each of the countries are reducing their subsidies to the spa visitors.

The discussion of the spa type selection has confirmed the importance of this factor. The consideration arising from this discussion would be:

- The proposed spa type is consistent with the market demand and resources available.
- Hybrid Spa type selection should:
  - Determine appropriate ratio between traditional and pseudo spa type, reflecting market demand.
  - Check appropriate requirements for traditional and pseudo spa requirements.

5.2.3.3 Resort site selection

Resort site selection comes next. As the project is about reviving the spa a facility, the site is pre-selected. The site of the project lies in the centre of the City of Bath. Stall Street forms the eastern boundary of the project, Westgate Street the northern, Westgate buildings the western and Lower Borough Walls the southern (see Figure 5.1).
This means that most of the buildings are to be redeveloped. Access to the spa site nationally and internationally was discussed in the transportation section earlier. The location of the BSP is particularly suitable for the spa type selected as discussed earlier in the spa type selection section. Hybrid spa type needs to have a mix of attributes of both traditional and pseudo. The site of the BSP is also located within the tourist quarter of Bath City as Bath Abbey is located close to it. Hence some issues emerge from the site selection as follows:

- Site location is accessible nationally and internationally;
- The site is new build or redevelopment;
- The spa site is adequate for spa type selected;
- The spa site is appropriate for tourism and is not located within dangerous industrial projects.
5.2.3.4 Site Analysis

BSP comprises six buildings located around two of the three hot springs in Bath. The buildings are: the Cross Bath, the Hot Bath, 7/7a Bath Street, No 8 Bath street, the Hetling Pump Room, and the Bath Street Bath.

D&T (1997) produced a conceptual plan for the spa redevelopment. Based on the market positioning the conceptual facility planning for the spa buildings was recommended to be as follows:

The Cross Bath to become a small open-air spa water bathing pool with self contained changing facilities, the Hot Bath is recommended to provide a central plunge pool surrounded by smaller treatment rooms and pools, recreating a "Roman" sequence. The Bath Street Bath will be the largest of the buildings. A new building will be constructed housing the main spa water pool and a range of water treatments. 77a will be used as retail and treatment rooms and the Hetling pump room will house the offices and a small visitor centre (Deloitte and Touche, 1997).

Gunn (2002) mentions that an important part of synthesis is public participation. Whilst not directly non-linear, this emphasis does recognise the complexity of the system. The project had to consider third party comments and views as part of the planning process and as a community relationship. All adjoining owners or occupiers were notified and the planning and listed building consent applications have been advertised and in the press. Consequently a number of letters from third party were received, which raised some planning issues, some of which are detailed below. These comments were extracted from the Bath and North East Somerset planning committee report (1999).
One individual objector was concerned that the application for the project should have been submitted together with an environmental assessment; he argued further that planning permission should not be granted until further Environmental Impact Assessment regulations are in place.

The Bath Preservation Trust had no objection about the project and supported it strongly and expressed its pleasure at the proposed "distinguished and exciting high quality building". (Committee report, 2000:3)

The Bath Society supported the project in general terms, however comments that it is disappointed that the proposed project reduces the size of Cross Bath pool. The Campaign for Dark Skies asked for assurances that the upward light spillage from the building will be minimised, especially due to the proposed glass structure and the use of the roof area as operational space. The Sacred Land Project of the World Wide Fund for Nature gave general support to the project and admires the quality and value of consultation undertaken. The Springs Foundation (SP) objected to the scheme on grounds that the Cross Bath should remain as it is. It justifies the objection because the Cross Bath spring has "special atmosphere and sanctity and the scheme will destroy it" (Committee report, 2000: 5). SP also mentioned that the scheme does not pay sufficient attention to the needs of those who regard the spring as having religious significance. The SP wants the scheme to treat the sacred springs with due respect and to show adequate understanding of the principles of sacred geometry. Other reasons they cited included that water treatment, fibre optic lighting and the use of lead roofing materials are disrespectful and contradict with the rights of the spring. SP also objects the scheme because the pool will be too small and will be an inadequate facility for local residents, who will "have to wait 5 years and 7 months to use their community pool". Some other reasons included high proposed access costs and lack of facilities for pilgrims, who should not be charged for access.
The agent for the owner of the adjoining properties Numbers 5 and 6 Bath Street argued that the scheme would obscure the rear elevations of important properties in Bath Street and will therefore harm both the setting of listed buildings and appearance of the conservation area. The agent also objected to the scheme because views from the rear windows of these properties would be completely blocked and the new building would overshadow and dominate the rear of the adjoining properties.

St. John's Hospital was another supporter of the "exciting" and "dramatic" scheme in principle, however objected reasons which included that the proposal would seriously harm the special character and setting and would prejudice the residential use. Comments were also made about the disturbance that would be caused to St. Catherine's Hospital during the construction period. Other objections included that the consultation period was inadequate and that there would be noise and loss of privacy and seclusion, during and after construction and after the use of the building. Also comments were made about the lighting pollution from the glass structure and the smell nuisance from the air handling plant. The character and appearance of the conservation area issue was also raised by St. John's Hospital.

A total of 23 individuals (of whom 8 local residents and 15 live outside the Bath area) objected to the proposal. Some issues were mentioned repeatedly, such as the Cross Bath issues mentioned before and the conservation area and listed buildings. Local residents access to the facilities is also discussed and the high entry charges. The design of the new buildings was too high and inappropriate for Bath. The light issue was also mentioned. Open air bathing was considered unhealthy and subject to bird droppings. Another environmental issue was raised about the use of lead, which may lead to lead poisoning. They also mentioned that plans for BSP were misleading.
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On the other hand as a sign of local support to the new spa, the project had to raise £500,000 from local residents, donations and business subscription. The subscription scheme offers discounted access to the spa.

5.2.3.5 Feasibility
Several abortive attempts were made to rebuild the spa – in 1979, 1982 and 1984 - but all these failed due to the high estimated cost and lack of projected profitability. The most recently-promoted scheme, which was funded by the National Lottery, has proved to be more robust and has now at the time of writing of this thesis largely been completed.

Funding
BSP is one of the projects funded by the Millennium Commission (MC). The MC was set up in 1993 as an independent body with the aim of distributing National Lottery money to assist communities in the UK in marking the close of the second millennium and celebrating the start of the third. On the 13th November 1997, MC agreed to support BSP. A grant of £7.78 m was assigned to this project.

To qualify for MC lottery funding, BSP had to:

- Enjoy public support;

- Make a substantial contribution to the life of the community it was designed to serve;

- Look back over this millennium and/or forward into the new one;

- Be seen by future generations as marking a significant moment in national or local history;

- Include partnership contributions to demonstrate the real support of the local community;

- Not be possible without MC funding and not normally be supportable from public funds nor fall within the scope of another Lottery distributor;
- Be of a high architectural design and environmental quality.

That means that first step towards the rebuilding of that major project, was the boost of the funding through the MC contribution. It was originally intended that BSP would be funded by the following cash grants and contributions:

Table 5.3: Original Funding Sources for Bath Spa Project

<table>
<thead>
<tr>
<th>Funder</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>MC</td>
<td>£6.78 million</td>
</tr>
<tr>
<td>The Council</td>
<td>£2 million</td>
</tr>
<tr>
<td>TDC</td>
<td>£3 million</td>
</tr>
<tr>
<td>Bath Spa Trust</td>
<td>£100,000</td>
</tr>
</tbody>
</table>

[Source: Legal Report for Bath Spa Project, 1999]

In the event the original budget was exceeded and it was necessary to raise a further £2.75 million additional funding. A breakdown of the additional funding is shown in table 5.4:
Table 5.4: Additional funding for the BSP

<table>
<thead>
<tr>
<th>Funding source</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>MC</td>
<td>£1 million</td>
</tr>
<tr>
<td>TDC</td>
<td>£875,000</td>
</tr>
<tr>
<td>Allocated to the Council but to be financed by TDC and repaid out of the revenue from the Project over 10 years</td>
<td>£875,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>£2.75 million</td>
</tr>
</tbody>
</table>

Source: Legal Report for Bath Spa Project, 1999

Accordingly the actual cash contributions for the project are broken down in Table 5.5

Table 5.5: Actual cash contributions for the BSP

<table>
<thead>
<tr>
<th>Partner</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>MC</td>
<td>up to £7.78 million</td>
</tr>
<tr>
<td>The Council</td>
<td>£2 million</td>
</tr>
<tr>
<td>TDC</td>
<td>£4.75 million</td>
</tr>
<tr>
<td>Bath Spa Trust</td>
<td>£100,000</td>
</tr>
</tbody>
</table>

Source: Legal Report for Bath Spa Project, 1999

Since TDC provided additional capital for BSP, the rent and water fees payable by TDC during the first ten years are being adjusted to compensate for this. The revenues from BSP will be shared or received by the partners as follows:

- Bath Spa Trust will pay a peppercorn rent to the Council.
• TDC will pay:

  ➢ rent to Bath Spa Trust under the Sub-lease (i.e. whichever is the greater of £80,000 p.a. or
  10% of net profit) and

  ➢ a water rights license fee to the Council consisting of a fixed interest payment (at the rate of
  8%) on the Council’s cash contribution (£2 million) (i.e. £160,000 per annum); plus 12.5% of
  net profit.

• TDC will receive:

  ➢ entrance fees from members of the public

  ➢ treatment fees from “private patients”,

  ➢ prices for merchandising and catering

  ➢ a management fee of 3% of gross operating income.

Profits (or surpluses) will be distributed as follows:

• TDC will receive the management fee referred to in the previous paragraph.

• The Council will receive 12.5% of net profit as an addition to its water fee.

• Bath Spa Trust will receive by way of additional rent under the sub-lease 12.5% of net profit as a
  sinking fund contribution for the repair, improvement, refreshment and/or expansion of the
  Project.
Subject to meeting its administrative expenses, the Bath Spa Trust will be required by the MC to accumulate not less than 75% of the rents which it receives from TDC in a separate designated bank account for the sinking fund purposes referred to earlier.

In 2000 there had been some problems regarding the involvement of TDC as the second major funding source and potential spa operator for the BSP. The Project Manager therefore prepared budget scenarios, one of them including the involvement of TDC the other one without the involvement of TDC and these scenarios are summarized below (see tables 5.6 and 5.7).

**Table 5.6: Budget Scenario with TDC Contribution**

<table>
<thead>
<tr>
<th>Option One: proceed with TDC</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project costs</td>
<td>19,010,749</td>
</tr>
<tr>
<td>Project funding available</td>
<td>16,995,344</td>
</tr>
<tr>
<td>Shortfall</td>
<td>2,015,405</td>
</tr>
<tr>
<td>Already committed:</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2,100,000</td>
</tr>
<tr>
<td>value of site</td>
<td>1,160,000</td>
</tr>
<tr>
<td>Total anticipated contribution</td>
<td>5,275,405</td>
</tr>
</tbody>
</table>

Source: B&NES Council Report, 2000

Or if the Council had decided to proceed without TDC the funding scenario would have looked as follows:
Table 5.7: Budget Scenario without TDC Contribution

**Option Two: ‘Go it alone’ and seek new commercial partner**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project costs</td>
<td>19,010,749</td>
</tr>
<tr>
<td>plus costs of selection and re-negotiation</td>
<td>200,000</td>
</tr>
<tr>
<td>Project funding available</td>
<td>19,210,749</td>
</tr>
<tr>
<td>Shortfall</td>
<td>11,895,344</td>
</tr>
<tr>
<td>Already committed: cash</td>
<td>7,315,405</td>
</tr>
<tr>
<td>value of site</td>
<td>2,100,000</td>
</tr>
<tr>
<td><strong>Total anticipated B&amp;NES contribution</strong></td>
<td>10,575,405</td>
</tr>
</tbody>
</table>

Source: B&NES Council Report, 2000

It is very obvious from the previous section BSP involves huge costs that need huge funding. The problem arising from the possibility of not including TDC as a major private funding source and a potential spa operator has confirmed the importance of the public-private partnerships in projects of this type. In this respect Timothy (2002) identifies the lack of cooperation or partnership as an obstacle for the tourism development. Among the four types of cooperation that Timothy (2002) identified is cooperation between the private and public sectors. Gunn (2002) also concurs with this cooperation and mentions that a successful destination is one in which policies and actions of both public and private sectors are complementary rather than competitive or divisive. Gunn (2002) also mentions the fact that public-private partnerships should cooperate with non-profit organizations as they plan. For example in Egypt, which is a developing country, considers tourism to be the first tool for economic development, public-private partnership is a much used mechanism. In 2004/2005 the private sector involvement in tourism projects reached 72% of the whole projects developed (Ministry of Planning, 2005).
The cost of the BSP has since increased and some unexpected problems have arisen which influenced the delay of the completion. These problems will be discussed later in the chapter. The cost of BSP climbed from approximately 19 million in 1999 to 22 million in 2002 and reached 26 million in 2003 and 35 million in 2004. The council is still not able to determine its final cost.

The previous discussion poses some significant issues on feasibility-funding factor that informs the tourism development checklist, i.e. that the project should:

- Consider public-private partnership to fund projects;
- Adequate funding streams have been identified for the proposed development;
- Alternative funding sources have been identified;
- Contingency funding arrangements can be developed to cover unforeseen costs;
- Identify potential profit distribution plan;
- Plan maintenance and emergency repairs from the profit.

5.2.3.6 Final plan

- Physical

Based on all previous elements the final plan will include the main buildings to be redeveloped and their description.

a) The Cross Bath

The Cross Bath is a Grade 1 listed Building and was built by Thomas Baldwin and John Palmer. The Cross Bath is erected on the 2000 years-old Roman cistern, which still feeds the Bath with its thermal water. Both the World Wildlife Fund and the Sacred Land Project regard it as sacred site. It
comprises an oval shape pool surrounded by walls. The proposed plan for the Cross Bath will include the creation of a new smaller oval pool within the existing pool (see Figure 5.2).

The alterations will also include the removal of the southern wall to the northern entrance room to create with a cantilevered roof and a curved feature in the floor surface of the bathing area the original impression of Thomas Baldwin’s oval room. The northern half of this oval space will remain as an enclosed entrance room with a new fully glazed southern wall assembly. The remainder of the oval roof will cantilever out over the northern part of the external bath area. The oval floor feature within the bath area overlaps the northern end of the oval pool enclosure to create a small ocular shaped pool which houses the new Cross Bath spring head and flow and return pipe work to the water treatment system in the main spa complex. The returned treated water will fill the ocular pool and top-up the new bathing pool via a small overflow feature.

The eastern doorway facing Bath Street will be opened and provided with glazed screen on its inner face to enable the public to see into the pool and springhead. The entrance room will be provided with a new roof and on the east of the bathing area a new obscured glazed structure will be constructed to provide showers, changing and locker facilities.

Figure 5.2: The new proposed Cross Bath [Source: www.bathspa.co.uk]
b) The Hot Bath

The Hot Bath is a Grade II listed building designed by John Wood the Younger dating from 1773 the building was adapted by Decimus Burton in 1829. It contained a central plunge pool surrounded by a series of smaller treatment rooms. The Hot (sometimes known as the Old Royal) Bath will house a medical treatment centre providing preventative and curative therapies such as physiotherapy, hydrotherapy, acupuncture, therapeutic massage, mud treatments and treatment for sports injuries. There will be minor alterations to the external public elevation, which include:

- The provision of a new glazed screen in place of the existing western entrance doors;
- The opening of a new doorway on the south side the western elevation;
- The conversion of a window to a door on the north side of the west elevation;
- The provision of a glass information panel within the existing blind door feature on the northern elevation.

The interior of the Hot Bath will have considerable works of refurbishment and alteration. A new pool structure to the existing pool structure will be provided. The floor level will be lowered and the pool will be provided with a slipway (steps for disabled lifts). The poorly detailed existing roof will be removed and replaced with a modern lightweight metal and glazed roof structure.
c) No.7/7a and 8 Bath Street

The main entrance, ticket office, gift shop and cafe will be housed at 7/7a Bath Street, the upstairs of which will also provide additional treatment rooms. No.7/7a Bath Street is a four-storey, Grade 1 listed town house and shop premises forming the South West corner of Bath Street, built to the designs of Thomas Baldwin in 1791. No 8 Bath Street is a Grade 1 listed building. It was built in the 19th Century as the City’s museum. Both No7/7a and 8 Bath Street will have significant internal alterations to link them, both together and with the new spa building. The basement floor will provide staff accommodation, the ground floor will house the entrance hall and staff facilities, a restaurant will be located on the first floor, an office and spa facilities at second floor and the catering accommodation on the attic floor. Much of the interior of the building will be completely remodelled with an exception on the second floor, which will retain much of its original details.
d) The Hetling Pump Room

The Hetling Pump Room will house a small educational, research and interpretive centre plus administrative facilities. Established in the 18th Century, the Hetling was one of a number of pump rooms in the City at that period where people could drink spring water from the Hetling Spring. It was closed in the 19th Century when the pump room moved to the Hot Bath. The main original pump room is to become an associated exhibition space and the two ground floor rooms are to become offices. The original ground floor northern doorway will be reopened and a double timber entrance door will be provided.

Figure 5.6: The Hetling Pump Room [Source: http://www.bathspa.co.uk]

e) The Bath Street Bath

The recently demolished Beau Street swimming pool was built in the 1920s on the site of a building constructed by Decimus Burton in 1840 to house a tepid spa pool. Little of Burton’s original building remains, and the demolition of the Beau Street pool in the summer 1998 allowed archaeological excavations to take place. The new spa building has been designed by the internationally renowned-architectural practice of Nicholas Grimshaw and Partners. The new spa building (a Bath stone cube, in a translucent glass enclosure) will house the main spa complex. It will comprise a three storey freestanding cube, with external walls clad in Bath Stone. It will house changing rooms at upper ground level, massage and gymnasium at first floor and a steam room at second level. A
delicately detailed glass façade will follow the street line providing the main pool with natural daylight source. From the rooftop pool and terrace bathers will enjoy views across Bath's skyline to the City's green horizon. Other pools within the spa will be located on different levels and will include whirlpools, neck-massage jets and air-beds. Other facilities include steam rooms with cold mist features, exercise and rest areas, treatment rooms and cafe.

Figures 5.7, 5.8: Computer generated images for the new spa [Source: http://www.bathspa.co.uk]

Figure 5.9: The new spa building [Source: http://www.bathspa.co.uk]

Some issues emerge from the discussion of the physical part of the final plan which includes:
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THE BATH SPA PROJECT

- The project proposal identifies an appropriate mix of services and facilities;
- The project proposal identifies the requisite superstructure;
- The project proposal identifies the requisite infrastructure.

- Human

The interviews that the researcher has undertaken have produced very valuable data on the Bath Spa case study. As indicated in the methodology chapter, the researcher made four interviews with people directly connected with the project. The first interview was made in Germany 1999 with the marketing director of the operating company TDC. The unstructured interview shed some light on some areas of BSP, although no details could be drawn as to the commercial sensitivity. Some points could be extracted from the interview, relating to the spa industry:

1. BSP is very important to Britons in reintroducing the spa traditions.
2. The spa will impact positively not only regionally, but also nationally, in terms of the tourist number and the length of stay.
3. Human resources are a very important part of a successful spa and training them is one of the key tasks that have to be considered.

In terms of human resources, the total number of staff, according to Paul Simons, will be 90. He mentions further the breakdown of each workforce category as follows:

the vast majority will be local people ..this will be: medical will be about 27%; managerial will be 18%; technical there is a large number of technical - about 20% - and the rest is manual in terms of ... service, restaurant, cleaning and there are a lot of people involved in that ...

A major problem arisen from wrong selection of human resources (in this particular case the construction company Mowlem, who had no previous experience in spa or health resort building) has resulted not only in delaying the opening of the BSP by three years but also to extensive rise in the
cost of the project. This particular problem stresses the importance of selecting the right human resources in the right time for the right job. After the Council took over BSP, specialist consultants Capita Symonds (CS) were asked to produce a full report on the condition of the building so that the Council knew exactly what had to be done to complete the work. Their findings, which CS has just released, reveal a number of problems. CS has advised that these further defects can be rectified without adversely affecting the project programme.

In summary, the problems are:

- The glass wall surrounding the building is defective and much of it will need to be replaced. In addition, a number of panes have been vandalized.

Figure 5.10: Glass wall surrounding for BSP. [Source: www.bbc.co.uk]
Several internal fire doors are not up to standard and are being replaced.

Door frames in the steam room and treatment rooms are too weak to carry the weight of the doors.

A number of sections of floor have to be taken up and re-laid to prevent leaks.

Figure 5.11: Floor sections to be re-laid. [Source: www.bbc.co.uk]

Some electrical fittings have been found to be defective and will be replaced as part of the floor repair programme. The wiring does not match the wiring diagram (e.g. some of the switches do not operate the equipment they are supposed to).

The wrong type of steel has been used in some areas leading to rusting and these will need to be replaced with stainless steel. This is not a structural problem.

Paint is peeling from walls in the steam room and is being investigated further. This is not thought to be as serious as previous problems with paint peeling off the lining of the pool.

A crack has been found in the basement where a temporary joint was not finished off properly and this is also being corrected.
In addition, the Council has decided to make a change in the preferred technology for water treatment for the Spa. When it was originally designed ozone treatment was specified on two of the pools on the advice of the Council's external consultants. The Council has now changed the water treatment specification on all pools to a UV treatment system which, for various reasons, is now believed to be more appropriate. It is estimated that the cost of these additional works will be £1.3 million.

These problems confirm the importance of getting the right number of the right people into the right place at the right time, which is the essence human resources management. Some considerations evolve from the discussion of human resources as follows:

- The project has considered the local labour market;
- Appropriate competences requisite for spa operation have been identified;
- A training plan has been identified for the spa operation;
- Right human resources are chosen for the right job at the right time.

5.3 CRITICAL SUCCESS FACTORS IN THE BATH SPA PROJECT

Critical success factors can by identified from BSP case study. These factors will be put together to build the proposed model and add to the unified model extracted from the literature review (see section 2.5).

- Market Analysis

The first critical success factor in the BSP is the recognition of the market analysis to include demand and supply. In this respect Gunn (2002) mentions that every tourist project has to have a thorough understanding of the potential travel user. This is achieved through the collaboration of
designers with the owner-developer and the services of a market analyst. This step was done by B&NES, which has appointed D&T to assess and analyse the market for the project. As discussed earlier four target markets were identified, local, regional, tourist visitors and incremental. D&T has also analysed the spa trends internationally and nationally and has on light of this identified the preferred spa trends as being the wellness and health. Competitive markets were also identified.

Supply factors have also to be identified to match the demand factors identified. As discussed earlier supply factors compromise the five elements identified by Gunn (2002) which include services, attractions, transportation, information and promotion. These factors were identified to match demand factors discussed earlier. Demand and supply factors are the first steps to inform the rest of the project.

- **Programme Statement**

Clear aims and objectives have to be identified from the outset so that concepts for site designs can be created. In BSP case aims have clearly been set as have been discussed earlier in the chapter. The first aim set is to revitalise the Spa quarter of the Georgian City, as this was the reason for the existence of the City of Bath. The second aim is to reuse the only natural thermal water that emerges in the United Kingdom for Spa bathing. This aim shows that the project considers the attractiveness of the natural factor, which is the hot water that is essential for traditional spa types, however the project did not stop by this factor only and has considered the overall spa trend and developed accordingly as has been discussed early in the chapter. The third aim is to act as a catalyst for the revival of other spa towns throughout the UK. This aim is particularly important nationally as all spa towns in the UK are monitoring the success of the project in order to take it as a model for their redevelopment and to put the UK in the spa map as has always been.
Final Plan

Following the previous factors, a development plan for the specified site will be conducted. The site development plan involves developing and constructing physical buildings and human resources that will run the physical buildings. Bath Spa Project has prepared a development plan to develop five main buildings as have discussed in the case study section. A famous engineering company (Nicholas Grimshaw) has been appointed in order to carry out this task.

In terms of human resources it was very obvious from the discussion of the case study that selecting the right human resources in the right time to the right job was very critical as wrong selection not only affected the delay of the opening of the spa but also has resulted in escalating the costs of the projects to almost threefold.

Funding

Funding could work as a framework that wraps all above-mentioned factors under it. Without funding any development could take place or be possible. BSP became available to develop when funding was ready. The grant of the MC was the first boost to enable the development of BSP. The chosen operating company TDC also agreed to fund the project. Other sources of funding include Bath Spa Trust, were discussed earlier in the chapter. As discussed earlier funding for the project was a major factor and without it the project could have not existed. This particular point has confirmed the importance of public-private partnership in the development of the project.

Local development plan (see appendix 2)

The project also has to be developed within the local development plan framework. The local council of B&NES had the target of redeveloping the Bath spa facilities. On the other hand the project had to comply with local planning policies.
**National development plan**

One of the overall national objectives is the revival of the spa industry. National development plans encourage all spa towns to redevelop to revive the spa industry as Britain as has been seen was the pioneer and most successful spa country in Europe. Bath Spa Project when opened and run will be the first step in reviving the rest of the towns that are waiting anxiously to see the outcome and follow its success. On the other hand the project has to comply with national planning policies.

### 5.4 THE MODEL OF SPA TOURISM DEVELOPMENT

Gunn’s model with some adaptation to recognise system complexity can be used for modelling spa tourism development accommodating all the data gathered for BSP without redundancy except for evaluation, which is post implementation process rather than a planning process. This is not to say that key performance indicators (KPIs) for the project should not be identified during project for its later evaluation. The conceptual design for the spa resort project commences with market analysis rationalising demand and supply issues and resulting in a programme statement comprising spa type and aims of project. These then feed into the spa site selection and its analysis and then unites a conceptual design. The conceptual design must be consistent with national and local development plans be feasible. The ultimate test for feasibility is that funding can be obtained for the implementation of the project. In the case of BSP this involved a private-public partnership, which considered both investment and profit sharing. This is shown in figure 5.12.
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THE BATH SPA PROJECT

NATIONAL AND LOCAL DEVELOPMENT PLANS
FEASIBILITY-FUNDING

SPA RESORT

MARKET ANALYSIS
DEMAND ↔ SUPPLY

PROGRAMME STATEMENT

SPA TYPE SELECTION

AIMS

SPA SITE SELECTION
ANALYSIS

FINAL PLAN
CONCEPTUAL DESIGN INCLUDING HUMAN RESOURCES ISSUES
IDENTIFYING KPIs FOR EVALUATION

Figure 5.12: Revised Model for Spa Tourism Development
5.5 THE SPA TOURISM DEVELOPMENT CHECKLIST

In order to use the model as an evaluative, predictive tool, a checklist has been developed from the literature review, BSP case study and proposed spa tourism development model (see figure 5.12) to predict the potential success of proposed spa tourism development projects (see figure 5.13). The checklist is derived from the success factors drawn from the literature, the BSP case study and thus can be seen as a benchmark for spa tourism development. The checklist questions enable the identification of gaps that may pose an obstacle to the development of a spa project and may be a major cause of the success or failure of the development.

Some of the factors affect the development before planning can take place, for example, lack of natural attributes that a spa is based would be a total barrier to a traditional spa tourism development. If there were no human factors that can initiate development, again there could be no development. The former Eastern European countries are very good examples of this point, as many of these countries had the natural attributes, but the prevailing political context did not allow for private investment and prevented developments. Some of the factors identified impact on development before the construction of the project, although the framework of the local development plan can adversely affect the project even after operations have commenced. A good example of lack of coordination between the local development plan and current and potential developments which caused conflict between projects and closure of a spa tourism development was the erecting of concrete factories in close proximity to the Helwan spa which caused it to close (see Section 5.3).

The national development plan can also influence the success or failure of potential spa tourism projects. Provision of adequate infrastructure in an appropriate timescale, for example, not only encourages investment but also shortens the time of construction. Other factors influence the success of the project during the operation; however these factors must be identified in the planning process.
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**THE BATH SPA PROJECT**

### NATIONAL AND LOCAL DEVELOPMENT PLAN
- The proposed development is consistent with the national development plan.
- The national development plan facilitates development through appropriate legal and fiscal arrangements.
- The requisite infrastructure is existent or has a high priority and within appropriate timescales.
- The proposed development is consistent with the local development plan.

### FEASIBILITY-FUNDING
- Adequate funding streams have been identified for the proposed development.
- Alternative funding sources have been identified.
- Consider public-private partnerships to fund projects.
- Contingency funding arrangements can be developed to cover unforeseen costs.
- Identify potential profit distribution plan.
- Plan maintenance and emergency repairs from the profit.

### MARKET ANALYSIS
#### SUPPLY
- The political context allows for appropriate development opportunities.
- The political context allows for private-public partnerships in development.
- The supply components are present and match the demand.
- The project provides appropriate mix of attraction to tourists.
- Transportation for the project is available for both national and international visitors.
- Adequate information is provided on the spa.
- Good promotional campaign has been planned to attract visitors.

#### DEMAND
- Appropriate market research has established adequate demand.
- Assess the international spa trends.
- Assess the national spa trends.
- Assess the regional spa trends.
- Forecast demand for potential spa visitors.
- The project does not challenge the global demand.
- The project is designed to meet the needs of the target market.

### PROGRAMME STATEMENT
- **Aims**
  - The project has clear and realistic aims.
### Spa Type Selection

- **Traditional**
  - There is an adequate supply of fresh mineral water to meet the needs of the spa.
  - The water has an appropriate mineral composition for spa treatments.
  - The water source is not subject to any pollution.
  - The climate is ideally hot and dry with extensive periods of sunshine but at a minimum is stable and predictable.
  - Medical support is available.

- **Pseudo**
  - Spa provides short beauty and pampering treatments for day visitors to match market demand.

- **Hybrid**
  - Determine appropriate ratio between traditional and pseudo spa types, reflecting market demand.
  - Check appropriate requirements for traditional and pseudo spa requirements.

### SPA SITE SELECTION

- Site location is accessible nationally and internationally
- The site is a new build or a redevelopment
- The spa site is adequate for the spa type selected
- The spa site is appropriate for tourism and is not located within dangerous industrial projects.

### SPA FINAL PLAN

#### PHYSICAL

- The project proposal identifies an appropriate mix of services and facilities.
- The project proposal identifies the requisite superstructure.
- The project proposal identifies the requisite infrastructure.

#### HUMAN

- The project has considered the local labour market.
- Appropriate competences requisite for spa operation have been identified.
- A training plan has been developed for the spa operation.
- Right human resources are chosen for the right job at the right time

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Figure 5.13: Spa Tourism Development Checklist
5.6 SUMMARY

The chapter uses BSP case study along with factors extracted from the PBSP in Egypt to develop the theoretical model presented in the literature review (chapter two) and develops a revised model (figure 5.12). From this a checklist is produced (Section 5.5). The next chapter will test the validity of the model and the checklist through a carefully selected expert panel. This will enable the production of revised final versions of the model and the checklist.
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VERIFICATION OF MODEL AND CHECKLIST

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CHAPTER SIX
VERIFICATION OF MODEL AND CHECKLIST

6.1 INTRODUCTION

This chapter uses an expert panel to validate the model and the checklist for spa tourism
development presented in chapter five (see figures 5-12 and 5-13). The model and the checklist
were subject to extensive discussions in the form of interviews and correspondence between the
researcher and the carefully-selected expert panel as described in chapter four, section (4.9).

The outline of this chapter is as follows. Section 6.2 reviews the general comments from the
expert panel that was chosen to comment and evaluate the model and the checklist. Section 6.3
then discusses suggested modifications to the model and how best the elements of the model
inter-relate with each other. Following that, section 6.4 reviews suggested modifications to the
checklist. Finally the revised version of the model and the revised version of the checklist are
presented in sections 6.5 and 6.6. Section 6.7 summarises the whole chapter concentrating on
the main points discussed throughout.

6.2 GENERAL COMMENTS ON THE MODEL AND THE CHECKLIST

The expert panel and the criteria underpinning the choice of it were introduced in chapter four
(section 4.9). The following section concentrates mainly on discussing the comments and
suggestions received from the expert panel.
All opinions were unanimous about the soundness of both the model and the checklist. According to the respondents - the model and the checklist were “thorough”, “sustainable” “interesting” and “robust”. Some recommendations for elaboration of the checklist were suggested. Also some suggestions were made regarding moving around some elements in the model, e.g. KPIs.

Stephanie Ashley’s reply was short but positive. Her reply indicated that according to her experience, the model and the checklist are “thorough”.

Mr Czik sent some much more detailed comments. He suggested a “conceptual phase”, which has to identify the direction, the feel and the style. He stresses the importance of the spa concept and he claims that location, site selection and market analysis can only be undertaken once the spa concept is identified. The second observation of Mr Czik was the importance of human resources. In his opinion availability of skilled personnel should be a clear factor when choosing a site location.

Mr John Beatty’s comments were also positive. Apart from a spelling mistake he has spotted he suggested some points to be added to the checklist for elaboration. However he did not have any criticism nor comments on the model and the checklist. He suggested including economic impact in terms of jobs generated (primary/secondary), visitor spend, and potential additional hotel/bed/nights stay, increased retail spend per visitor and overall economic impact of area.

Ms Sara Lloyd was also interviewed for her comments and evaluation on the model and the checklist. Her comments were very useful. In the first interview she had no criticism on the model
or checklist. On the contrary she was very pleased with them. A discussion regarding the spa industry as a whole was made relating factors to the model and checklist and confirming their credibility. Ms Sara Lloyd suggested that the KPIs be moved up with a loop from the operation stage. This suggestion is very highly valued as this connects both planning and operation stages together. Other than that she confirmed that the model and the checklist were very "sustainable" and she found them comprehensive. In the second interview that was held with her some points in the checklist were discussed, confirming the validity of the model and checklist.

The interview with Mr David Rawlands was very useful. Mr Rawlands found the model and the checklist very "robust" and he added that any new project would be more than happy to be offered a framework that has everything they need. Mr Rawlands however had some points that he thought could be an elaboration to the checklist. These points will be discussed later in the chapter.

The researcher also asked Mr Verschuur as a developer with more than twenty years of experience in the field to evaluate the model and the checklist as a tool to be used in the spa industry. Overall Mr Verschuur approved the model and he commented that all elements of the development of a spa are present in the model. In one of his comments he mentioned to the researcher "You haven't forgotten anything!" One of the requests in the interview was to ask Mr Verschuur to tick the boxes in the checklist, which he thought apply to the BSP and all boxes in the checklist were ticked, implying that all elements were not only related to the TBS but also to an new spa project development.
Mr Verschuur however drew the researcher's attention to a very important factor in the model. He said that if the spa was demand driven the sequence of steps would run as stated in the model. If however the spa development were supply driven the site selection and spa type selection would come first and then research would be undertaken in relation to the possibilities of getting it developed. This point has to be considered and it will be discussed later in the chapter.

The following section will discuss in detail the comments of the in-depth semi-structured interviews conducted and modifications suggested to the model and the checklist.

6.3 RECOMMENDED MODIFICATIONS TO THE MODEL

The first interview conducted with Ms Sara Lloyd drew the researcher's attention to the possibility of moving the KPIs into another position in the model. As the KPIs are the evaluation tool for any project Ms Sara Lloyd suggests moving them to the market analysis phase that feeds next steps as, according to her, "the spa industry is not static". Thus in her opinion every phase has to seek feedback from the KPIs forming loops alongside the model.

This point was discussed with Mr Rawlands, who also confirmed this particular opinion. When asked about where he thinks KPIs should be positioned, he replied that they were very important in terms of evaluating one's success. He commented that each phase has to have its own KPIs. Mr Verschuur however thought that they could only be in two phases, the first one in the market analysis and the second one to be where it is present in the model.
When asked if a conceptual phase is necessary, Mr Verschuur agreed with Mr Czik that a conceptual phase should be present in the model. He mentioned that if the developer has an opportunity to get hold of a very good site he tells himself that this is an opportunity to make his dream come true, and he takes it from there and does the rest of the procedure accordingly.

The main comment that Mr Verschuur made focused on differentiating between small scale and large scale developments in terms of demand and supply. In his opinion small scale developments tend to be supply driven where the developer chooses the site first and then goes through the rest of the process starting with local development plans and not national plans as shown in the model. Mr Verschuur argued that spa development is not always demand driven asserting that: "Sometimes people create supply and then demand follows". His spa in Holland (Thermae 2000) is, for example, supply driven. After that it is mainly a marketing job to promote the spa and attract people to visit it. He compares it with the ongoing products of cosmetics. Products are created and then women are convinced that this is an essential product for them. He also thinks that demand differs from one country to another. Earlier there was no demand for spa but Mr Verschuur agreed with the researcher that nowadays spa industry is demand driven. When asked where TBS stands in the model he answered that TBS has followed the same procedure as in the model.

The main problem with the delay in the BSP lay in the construction phase. Selection of the wrong construction company from the council was the main problem. Councils generally do not have the experience to manage a private 'for profit' development. In this respect Mr Verschuur strongly recommended that if a public body is involved in a project development with a private company, the decision-making processes should be left to the operating company as they have the
experience to make the right commercial decisions. Mr Rawlands also totally agreed with Mr Verschuur's opinion of the main problem that led to the delay of the project. He also agreed that private investment in such projects is much more preferable. Mr Rawlands thought that private investment is far more commercially focused and public funding is good for capital investment.

6.4 RECOMMENDED MODIFICATIONS TO THE CHECKLIST

The checklist has received a very positive feedback from the expert panel. Ms Sara Lloyd, commented that she has nothing more to add to the checklist, as it is very complete. Stephanie Ashley from ISPA had also nothing to add as she thought - according to her experience - that it was thorough. As mentioned, Mr Beatty suggested some elaboration to the checklist in terms of the economic impact of the spa development. Mr Rawlands similarly had suggestions for elaboration to the checklist, which are detailed in the following paragraph.

- **Accommodation**

  The spa should have its own accommodation because in his opinion it is far more feasible.

- **Car parking and travel plans**

  Although the main trend nowadays is going green but the reality dictates another thing. One of the downsides of TBS is the car parking as it is located in the city centre and parking spaces are very limited. Guests want to continue the pampering experience even after they come out of the spa. Thus the operating company has arranged to take the guests either to or from their car park or their hotel in order to take out the stress of getting back to where the customer wants to go.

- **Travel plans**
Travel plans have to be arranged with the local authorities in terms of the expected number of guests and the preparation of the facilities accordingly in terms of trains, buses and park and ride. Also the staffing level has to be at least 75% locally to reduce more traffic. Travel plans to work should also be encouraged to reduce traffic and use public transport.

- **Construction contract**

The major problem that faced the BSP according to Mr Verschuur and Mr Rawlands was the construction contract and the selection of the construction company. In order to avoid this in future developments it is suggested that the construction contract has to be very carefully discussed and that the operating company has a decision-making role in this process. The operating company will have the required experience to identify what is needed. Thus the construction company must have a track record of constructing spas.

- **Quality**

In Mr Rawlands’ opinion construction companies have not the sense of identifying the quality required for the spa industry. Thus there has to be a major role for the operating company to determine the required quality and finish to the superstructure and the construction company has to have the required experience.

- **Media control**

Media plays a very crucial role in every development. BSP has suffered greatly from the media interference. Only negative side of the development was published. In this respect Mr Rawlands remarked that "if we were to go out and ask people what they knew about the spa all they will answer would be the peeled paint and the delayed opening". He related this back to the bad
management of media control. The developers should have a mechanism for filtering through various development stages but on their terms and their control rather than react to news published.

In a very important comment, Prof. Tabacchi drew the researcher's attention to some vital points to be added to the checklist. However she noted that all the points she mentioned are buried in the model but they need to be present in the checklist. The first of her observations on the model is the use of the word 'pseudo' to describe the salon type treatment spas, which do not provide hydrotherapy treatments. One of Prof. Tabacchi's suggestions was that the spa needs a distinctive theme that makes people choose a certain spa over other. Another of her comments related to the lack of a strategic marketing plan as well as PR plans and a plan for quality assurance, which according to her are vital. Furthermore she mentioned the lack of a strategy for encouraging repeat business as well as the lack of a "sense of place". Prof. Tabacchi's point of view was that the identification of hot dry climate is ideal for spas. She also advised that some issues are buried within the model and checklist but are in need of highlighting.

The following section will concentrate on presenting a revised version of the model and the checklist according to the comments of the expert panel.

6.5 PRESENTATION OF A REVISED VERSION OF THE MODEL

The first observation that the researcher wants to begin revising the model with is the introduction of a conceptual phase. This was part of a comment made by Mr Czik of BISA as well as part of the comments made by Mr Verschur. It is very logical to have a general idea of what is the
concept of what is to be developed. This should enable the developer to focus on his/her needs when further researching the feasibility of the project. In chapter two the researcher went through the different models for tourism planning, all of which put study recognition and preparation as a first step towards a proper planning (e.g. WTO, 1994; Cooper et al., 1999). Mr Verschuur spoke about conceptualizing the project saying that if the developer had an opportunity to get hold of a very good site he tells himself that this is an opportunity to make his dream come true and he takes it from there and does the rest of the procedure accordingly.

In the model and checklist conceptual phase will include the recognition of the project site, type and target market. It will also include a rough idea of funding sources. All these factors will be confirmed when doing a proper market analysis and feasibility study for the project. In BSP the recognition of the site as a potential development opportunity was the first step towards TBS.

Figure 6.1 presents the conceptual phase as a new factor in the model.

![Conceptual Phase Diagram]

**Figure 6.1: Conceptual phase**

The conceptual phase will be confirmed or revised through the rest of the model procedure.
In the BSP the conceptual phase was very evident and was related to the proposal having to go to MC for funding. The case study of BSP has shown how the initial interest in the spa site initiated the whole project. An initial idea of the spa type was also formed as the researcher learnt from the former director of the BSP, Paul Simons, who wished to use the natural water source as a main attraction to the potential spa. The target market was visualised to be the tourists who come to visit Bath City on day trips. The funding sources were roughly identified as it was known from the case study. The MC funding was the first step into funding the huge project, which led to the identification of other parties to co-fund the project, e.g. TDC. If a conceptual phase is added to the model the phase of 'spa site selection' will have to be revised into 'spa site confirmation' or 'spa site reselection'. The spa type phase will stay as it is but the right type will be chosen according to the feasibility study and market analysis.

The other suggestion that the researcher received on the model was the positioning of the KPIs as an evaluation method. Ms Lloyd and Mr Rawlands put the suggestion forward to put KPIs in every stage of the model to evaluate the performance. When asked if one can redo an entire phase if it turns out that it was wrong according to the KPIs, Mr Rawlands replied that it was possible to do that and that it was much better to determine faults earlier than later so that they can be rectified. Ms Lloyd suggested that KPIs should be an evaluation stage that should form a loop with other factors and stages of the model, i.e. if KPIs are not passed in a certain stage, a fault in the procedure is obvious and redoing of the previous stage would be a must before proceeding to the other stage. Mr Rawlands agreed with that suggestion. However Mr Verschuur thought that KPIs were very important but they only should be placed after two main
stages: the market analysis and where they stand in the model, i.e., at the end of the construction procedure and the beginning of the operational phase.

KPIs are very important towards the success of the development and they differ from a project to another. Mr. Rawlands refused to expand about TBS's KPIs regarding them as commercial sensitive information; Mr. Verschuur on the other hand just gave a general idea about KPIs used as discussed earlier in the chapter.

In the light of the suggestions provided, the researcher decided to combine all opinions into the model. As discussed KPIs are vital to self evaluate the performance of the project. In this respect Wutte (2007), regards KPIs to be a fabulous tool for monitoring the performance of the business and he specifically considers KPIs to be the secret to success in any spa business. He also thinks that KPIs have a dramatic and a positive impact on the spa performance. Wutte (2007: 12) identifies KPIs as “an early warning update or insurance policy to ensure the most important activities in the spa are closely monitored.” These activities are deemed by any business to be the critical success factors or drivers. Wutte (2007) further advises that KPIs could be monitored on an hourly, daily, weekly, monthly, quarterly or yearly basis, allowing non performing activities to be quickly corrected and the ones that are working to be duplicated and continued. Wutte (2007) speaks about KPIs in the operational stage, however the researcher thinks that KPIs are as important in the planning stages as they are in the operating stage, as they provide an alert to the project management or developers to where the project is not going to plan or the required measures. Thus the KPIs will run along the different phases of the model and will differ from phase to another according to the aims and objectives of the developers. This is illustrated in figure 6.2.
NATIONAL AND LOCAL DEVELOPMENT PLANS

FEASIBILITY-FUNDING

SPA RESORT

MARKET ANALYSIS

DEMAND \leftrightarrow SUPPLY

PROGRAMME STATEMENT

AIMS

PSEUDO

TRADITIONAL

HYBRID

IDENTIFYING AND ACHIEVING KPIs

SPA SITE SELECTION

ANALYSIS

FINAL PLAN

CONCEPTUAL DESIGN INCLUDING HUMAN RESOURCES ISSUES

IDENTIFYING KPIs FOR EVALUATION

Figure 6.2: Adding KPIs to the model
Each phase has specific goals that need to be achieved. In order to determine if these goals have been achieved there must be a way to measure progress toward those goals. These measurements are the KPIs. Figure 6.2 illustrates how each phase feeds into the KPIs and then goes to the next phase if passed. However it must be noted that each phase will have its own KPIs and that these will differ from developer to another. Success by each phase in meeting its respective KPIs will help the project meet its overall KPIs and thus ensuring a successful project. The KPIs themselves need to be continuously reevaluated in the light of changes in the wider system in which the spa development is located. They therefore become a performance measurement for the project progress and a way of aligning the project with the wider system.

The use of KPIs at each stage of the development process and their use to continuously monitor the project and to themselves be continuously reevaluated in the light of the local and national development plans enables the development to be reviewed holistically as part of a complex and dynamic system and emphasises the non-linearity of the development process.

According to the suggested changes to the model, some points have to be added to the checklist. A conceptual phase has also to be added to the checklist, in which the anticipated overall concept of the spa has to be determined. This phase will feed into market analysis phase, which will confirm or redirect the conceptual factors. Similarly the KPIs have to be identified and achieved in each phase in order to go to the next one.

The researcher also suggests out of the interview conducted with Mr Verschuur that the spa type selection should come after the phase of spa site selection and analysis. As discussed the spa site could very well determine the spa type. For example if the spa site were rich with natural
mineral water, the developer would most certainly use these waters in hydrotherapy. Similarly if the spa site chosen was to be in the city centre in a middle of a big shopping centre, the spa type has to be a day spa.

The above were the main points suggested to modify the model accordingly. The checklist consequently will have to be modified too, not only according to changes applied to the model but also according to the suggestions received from the expert panel. The following section will discuss suggested changes to the checklist and will present a new revised version of it.

The revised version of the model is presented in figure 6.3.
CHAPTER SIX
VERIFICATION OF MODEL AND CHECKLIST

Figure 6.3: Final revised version of the model
6.6 PRESENTATION OF A REVISED VERSION OF THE CHECKLIST

As discussed above some recommendations were given to the researcher regarding elaboration of the checklist. The first group of recommendations came from Mr Beatty from the council regarding adding the economic impact of the project in terms of job generation, hotel nights, etc. As much as the researcher values this suggestion, she believes that any feasibility study should cover these points. It should also be noted that the model only presents the broad lines of the best practice towards a successful spa project. Every project will differ from other projects.

Mr Vershuur approved all points in the checklist. The very useful points towards modifying the checklist came from Mr Rawlands as well as from Prof. Tabacchi. Mr Rawlands posed some suggestions that came out of his experience with the TBS. As discussed in section 6.4, Mr Rawlands concentrated on points that guarantee a full customer satisfaction when using the spa. He also points out to some points that the researcher has discussed in the case study, which is the selection of the contractor. This was a major problem that caused delay to the project and it has also caused the project to overspend by more than £15M on legal expenses as referred to by Mr Verschuur. Mr Rawlands stresses the importance of controlling media in terms of a good public relations team. While Mr Rawlands made some specific points for additions to the checklist, Prof. Tabacchi identified open topics to be added. Some of them confirm the same points of Mr Rawlands. For example, Mr Rawlands speaks about media control, which Prof. Tabacchi refers to as PR Plans. The same applies to repeat visitation plans and travel plans and car parks. Whereas Mr Rawlands spoke about the points that guarantee customer satisfaction, Prof Tabacchi speaks about plans for encouraging repeat business.
The suggested modifications are discussed in section 6.4 and the following is a summary of the main points to be added and/or modified in the checklist. This is followed by figure 6.4 presenting the revised final version of the checklist:

- A conceptual phase should be added like the one in the model. The breakdown of factors under this would be:
  - Initial interest in a spa site
  - Initial interest in a spa type
  - Visualizing of a target market
  - Roughly identification of funding sources
  - Feed to next step where a market analysis is conducted to prove or disapprove the selection

- The first section of the checklist (National and Local Development Plans) had no objections or suggestions regarding modification apart from the one posed by Mr Verschuur. He differs between big scale and small-scale projects. In the former national development plan is considered, whereas in the latter only local development plan is consulted. In the case if BSP however both plans were consulted, as it was a major project that is playing as a flagship for other spas nationally to redevelop.

- The feasibility-funding section was also clear to remain as it is. No comments or suggestions were received to modify any of its components. Both MrVerschuur and Mr Rawlands expressed some reservations on the issue of public-private partnerships, as they preferred private-funded projects.

- In the market analysis section not much has been suggested except for Prof. Tabacchi’s comment. She suggested that developers should specifically know their target market and work towards attracting it, not only once but to encourage repeat visits. Although the
researcher has mentioned under the demand section that “The project is designed to meet the needs of the target market.” Prof. Tabacchi’s comments break it down to more specific tasks. Thus it is suggested that the checklist be modified in this part as follows:

- Specify the target market.
- Know the target market’s needs
- Meet the needs of the target market for ultimate customer satisfaction.
- Put plans to encourage repeat visits.

- In the programme statement part, the spa site selection will have to come prior to the spa type selection. As mentioned earlier the spa site determines how it can be best utilized to offer the appropriate spa treatments. It is the spa treatments offered that distinguishes a spa type from the other.

- The spa type selection section and specifically the point under ‘traditional spa type’ specifying the climate to be "ideally hot and dry with extensive periods of sunshine but at a minimum is stable and predictable" t has received a conservation from Prof. Tabacchi as she thinks that spas can develop in any kind of climate and there are a lot of examples of successful spas in cold as well as others in hot climates.

- The spa final plan section had the most comments. Mr Rawlands has broken down many points to be elaborated in the checklist as detailed earlier in the chapter (see section 6.4). Prof. Tabacchi also breaks down some general points for elaboration in terms of plans, for example specific plans for:

- Strategic marketing plan
- Public relations plan
- Plan for quality assurance
- Plan for encouraging repeat visits
Each phase will have the KPI identification and passing in order to pass to the next level as it was presented in the model.

The above is the comments and suggestions regarding a revised final version of the checklist, which will be presented in figure 6.4.
### CHAPTER SIX
VERIFICATION OF MODEL AND CHECKLIST

<table>
<thead>
<tr>
<th>CONCEPTUAL PHASE</th>
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<tbody>
<tr>
<td>Initial interest in a spa site</td>
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<tr>
<td>Initial interest in a spa type</td>
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<tr>
<td>Visualizing of a target market</td>
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<tr>
<td>Roughly identification of funding sources</td>
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<tr>
<th>NATIONAL AND LOCAL DEVELOPMENT PLAN</th>
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<tbody>
<tr>
<td>The proposed development is consistent with the national development plan.</td>
</tr>
<tr>
<td>The national development plan facilitates development through appropriate legal and fiscal arrangements.</td>
</tr>
<tr>
<td>The requisite infrastructure is existent or has a high priority and within appropriate timescales.</td>
</tr>
<tr>
<td>The proposed development is consistent with the local development plan.</td>
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<table>
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<tr>
<th>IDENTIFYING AND ACHIEVING KPIs</th>
</tr>
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<tbody>
<tr>
<td>FEASIBILITY-FUNDING</td>
</tr>
<tr>
<td>Adequate funding streams have been identified for the proposed development.</td>
</tr>
<tr>
<td>Alternative funding sources have been identified.</td>
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<tr>
<td>Consider public-private partnerships to fund projects.</td>
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<tr>
<td>Contingency funding arrangements can be developed to cover unforeseen costs.</td>
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<tr>
<td>Identify potential profit distribution plan.</td>
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<tr>
<td>Plan maintenance and emergency repairs from the profit.</td>
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<tr>
<th>IDENTIFYING AND ACHIEVING KPIs</th>
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<tbody>
<tr>
<td>MARKET ANALYSIS</td>
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<tr>
<td>SUPPLY</td>
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<tr>
<td>The political context allows for appropriate development opportunities.</td>
</tr>
<tr>
<td>The political context allows for private-public partnerships in development.</td>
</tr>
<tr>
<td>The supply components are present and match the demand.</td>
</tr>
<tr>
<td>The project provides appropriate mix of attraction to tourists</td>
</tr>
<tr>
<td>Transportation for the project is available for both national and international visitors</td>
</tr>
<tr>
<td>Adequate information is provided on the spa</td>
</tr>
<tr>
<td>Good promotional campaign has been planned to attract visitors</td>
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<tr>
<td>DEMAND</td>
</tr>
<tr>
<td>Appropriate market research has established adequate demand.</td>
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<tr>
<td>Assess the international spa trends</td>
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## CHAPTER SIX

### VERIFICATION OF MODEL AND CHECKLIST

- Assess the national spa trends
- Assess the regional spa trends
- Forecast demand for potential spa visitors
- The project does not challenge the global demand
- The project is designed to meet the needs of the target market.
- Specify the target market
- Know the target market’s needs
- Meet the target market’s needs for ultimate customer satisfaction
- Put plans to encourage repeat visits

### IDENTIFYING AND ACHIEVING KPIs

#### PROGRAMME STATEMENT

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>Aims</strong></td>
<td><strong>Spa Type Selection</strong></td>
</tr>
<tr>
<td></td>
<td></td>
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<tr>
<td>- The project has clear and realistic aims.</td>
<td>- The proposed spa type is consistent with the market demand and resources available.</td>
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#### Traditional

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<tr>
<td>- There is an adequate supply of fresh mineral water to meet the needs of the spa.</td>
<td>- The water has an appropriate mineral composition for spa treatments.</td>
</tr>
<tr>
<td>- The water source is not subject to any pollution.</td>
<td>- The climate is not an essential factor.</td>
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<tr>
<td>- Medical support is available.</td>
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#### Pseudo

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<td></td>
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<tr>
<td>- Spa provides short beauty and pampering treatments for day visitors to match market demand.</td>
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#### Hybrid

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<td></td>
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<tr>
<td>- Determine appropriate ratio between traditional and pseudo spa types, reflecting market demand</td>
<td>- Check appropriate requirements for traditional and pseudo spa requirements.</td>
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### IDENTIFYING AND ACHIEVING KPIs

#### SPA SITE SELECTION

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<tr>
<td>- Site location is accessible nationally and internationally</td>
<td>- The site is a new build or a redevelopment</td>
</tr>
<tr>
<td>- The spa site is adequate for the spa type selected</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- The spa site is appropriate for tourism and is not located within dangerous industrial projects.</td>
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6.7 SUMMARY

This chapter has discussed the process of verification of the initial model and checklist. It started with introducing the expert panel that was used for this purpose. The comments on the model and checklist were very positive and some recommendations were suggested to enhance the practicality of them.

The chapter started with general comments on the model and checklist and proceeded in two separate sections to comments specifically on the model and checklist and recommendations for modifications to them. It then went on to present revised versions of the model and the checklist according to the expert panel's suggestions.
In the coming chapter conclusions will be drawn and recommendations for future research will be suggested. The most important factor for future work is to identify best criteria for choosing the construction company for spa development projects. The chapter will also discuss the researcher's contributions towards the body of knowledge and specifically in the spa tourism development field.
CHAPTER SEVEN

CONCLUSIONS AND RECOMMENDATIONS

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7.2 REVIEW OF THE RESEARCH AIM AND OBJECTIVES OF THE STUDY 7-2
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CHAPTER SEVEN

CONCLUSIONS AND RECOMMENDATIONS

7.1 INTRODUCTION

This chapter draws the thesis to a close. Section 7.2 reviews the research aim and objectives of the study and relates them to the corresponding chapters. The chapter then reflects on the major findings of the thesis (see Section 7.3) and explores the contribution of the thesis (see Section 7.4). It then outlines the major limitations of the study (see Section 7.5) and makes suggestions for further research to build on the work in this thesis (see Section 7.6). The chapter concludes with a personal reflection on the research process (see Section 7.7).

7.2 REVIEW OF THE RESEARCH AIM AND OBJECTIVES OF THE STUDY

In a concluding chapter it is particularly important to review the aim and objectives set for the study to ensure that they have been achieved. The aim of this study was stated as being “to develop a model of spa tourism development appropriate to an international spa market and to develop a detailed checklist identifying critical success factors which can be used for the evaluation of potential spa tourism developments”. It was envisaged that results of the study would provide the basis for formulating guidelines for spa tourism development projects in order to achieve best practice and success in the spa project planning stages. Table 7.1 provides the objectives of the study and the chapters that have covered each particular objective.
Table 7.1: Summary of the research aim and objectives and links to the chapters where each objective is achieved

<table>
<thead>
<tr>
<th>RESEARCH OBJECTIVE</th>
<th>CHAPTER REFERENCE</th>
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<tr>
<td>To undertake a critical review of relevant literature relating to tourism planning and spa tourism development and to develop a unified model of spa tourism development.</td>
<td>CHAPTER 2</td>
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<tr>
<td>To evaluate the concept of spa resort development in a selected spa tourism destination in northern Europe as well as in Egypt and to identify critical success factors.</td>
<td>CHAPTER 4, 5</td>
</tr>
<tr>
<td>To integrate the critical success factors identified in objective two into a refined model of spa tourism development and to develop a checklist for best practice in spa tourism development projects.</td>
<td>CHAPTER 5</td>
</tr>
<tr>
<td>To test the generalisability of the model and checklist for international spa tourism development through a carefully selected expert panel and to produce revised versions of the model and the checklist.</td>
<td>CHAPTER 6</td>
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The researcher began this project with a very traditional view of spa development, which places the natural attributes as a higher priority than any other factors. The researcher was therefore very much in favour of confirming the fact that Egypt, through the development of PBSP, could be on its first steps towards developing as a successful spa destination based on the natural attributes that it owns. The researcher believed that these attributes with no doubt would allow it to be the most successful spa destination. However as any initial idea in any research needs examination through literature review and research, this initial assumption had to be examined too. A thorough review of literature on the spa history has confirmed the point that the researcher wanted to approve; however reviewing the literature on the current trends in spa market has proved very different. All new spas
that are being developed throughout the world contradicted with this assumption. The very successful spas did not consider the natural attributes as the ultimate success factor. Some examples of spas founded on the traditional trend, i.e. the natural attributes, were seen to be collapsing and replaced by the new trend if they wanted to continue in the field. Other measures and success factors were extracted from a northern European spa destination – Bath Spa Project - that is adopting the new trend of spa tourism towards a hybrid spa development combining traditional and pseudo spa with an emphasis on pseudo spa for economic reasons relating to demand. Although the project is based mainly on the natural hot springs, the ratio of 80% leisure to 20% medical - according to the former project director, Mr. Paul Simons, would achieve the anticipated profitability to the project.

Spa traditions in Western Europe have undergone a massive change. In Germany, for example, annual attendance at spas, funded through the national health systems for everyone in the population, guaranteed an ongoing market for traditional spas. Withdrawal of public support for attendance led to a decline in such markets and forced spas to review their product offering. Reengineering spas as curative, i.e. curing diseases for clients/patients in an extremely clinical, hospital-like environment, to spas as promoting health and wellbeing with treatments being offered to clients/guests in an extremely luxurious environment has been key to repositioning spas and generating new niche markets. Those spas that have been able to make the transition have survived; those that have not have closed. Spa has become synonymous with high-end luxury products, e.g. 5-star hotels, and is being used as drivers for tourism development. Spa has been identified as key to the diversification of the Egyptian tourism product and that makes the need to be able to effectively evaluate the potential success of spa tourism development project essential. This project contributes to an enhanced understanding of spa tourism developments and the critical
success factors therein and builds them into a model for spa tourism development and a checklist for use in the evaluation of spa tourism developments proposals.

Chapter 2 covers the objective that entitles: To undertake a critical review of relevant literature relating to tourism planning and spa tourism development and to develop a unified model of spa tourism development. Chapter 2 reviews the tourism development planning and resort planning and development literatures and draws out the importance of local and national development planning in the resort planning process as well as the interaction between natural resources and human factors in spa tourism success. This chapter also criticised the linear approaches to tourism planning and suggested that non-linear approaches are more suitable in reflecting the dynamic, complex nature of tourism. The spa tourism literature emphasises the importance of demand factors in spa resort success. These issues are brought together in a unified model of the critical success factors for spa tourism development that is used as a framework for the presentation of the selected case studies: Pharaoh’s Baths Spa Project, in chapter 4 and Bath Spa Project, in chapter 5.

Chapter 3 explores case study methodology and its application to the study of the selected cases as well as the theoretical and epistemological approaches underpinning the choice of the methodology and subsequent methods.

Chapter 4 discusses the layout of tourism industry in Egypt as well as the spa tourism and its market. It is very evident that tourism plays a very important role in the development of Egypt in different aspects. This led the government to focus on tourism and to take necessary steps to develop the tourism sector further. In doing that some new types of tourism are being introduced to the Egyptian tourism market, which is the spa tourism. The government aiming to utilise the natural qualities of Egypt, which qualify it to develop a traditional spa destination. Spa market in Egypt is however
CHAPTER SEVEN
CONCLUSIONS AND RECOMMENDATIONS

responding to the global market demand and a wide range of pseudo spa facilities are developed to match it. Two examples were discussed to emphasise the spa market in Egypt. The case study of PBSP is then discussed. Factors are extracted from the case study of PBSP and these informed the development of the model and checklist. The case study identifies significant shortfalls in the requisite infrastructural development, which would appear to be resulting in the project development being brought to a standstill. Some other shortfalls include the wrong selection of human resources represented in the construction company, which is the same problem that resulted in the delay and extra costs to the BSP.

Through the case study of BSP presented in Chapter 5, critical success factors for spa development are identified and incorporated into the unified model. Chapters 4 and 5 cover the following objectives: To evaluate the concept of spa resort development in selected spa tourism destinations in northern Europe as well as in Egypt and to identify critical success factors. The model and checklist including the success factors extracted from the case studies are presented at the end of chapter 5.

Chapter 6 verifies the validity of the developed model and checklist through the comments and feedback of a carefully selected expert panel. The model and checklist were well received by the expert panel. Chapter 6 thus covers the following objective: To test the generalisability of the model and checklist for international spa tourism development through a carefully selected expert panel and to produce revised versions of the model and the checklist.

7.3 MAJOR FINDINGS
The major findings of the thesis are the development of the model for spa tourism development as well as the checklist. The model and the checklist are mainly driven from the extensive literature review on planning and on spa tourism. The developed model and checklist are verified through a carefully selected expert panel.

Throughout the study it became clear that demand is a major driver for the success of tourism projects in general and spa projects in particular. Demand has to be met by the appropriate supply in order to meet customer expectations. The study identified that it is pseudo spas that are the type of spa most in demand. The market has responded to this demand and the number of five star hotels offering ‘pampering’ spa treatments has expanded, i.e. pseudo spas. Natural resources, e.g. mineral water source, climate or location are not essential anymore for the success of the new demand spas.

Thus spas that want to succeed have to respond to the market demand. If however these spas were supply driven, there has to be an extensive marketing campaign that can take a long time and money to achieve the required success.

The analysis of PBSP revealed that the project is supply driven. The project depends on the natural qualities of the area of Pharaoh's Baths and the curative elements of the water source. As was discussed earlier, the demand in the spa market is shifting towards the pseudo type. PBSP must reflect the market demand or it will need to have an enormous marketing campaign to draw customers back to the spa type they are proposing.
The other element that the checklist and model discussed was the human resources part. The employing of the wrong construction company in both the BSP and the PBSP increased the cost for both projects enormously and has caused the latter to come to a halt until legal issues are finalised.

7.4 CONTRIBUTIONS OF THE THESIS

Spa tourism has been identified as a major opportunity for diversification of the Egyptian tourism product. However, spa tourism development projects require massive investment. A model incorporating critical success factors is key to being able to evaluate the potential success of tourism development projects. Whilst one might assume that private sector investment that is key to the success of such proposals would not be made without appropriate feasibility studies being undertaken. However it is clear from the example of Pharaoh’s Baths that such investment is made and that some key issues had not been satisfactorily resolved and now threaten the success of the project. The most important of these issues is the selection of traditional spa type based only on the natural attributes, ignoring the global market demand and the new trends in successful spa tourism.

The checklist developed in this study clearly identifies significant issues that should have been more thoroughly explored in the project proposal. There was clearly an unrecognised need for such a tool. Thus the major contribution of this thesis is the development of a holistic tool for the evaluation of spa tourism projects, which has the potential for application more widely to resort and other tourism development projects. The study thus makes a theoretical and a practical contribution.

The model and the checklist provide benchmark for the spa industry. They represent best practice for spa projects. The literature on the contemporary spa development does not have any process for new spa projects. The model and checklist fills this gap not only on the theoretical perspective but...
also on the practical perspective. As discussed in chapter 6, experts in both academic and practical side of the spa industry were unanimous on the practicality of the model and the checklist, especially the opinions of the developers of BSP when they mentioned that the researcher had not forgotten anything and that any new project would be more than happy to have the model and the checklist before they start. When the model and checklist is available to developers and planners of future projects, elements could be easily followed and boxes ticked in the checklist to ensure that all elements are present and that best practice is applied to the project, saving them time and money.

I am not making a claim for any methodological contribution of the thesis in the wider sense but I believe that it is worthy of note that the study has made a major contribution to my personal development and enhanced my knowledge and understanding of qualitative research methodology and application of specific research methods, e.g. case study methodology (Yin, 2003)

7.5 LIMITATIONS OF THE STUDY

The major limitation of the study is the ultimate problem of most researchers, i.e. access and gatekeepers. This is very evident in the pilot study of Bad Saarow, when the main informant was not able to cooperate more with the researcher. Geographic proximity did not allow the researcher to try and gain more access through alternative ways although it was believed that language proximity would overcome this problem. This is also evident to some extent in the communication with some trade bodies in the expert panel that was chosen to validate the model and checklist. The secretary of the BSF acted as a major gatekeeper and prevented further access to members of the federation.

Also claims of commercial sensitivity from informants limited to some extent the chance to capture a full picture of some aspects of the case studies.
7.6 SUGGESTIONS FOR FURTHER RESEARCH

The research offers a proposed model for spa tourism development and a checklist that can be used to evaluate spa tourism development projects. It identifies a series of critical success factors that contribute to the outcome of spa tourism development projects. The questions posed are generic questions and can be related generically to a range of specific contexts - they can be modified to respond to specific spa tourism development projects.

The researcher therefore suggests that future research could be made to identify criteria for choosing the right human resources for spa development projects. This will be particularly helpful when choosing for example the construction company for the project. Through the case studies undertaken, it became clear that the wrong choice of the construction company was a major obstacle to BSP and PBSP. It is therefore recommended that some criteria for choosing the right personnel to undertake the required job be identified.

As with all PhD research, findings represent usually only first steps in a long path. There is always room for enhancement and development. This research is not different. Future research therefore could enhance the model as well as the checklist to provide the best possible benchmarks for spa tourism development.

The research provides a holistic, ‘helicopter view’, of spa tourism development projects. Clearly each of the aspects of the model and checklist could be explored in more detail. This would be particularly interesting in exploring in greater depth key questions about infrastructure developments essential for project development, and particularly in relation to the complementarily and synergy of the project proposal with the local and national development plans. An opportunity for further
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CONCLUSIONS AND RECOMMENDATIONS

research would therefore be to test applicability of the model and checklist through identification of a spa tourism development project where detailed information on the national and local plans are available.

The longitudinal and ongoing study of the PBSP is something that the researcher will be particularly interested in and will inform the development of the ongoing checklist. Egypt is rich in spa and health tourism developments so that there are a number of potential cases, which can be used for further study.

7.7 PERSONAL REFLECTIONS

This research has added extensively to my experiences. First of all it had developed my knowledge and understanding of the research process and has extended the range of research methods, particularly qualitative research methods, which I have experienced. Egyptian tourism research has a heavy quantitative bias. This will be extremely useful to me in my future career as a lecturer in Suez Canal University and will enhance my ability to advise my students of alternative strategies for data collection. I have been able to explore and come to deeply understand those research methods that I used – notably interviewing techniques and case study research with all its evidence collecting methods. I have gained confidence in decision-making and learnt more about the importance of justifying the decisions that I have had to make in completing this study and has broadened my mind in terms of choosing alternatives. The research experience is very remarkable and the more time is spent on research the more interesting it becomes. As is the case with all research process, there are always some up and down times for the researcher. However when the researcher finds his way into research and begins to unfold mysteries connected with the research question, the whole process becomes like puzzle pieces that have to click in their right places to reveal the whole clear picture.
The study has made me much more determined than ever before. There have been times, when all seemed very dark and difficult. The encouragement from supervisors and family kept me going and made me determined to see this piece of research and phase of my life have a positive end. I have benefited from interaction with other researchers and the exchange of information and experiences. Understanding that others also experience difficulties as they undertake their research has been a helpful insight.

This research however has been running for nearly eight years. Normally it should take three to four years to finish. The reasons behind this delay are a bit complicated. I came to this country with a very shallow base in tourism studies, as my background was tourism guidance in Egypt. Another challenge has been studying through the medium of the English language – before coming here all my studies had been through the medium of German or Arabic languages.

Being a mother of two little girls, one of whom was born at the beginning of the research process, has made it more difficult for me to dedicate all my time to research. A positive outcome however has been the time management skills that I have tried to sharpen in order to meet all my personal and academic goals. I have grown through the process and will take many lessons back to my home country as a result of my experiences.


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APPENDIX ONE

INTERVIEW WITH BATH SPA

PROJECT DIRECTOR
APPENDIX ONE

INTERVIEW WITH BATH SPA PROJECT DIRECTOR

Q. Which of the following do you consider Bath to be?
I think we are a spa town, but because of the concept of the spa town in England is now not so positive you could say that what we are building is a spa complex in a spa town. We are building that. By building that we hope the whole town will start think again that it is a spa town, but I think at the moment we are building 2 (spa complex in a spa town) to become 1 (spa town)

Q. When I asked Dr.Kirchner about this question he said: "we are a spa town" and he would regard every hotel or a spa as part of his spa.

We are not that in Bath. We used to be and by building 2 maybe 5 years later we will become number 1. But I think we are 2.

Q. What is the area of Bath?

The physical area (oh that's difficult). We are 83,000 people population, and the centre of the town is still the historic Roman city, now that is only about 4.5 square kilometers, now Bath must be about 15 square km. But it is still a very small place. Beautiful place but small place.
Q. But some places in Germany—from the answers I received are small

Because Bath is not just a spa. It used to be a manufacturing has a big history in engineering and many other industries are here as well but now it has become back to be a very pleasant spa town. A very nice place to live in but no big industry.

Q. So it's just the historical attractions that people come for?

It's now also a big education centre. We have two universities and that brings in nearly 40,000 extra students every year to the local population and we are specialising in things like IT and that's now developing smaller businesses in the city but we have ceased to be a big manufacturing city as we were in the 1930 and 1940 but that's all gone.

Q. How many visitors come yearly?

Just now 3 million: 70% day visitors and 30% stay in the hotels.

Q. And as you have said they come mainly for the historical attractions?

They mainly come because they see Bath as a heritage destination also the no.1 attraction is always the Roman Baths; the no.2 attraction will be usually the Abbey—the cathedral church next to the Roman Baths—but then people quickly if they stay a bit longer disperse and they go to some of our traditional georgian restaurants called Sally Lunn, which is famous for the Bath cake. And if they are day visitors that's
about what they do. If they stay longer they then go to things like the museums of costume, not the royal crescent and in all we have 17 different museums and visitor attractions open every day and so there is a big choice but there are the key principle visits that people make if they are only here for a short visit.

Q. And are there enough bed spaces to cover them?

O yes, we have. I mean with only 30% of our visitors who stay and the average stay is now just over 2, nearly 3 now, it’s nearly 2.7 nights per visitor of the 30%. We have in the city about 2700 bedrooms, which in a way bedspaces that makes about 3800 bedspaces, for some of them are shared bedrooms, family rooms... but part of the shift from day visit to stay visit means we need more beds of a wide range of price for budget, for families up to more high quality.

Q. And especially after the spa opens!

Yes the spa will stimulate that. In fact as now the market is already providing the budget accommodation under its own economic investment profiles the spa will stimulate further investment for higher quality bedrooms. At the moment we are quite well off a good quality bedrooms-the market will fill in the budget side but the spa will actually increase the demand for the other. The market will suite the budget, the spa itself will create a direct demand for more higher quality beds. We are very confident that this is how it will work.
Q. And what about the average annual hotel sector occupancy rate in the peak time?

In the peak time we are working about 82% and 84%

Q. Which is good?

Which is very good!

But Bath as a result of our marketing policy for the last five years worked very hard not to market at the peak time at all but to market on what we call the shoulder seasons in the beginning of the year in the late winter over spring and in the autumn.

Q. So that you have an all year round season?

Yes we have an all year round average which is about 72%. Now on the national average that is very good –national average is about 64%. And already we can say that we don’t find in the autumn after the summer season before Christmas a big dropping off. If the autumn is quite nice weather and not too cold we go right through them into November; and in November we start the Christmas shopping and the shortbreak weekends and with that Bath is also famous for sports in terms of Rugby and on Rugby weekends the town is absolutely full because people don’t just come here for the game, they stay the weekend because they know it is a very nice place and so we don’t see any longer an autumn –winter dropping off but we still see a drop off after Christmas and even though we have the big January sales at the shops that keep the business going through January we still have a drop off in the middle of
February to the end of March that’s the quietest time of the year. But that again is something we can target at the spa to fill those gaps.

Q. Of course there are no spa complexes in the town?

No only the heritage spa – the Roman Baths museum

Q. Although there are some hotels that run spas?

Yes we now have. And these are mainly the high quality hotels.. The Priory hotel has a spa, Bath spa hotel. Sorry the Priory is four stars it has a leisure centre – he Royal Crescent hotel is five stars it has a Bath house complex on a Japanese model
And then the big country house hotels that surround the city all have leisure facilities as well.

Q. And are they built on the spring water?

No, they all now use tab water. In the older days they used to have-the city centre hotels-had the spa water

Q. And what do you think about that?

Well I think it is very sad but already next to the spa project that we are building a very large 19century building which was a hospital and is now a collage building for education is been sold to be a new hotel and we can sell to that hotel the spa water, so we are now looking at opportunities in the city to develop new spa hotels which can
be branded as a proper European spa because they have natural mineral water and this is very common in Italy, France, Spain, Germany but it is not common in this country anymore but now the market is already saying to us: "can you supply us with spa water if we are building new hotels? we are saying: yes we can.

Q. How would you consider spas working with tab water? Do you consider them as real spas?

No definitely not but you see we have a real problem in Europe that the market, the international market hears all the time about spas. They don't know (I mean) the consumer doesn't necessarily know the difference between natural mineral water and tab water but they go to spa. There is no control over the word spa. They say you must have mineral water in Germany if you go to Germany you have to have mineral water within your town, within your facility if you are to be a spa. In this country the legislation doesn't control that and in North America there is no legislation at all so I think there is the potential and likelihood that in the next 5 years through Brussels we will end up with a European definition and I am convinced that that definition will include natural mineral waters to say to the whole world that European spas are spas because of natural mineral waters and not using tab water but I think that will cause in the travel industry for a few years that will cause a big confusion and a big problem but I think Europe has to be strong enough to say no this is a very special reason to go to Europe this is our tradition and this is unique about what we provide and I think if we stick very strongly to that principle I think it will become pre-dominant

Q. Yes and the use of the word spa be unified.
I mean we can control the use of the word spa in Europe but I don’t think we could in Asia specific in Northern America in southern Africa I don’t think we can control it. But in a way the European spas Association has identified controlling the word spa in Europe to represent something very special like mineral water as being a unique selling point in terms of marketing and promotion and I think we can do that within the next 5 years but it will take five years. we can’t just do it like tomorrow we would like to do it tomorrow but we can’t do it tomorrow it is a very difficult issue. And do you know about the treatments that they are offering?

In the new spa in Bath ..the business here because we don’t have working spas in the U.K. has to be successful in the leisure market; so 80% of the cash flow in the early years is from leisure only 20% from what we call medical but that will means the therapy side as well. in the therapy side we have in terms of diagnosis rooms facilities we will have 4 rooms in terms of medical centre in the spa we have 12 private rooms and all those rooms will have equipment and facilities provided using the thermal water they will be very special now I think at least half of these rooms will use the water but basic hydro therapy in terms of massage manipulation treatments and in a range from the big butterfly bath where you get the massage within the water to specific application for hands, feet, leg, arms, different limbs of the body. also we’ll have in there the mud treatments ..The Italians have become so specialised in the fango and we will have that .we’ll also bring in other skin treatments which are to do with algae seaweed like fango but related to thalassotherapy rather than just pure mud and hot water .we also want to bring in acupuncture aromatherapy reflexology and we will be using osteopathy and even chiropractor types of treatments within the regime
of the hot water facilities we are also talking to Japanese, Chinese practitioners already based in this area with traditional Chinese medicines herbalist and we are also talking to Japanese practitioners about shiatsu and also the watsu treatment that they do within the water as well. and our 12 private treatment rooms which will be available for use 15 hours everyday surround a private hot thermal pool. and after you’ve had treatments in those rooms you can either go to the hot thermal pool just on your own for relaxation or the therapist can go with you for further manipulation and in a way to make sure you get the total benefit from the treatments themselves and now we do not know what will work in the market in bath and therefore in a way we want the wider range of offers available but I am sure within 3 years, 5 years we will start to focus on certain specialisation or on certain demand and I hope this will be based around the hydrotherapy and the heat and a development of the specialisation related to the mineralogy of Bath water and for the last 150 we had doctors and physiotherapists in Bath who knew about that but we’ve lost all that knowledge and in a way we can’t reinvent it overnight. We have to reinvent it over 3 or 5 years and I hope we will be able to reinvent it but none of us can at the moment issue a guarantee but we will definitely do it, we intend to explore all these opportunities

Q. Yes, and the fact that you said that you are profiting from the leisure side of the spa, because of the image of the spa is changing nowadays from old, tired and ill to young and healthy

It is, that is in a way the biggest scene change in the whole industry because even in Germany where people enjoy themselves in spas they still perceive it to be medical it’s part of their entitlement within their health stay. in France where they have lots of
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spas but lots of spas are old, facilities are poor and they need lots of reinvestment

People in France have said to me: "we would rather be in your position in England." I said: "Why??" Because we have no spas, we have a tradition that we are clinging on to. It's old. Described it has an image of medical, it has an image of old people like Jerry Atrin that the young people don't want to know and they said in England you've got rid of all the image it went in the 50ies and 60ies and so you could start with a clean sheet you start with a new image and so you can build on the medical traditions but still make young people, young families, children welcome...in a way that they don't have to think they have to be ill to go to the spa and France I think has a real big problem with the image. Germany is modernising the image, it's costing them a lot of money but they're doing it very well.

Q. In Switzerland they're also beginning to change that.

Italy is a little bit like France still not decided yet to modernise from that medical image. Spain is already modernised—the facilities are not fantastic cause they're not many they are usually quiet small but they have already said look this is leisure as much as it is medical. In this country therefore we've lost the medical financial support as subsidy we have no subsidy so if we are going to have any medical at all in the first few years it has to be in the minority, it has to be the smaller proportion because we will make it financially successful in leisure and so we have to say this project has to be 80% leisure in its cash flow at the beginning to make the medical work on 20% but I hope in 5 years time it will be 65/35 maybe in 10 years 50/50 I don't know but it will move more towards medical less leisure or we could find that it stays just as much leisure because of the demand of tourists and visitors and
somebody will say in 5 years "let's build a new medical facility somewhere in Bath ..
Can you supply the water but we will be totally negative because of the frustrated
demand in the market which leaves the new building we are building to remain leisure
so we have to see how the balance works out.. We have to be reflexiable in our
thinking

Q. I don’t know if you would like to answer this question.. What is the
current capital value?

The current capital value of the investment of the building is between 18 and 20
million pounds sterling

Q. And is it all public?

No at the moment the public proportion is 70% and the private proportion is 30% the
public proportion is not all coming from one organisation it is partly coming from
national and partly from local so the national part of the total percentage would be
45% and the local percentage would be 25 to 30% of public funds the rest is all
private.

Q. And what about the capacity of the spa in the peak time?

In the peak time? Again we are building a very small. The capacity is just less than
300 people at any one time but what we hope is to have an average of 670 to 700
people a day, but we will have as used to suggest peak times and the peak time will be
nearly 300. Anymore than that will be too uncomfortable you will reduce the experience.

Q. What about the staff?

The total number of staff will be 90 people.

Q. From the local?

Not all local, the vast majority will be local people. This will be:
Medical will be about 27% managerial will be 18%, technical there is a large number of technical and is about 20% and the rest is manual in terms of...They are service, restaurant, cleaning and there are a lot of people involved in that.

Q. And the features of the spa?

The main feature is within the heritage. The world heritage site of Bath is this superb new modern building and the modern building is a landmark and a symbol of the new spa but that is the leisure building and on the back of this the medical will work the leisure is the commercial justification for the investment of the project.

Q. And the popularity of features you don’t know yet.

We don’t know yet but we are basing it on that 80-20, what we don’t know is how the user pattern in leisure will settle down we are anticipating that the average ticket
will be the 4 hours the half day ticket but I think there’ll be a lot of people locally
who’ll learn when it’s not very busy and they will go for the 2 hours in the early
morning as we open 7 in the morning ,so I mean I can go before I go to work it would
be fantastic and the visitors who’d been here throughout the whole day they will go
back to the hotels in the evenings and relax and will go out to the theatre to art
galleries ,cinemas ,have a meal so in the evening we’ll Shave a different type of user
but still we believe that it will be based on 80% leisure. If the 20% use of the
medical is based on just sort of 9 in the morning till tea time 5/6 o’clock if there will
be real demand we can extend that till 10 in the evening and then you’ll quickly find
out that the one to one treatment the therapist to a single client might expand because
it is also more valuable turn over..See you can visit for four hours in the leisure side
for 24 pounds. For 25 pounds you have one hour in the medical side with the one to
one treatment and then maybe half an hour in the hydro pool –but still in the medical
use in one and a half hours you’ll spend as much the leisure use in 4 hours so we’ll
have to see how the balance works out in the business plan
But people could think that one hour with an experienced therapist is worth it
I am sure they will and as we are only expecting 20% of the turn over of that level of
activity I think we will very quickly find that level of activity will be under a lot of
demand and already because Bath naturally attracts therapists and practitioners there
are a lot of people in the city specialised in a whole range of complementary practices
who are saying can I buy two hours a day or a room in the medical centre and access
To the pool and if the full time practioners in the spa are not filling 14 hours a day –
maybe they are filling 10 hours a day the other 4 to 5 hours a day the operator can sell
on dependant practitioners for them to bring in a different sort of client –now he
won’t make all the profit on that he will get the rate room paid for whatever he will be
covering his overheads—he will be happy with that but he won’t be committed to employ staff for 15 hours a day only 8 hours a day and I think that pattern will quickly establish itself and settle down

Q. We have already spoken about the treatments..

Yes

Q. The water source is of course hot spring-hot mineral spring

We have a very rich mineralogy and whereas in many parts in the world this wouldn’t mean particularly special. In United Kingdom this is unique because there are some warm water elsewhere in the United Kingdom but not rich mineral and nowhere is as hot as Bath. there are one or two of the waters which are tepid but there is only one hot water in the whole country which is Bath so our hot mineral water is unique in Britain and I know this is usual elsewhere in the world but I mean in Britain it is unique so we will make as much promotion out of that as much as we can that is for the people.

Q. You know we have a place in Egypt. It’s called Pharo bath in Sinai it’s 75°C so it’s really hot..

And lot’s of water?

Q. Yes lots of water. It’s coming out of a cave into the sea
And is there any facility there?

Q. No, can you believe it?

I am sure there will be one in 5 years if you can build one

Q. And of course you would expect that there would be an increase or decrease?

Yes there would be an increase... because people are waiting but we are not using our marketing strategy to just for a numerical increase we really believe our product is about quality and not quantity because Bath is a very small place and doesn’t really want a great deal of quantity and therefore if we can through a very targeted market niche market if we can focus the offer of the spa to the sort of people who are already visiting Bath the ones of the 30% who stay here we can then give a lot of adds value to the tourism spending city without adding too much to the total value and that underpins the whole strategy behind the market because we have 3 million visitors a year only 30% stay .. they stay on average of 2.7 if we just got of all the other 70% is day visitors if between 7 and 12 % is just start to stay are extra night just one night rather being a day visitor we will have no spare bedrooms the balance is that fine and the way we got 3800 bed rooms that is quite but it won’t take a great deal to shift the balance and then suddenly every body will say we have no rooms and you’ll get new bed rooms built they are already being built actually they are already happening before the spa’s open and that’s past of the economic climate in Britain, it’s part of the land values in Britain and investment but it’s also in this city due to the fact that
they know the spa is coming. There are anticipating demands so we are building them now.

Q. And what do you think about building your own accommodation for the spa?

No, we won't do that. I think it would be a good thing if we did because we own a lot of land as the local council but have to take a very commercial approach towards our land that's what the government expects. And therefore we can't subsidise an activity in terms of a longer term return which you could argue it would be the most sensible thing to do but politics is very short cycle you know you're elected for few years and so you have do things in 4 or 5 years and therefore a longer term investment plans aren't considered by local governments to be that attractive and so we have to response to short term investment plans. I think we believe we will create the right market conditions by taking. We use the term the lost leader with spa. we are building the spa we don't expect it to make us a lot of money but we would like some return, but we see it in a wider context of the jobs. The rebranding fo the whole city as an international and spa destination and on the back of that then because we already know the land value is quiet high but the investment will come in from the private sector and the that will then provide more bed rooms, more hotels even if that budget for families and we need that as well as the very highest quality.

Q. And this will make the project as a spa town not just a pa complex?
Absolutely.. I mean Bath ultimately is a spa destination and Americans will say oh you mean a resort well we are not really a resort we are a spa destination as a whole town but we are many other things as well are sort in a way a spa destination .. we are not we are also a heritage destination we are a speciality of shopping destination. We are a cultural destination and we’ll always be these things as well so we are not a resort but we are destination. The infrastructure beyond the project itself is always a problem because I mean the infrastructure in away is the whole way the city works and we still have a great many things to do to improve the situation of the city.

Q. And are you expecting to serve domestic market or international market or both?

We are definitely looking to both well already as a heritage destination we have a much higher than national percentage of international visitors and that is because Bath is very well known throughout the world & Europe – North America in particular, we are also very well known in Japan, in Fareast we are how breaking into market in South Africa and Australia, New Zealand. Now know about that because of the history se we are perceived as an international market and we have one of the strongest visitor markets from North America – a very heritage too in the U.K. I mean after London – York and Edingsh-borough Bath is the 4th most visited town by North Americans and that is a very strong market. Our domestic market tends to be the day market and therefore or international visitors are of the staying visitors 70% of the staying visitors which is only 30% of the total so 70% of the 30% are internationally we really need to build up but domestic market will follow that trend It won’t lead it
Q. And how many people from the 3 million are you expecting to visit the spa?

Well we have a fairly detailed breakdown, which I can give you again that is down to the strategy. Your market works we will fill the spa by people already coming and just adding extra nights on to their visit or getting day visits to decide to stay one night and therefore we cold fill the spa with existing visitors only but if we did that there will be some loss of business to some of our major attractions and so whilst we know that will work anyway we need to supplement our marketing to go for new visitors altogether but only 30% of the market for the spa needs to be completely new visitors to the city .. We believe that we call it incremental visits from those who are already coming here will provide 70% of the business in the early years but then.. this is very interesting, we do no how it is gonna work we know the world will go out to the international market system.. we used travel agencies travel profiles.

If a large number of the domestic market suddenly gets very excited about the project and wants to come to bath although bath is expensive domestic market compared to what else you can do that could create a massive demand we are not really we are not at the moment anticipating so conversial existing markets and incremental build up on the international market and maybe some additionally in domestic but we are pretty optimistic that overall whichever of those markets it is we will encourage the extra business here cause the balance is very fine it's not that we have a big gap to fill we are already almost on the edge and the spa business tops over the edge and will grow again it is not that we have a big problem that we have to fill with the spa we are already doing O.K. Because Bath is just that sort of place.
Q. And you don’t know about the customers yet?

No not yet. But they will come mainly not just for cure. This is where we think in year 1 we are expecting 20% for cure and 80% for relaxation those wanting relaxation will be interested in diet we are not sure but we will have within the catering facilities a healthy product in terms of nutrition diet but basically we are going straight for this cure and relaxation. The cure though I mean the European view of cure the German cure is to them cure is also relaxation, here the cure will be the medical side and the relaxation will be the 80% but I think because whichever you come for you are paying privately.. no subsidies no welfare’s you will cross over between the two more easily and I think that the cure visitors the 20% will have access to the leisure spa. the leisure spa people the 80% if only 10% of them say I feel good I feel nice I feel relaxed but how about a bit of reflexology how about a bit of massage, acupuncture I have trouble with my shoulder I play crickit, tennis I think it’ll be a translation of the relaxation customers into cure very quickly and that will be good because it will put more pressure on the health facilities it’ll mean this becomes more prominent and that is what bath is all about in the old days and that will bring the pressure to say if somebody says to me in 5 years time your health facility is to small why did you build it too small we will be criticised for that it will be great to say well we’ve now proven that the market works here we know there is a demand of x-number of hours and we have investment interest people want now provide new facilities.. that is how I hope it’ll work and I am confident that the situation will allow for that I am sure it can do that. but underpinning all this is the ongoing marketing working with the markets we already have which are a very much international diverse and also using developing education programmes within the UK to educate the domestic visitors to realise that
the spa provides as well as heritage and relaxation just provides health as well and that is what the British ought to know and we have forgotten that and that's a big challenge but I think the climate is right to develop that new image. Although I know that about 25,000 people from Britain go to spas elsewhere. Yes and that's a lot of expenditure because they use the high price tour or visit..People more and more want to use their spare time and their dispospal income to look after health as well as have holiday if they can do the two things at the same time is perfect and that's why the spa is in a perfect position to offer that to the market. But we haven't got much details about social status and age group but we will monitor that very carefully when we open and because of health we will not have the situation they have in France where you go to the spa and you can't go to the medical spa unless a prescription from the doctor we will not want that but we will have on offer diagnosis from practitioners in the spa if you wanted and if not it will be down to the therapist to advise you on whether you having massage or acupuncture or reflexology for a basic therapy or whether you have a medical condition that needs specific treatment and we need to be able to intervene in the spa with qualified medical diagnosis to make sure if diagnosis is required we can provide it between the concept of relaxation and medical application because medical application is still perceived as you have heard in Droitwich in terms of the complementary sector in this country and is not perceived as part of orthodox medicine that you get in the health system and that's an ongoing issue in the united kingdom

Q. But this question is meant to be for the future which market you should be targeting? And which people you should be focusing on
Well, the strength in our market at the moment is couples and is 50 plus so that's the strength of our market at the moment but the market is now changing it is changing singles is not really but it is going for couples to families and the market is ever becoming younger the spa will give that trend a bigger impetus a bigger push to Change more because again in France they say you have to be old you have to be ill you have to have a medical doctor saying you can go and so the young people don’t go because they don’t want to be associated with that we don’t have this problem in this country we don’t have that image in bath and we have a pretty wide range of visitors because the heritage is interesting to schoolchildren for education we have a very strong foreign language market lots of young people come from all over Europe to learn to speak English and we have not a great deal of independent families because this is an expensive place to come for a family but we do have quite a bit and then we go to couples be they young couples or old couples we are not polarised like maybe the market is in France where the couples in the spa they are all old couples here they’re not ..We have young couples, we have middle-aged couples and we have old couples as well. The challenge for the marketing is to build on that and not become labeled as one particular niche it must be an advantage for a place like bath to keep its niches as spread as you can than you’ll have more opportunities to target your marketing ..

Q. I have lots answers from Germany and the majority is singles, who go to spa. Could I ask you about your opinion? How would you see the future of the spa in the Middle-East?

In the Middle –East? I’ve never been to the Middle-East..So I don’t know.
APPENDIX ONE

But I think the middle east has become a very popular destination for the European and also for north Americans I don’t know about the far east there’s always been a problem in the middle east because of conflicts people have been nervous about but I think with the depth of coverage of news affairs so instant I think we all learnt to realise the conflict areas in the middle east are quite specific and very local. It is a great cultural significance to the west for many reasons but religion being one of them...not only the Christian heritage but also the Egyptian heritage and also north Africa I mean from not just Asia there is more recent history in the campaigns of the second world war and so it is a place that people find that. But I think the Mediterranean cost the middle east has a great deal of attraction and is not that far away and it is not that expensive and the security thing is now far better than it was and therefore just the growth of the Dead Sea is phenomenal and shows the potential forward. They have lots of spas in Israel round the Dead Sea.

Q. Yes they do they are really developing. If you were an investor what climate would you prefer?

You mean the physical climate?

Q. No

The best climate of all is where you have a growing market an expanding market that is diverse in another way you are not relying just on one particular source and you have a diversity of product and in the middle east you have a diversity of product. You have fantastic culture heritage you have a good climate and you have
the spas on top of that in terms of targeting the health market it is a way you package that and I think there are many places in the world where the climate is quite good and they have spas but I think you add culture to that and that is a very special package and therefore the issue for an investor is obviously can they make money out of it, what support is there in a regional or national sense for tourist board for developing the total package and supporting that image and emerging the image and I think it is a great opportunity as well as culture things we in a way that we can’t put our finger on it pin it down we say but beyond cultural heritage there is now a lot of interest in that sort of spiritual heritage the spirituality ..Beyond religion and spas bring a fantastic dimension in terms of healing and the well being out of space which means a lot to people today but clearly with part of religious spiritual thinking in the past and we don’t really understand exactly why that happened in the past but in a way we are trying to reinvent it for today because there must be more to life today than rushing around and investing making money and with big flash cars big flash yachts and driving all ourselves into the ground killing ourselves with load of work there must be more to it. About that question of elements is that more the natural location or man made location. I mean the public don’t really understand water quality they really should do I think water quality should be very significant but in the way people make their decision at the moment is probably not very significant so on that basis I would have thought must be down at 3. I think climate is very significant because still people are making the choice to spend their money once a year in a major holiday. Location.that is also difficult at the moment because initially people say Egypt sounds great but then the location within Egypt and the spa is not that important to people..If the concept is Egypt as a destination because they know a bit about Egypt and something about the history, they know where it is and they think
they understand about the climate within Egypt where that spa was is perhaps not that significant in overall perception someone could tell me I am absolutely wrong. Well I think it is infrastructure however you do it ease of access, if people are travelling a long way they just want to be there.. so ease of access is important , linkages airports to destinations linkages how easy it is do you helicopter people do you limousine them or do you have really good roads and air-conditioned buses the linkage is very important people want when they decide to go somewhere they want to get there they don’t want the hassle in-between they want to get there quickly they want an image that lives up to the offer and I think some people tend to present their place to be fantastic but sometimes it’s not and I think in a way it is up to the expectations they expect whilst from the western point of view standard of accommodation, catering is almost these days taken for granted it is expected to be there if that is good and the benefits of the spa it is the water the philosophy of how you deal with people and the various treatments available to them and this is what I think is an important element it’s how you guide people to the treatments that really are the best ones for them they might say well I will try some of that and some of that but you don’t know if it is good or bad for them in a way they can feel they will be personally catered for and someone is actually taking a real interest in them ,then guiding them through what really might be the best menu for them whilst a visit I think that helps a great deal ..Someone can say oh well but whatever you want and You can still have a great time but I mean I don’t think there is a great Behind that, people had a great time that is always good, people actually having a great time and thinking they were looked after personally, catered for and almost diagnosed I think is an important aspect..And that is where the health crossover
Comes with the tourism crossover and I think spas must never forget that they came originally from a health market to offer leisure. They haven’t come from leisure to become health providers they have come from health in the first place and actually that is very important. If you put a major investment into a new spa development as well and you do analyse your markets very carefully and particularly say near the Mediterranean and the whole of southern Europe you have perhaps look to cater for a diversity of client from the wealthy individual traveller to the couples be they young or old to the families and I think these days you can’t ignore any of these markets because they all have high spending elements of them and you must go for them.

Q. So this would be the linkage as you’ve said plus the other essential things that have to be there like water

Access to the resort or destination I think it is the range of facilities available there to cater for a diverse market and convince the market will get more diverse rather than simpler. It’s to guide people from a leisure concept into medical treatments and handle that properly and handle it in a way that people end up with a record of what they did. When they leave you say here is your hotel bill but here is your printout of what you did whilst you were with us and you know the reports on how the acupuncture worked what the masseur did they spot any problems although they are not medically qualified to diagnose, did they think of anything.. How did you respond to if you did the inhalation, how did your skin react to an algae treatment, you know that you might never have had before and I think that shows that somebody and with technology these days, the systems are difficult and somebody can go ------ actually I didn’t expect that and actually they were really thinking about me, not just the family
or not just the package I was on they were thinking about me, that is an own issue of a product rather than thank you for coming, go, bye bye because you never expect to see them again, but next year they might go to.... and in a way what does the middle east compete with on the competitors I s it Tunisia, is it turkey or do you compete with people who might otherwise go to Gawa or Singapore, I mean you got to know your market, you got to know your product and in terms of how it fits in that. You identify your market you refine your product but then you should say who else is offering what we are offering, where they are offering it from, what’s their pricing strategy and just how do we compare. You got to go through that whole process, which is probably, you are doing now.

Q. **About the superstructure mean accommodation is one thing, swimming pools**

I think you need both leisure, you need a range of accommodation for the reason you have just said. Because you will attract high spending couples, different age groups, you will attract singles with the nightlife if you have the nightlife as well. You can attract families if the relaxation medical packages also have some relevance to children; anybody bringing his children knows they got the childcare, crèches. If you want to attract family market you got to provide to take the children away from their parents so that parents could enjoy themselves.
APPENDIX TWO

LOCAL AND NATIONAL KEY POLICIES
Key policies from Bath Local Plan
Policy reference and precis of requirement

C1 The City Council will regard the inclusion of the City on the UNESCO list of World Heritage Sites as a Key Material consideration in determining planning applications, and those for development affecting Listed Buildings and their setting in the Conservation Area.

C3 The City Council will pay special attention to the desirability of preserving or enhancing the character or appearance of all or part of the Conservation Area....

C4 ... ensure proposals preserve or enhance the character or appearance of the area in terms of size, form position, scale, materials, design and detailing. Particularly:

i the retention of buildings, groups of buildings, existing street patterns, spaces, building lines and ground surfaces;

ii the retention of Architectural features which contribute to the character of the area including boundary walls

iii the impact on townscape, rooftops, massing and relative scale and importance of buildings in the area

v the removal of unsightly and inappropriate features

vi the needs of people with disabilities for access to all buildings

C6 the City Council will grant planning permission for development involving demolition in a Conservation Area where neither the character nor appearance of the area will be harmed. When considering such proposals, the city Council will pay particular regard to the contribution of the structure to be demolished in the character or appearance of the Conservation Area. Where the structure makes a positive contribution to the character or appearance of the Conservation Area, the City Council will take account of:

i whether it is capable of retention or repair for a beneficial use; and

Spa scheme response

The development will combine significant contemporary architecture with restoration of the quality 18C to their original uses, thus respecting the existing and creating new heritage

This has been a constant theme of the many meetings with the local planning authority and English Heritage since the project began.

As above

Apart from the Beau Street Bath, all these are retained, and the new building adheres to the existing street lines.

This has been a primary consideration of the new building.

The Beau Street Bath roof was an eyesore

Great care has been taken to maximise this facility

The proposed demolition of the Beau Street Bath, will allow a world class contemporary building to replace an adequate but not distinguished building with severe limitations, as an expression of the abiding and overwhelming importance of the thermal springs to the city's existence.

Cannot be used economically, and the asbestos roof and rusting structure need total replacement.
Key policies from Bath Local Plan

Policy reference and precise of requirement

ii. whether the proposed replacement, if any, would make a similar or greater positive contribution to the preservation or enhancement of the character or appearance of the area, where it is important for the character or appearance of the Conservation Area that the structure be replaced... any consent that the building involving demolition will be subject to a condition that the building shall not be demolished until a contract for acceptable new work has been made.

C7 ... applicants to provide sufficient information...

C8 ... normally approve... street furniture of a high standard of design and appropriate materials

C11 12.28. presumption in favour of retaining all original internal and external features

C12

i. presumption in favour of preservation

ii. importance, intrinsic architectural and historic value and rarity

iii. effect on list justifying features

iv. contribution to local scene and role; as part of architectural composition

v. condition of building and cost of repair

vi. adequacy of efforts made to retain the building in use

vii. merits of alternative proposals

Spa scheme response

A world class building, will replace an adequate but not distinguished one with severe limitations.

Early demolition of roof only, was granted on health grounds, and with the express retention of the perimeter walls so that the total envelope could be restored if required.

Extensive consultation has allowed us to fully review the adequacy of provision.

Currently beyond the scope of the application

Considerable effort has been taken to this end, and replacement or removal only proposed after careful consideration of retention options.

As above

Those features of greatest value have been retained and enhanced

A primary feature in the design's evolution

The new building has always been considered in its local context, its function (role) being primary

The Beau Street Bath is in a shocking state of repair

The original use of the building is compromised by the amoebic infestation.

This alternative proposal gives greater access to a better facility to a greater number of people.
Key policies from Bath Local Plan

Policy reference and precis of requirement

T11 Promote park and ride within the City

T12 Extent of provision of on site parking and servicing

Visitors

V1 Encouragement of tourist related development proposals

V5 Tourist coaches

Retailing

R5 Map 3 Protected Retail frontages

Housing

H8 - The city council will not grant permission for development which would result in the loss of existing residential accommodation unless:

i) there are substantial conservation benefits that can only be achieved through a non-residential use; or

ii) ......

iii) environmental or practical considerations (including security) are such that there is no reasonable prospect of achieving a residential use.

H15 - The city council will not grant permission for developments which would significantly reduce the amenity of existing, new or replacement residential accommodation.

cont.

Spa scheme response

Encouraged by the scheme

See plans

The Spa development has a significant tourist element.

The proximity of the Spa to the other city centre destinations negates any requirement for additional transport interchanges.

Nos 7 and 7a Bath Street will revert to 'shop window' for the Spa complex as a whole.

There will be no change to the living accommodation in the area apart from the loss of No 8 Bath Street.

i) the upper floors can be retained in their current form (contemporary standards of bathroom and kitchen facilities would disrupt this)

iii) it has proved impossible for practical reasons to retain this unit due to its key location within the site. However the area as a whole has an unusually high residential mix so the loss of one unit is proportionately less. In addition there are many other policies that support the development substantially.

The amenity of the area will be greatly enhanced with facilities for local residents being provided in the Cross Bath. The activity level in the area will of course rise, however this is expected to bring advantages to offset disadvantages.
Key policies from Bath Local Plan
Policy reference and precis of requirement

C13 *not grant permission for development involving alterations and additions affecting listed buildings or their settings unless:
   i  original architectural features, and later features of interest, both internal and external would be retained
   ii alterations and any additions would be in keeping with the style of the original building
   iii principal rooms and other areas...would be retained
   iv the integrity, the original plan form and structure...would be retained...

C15 *not grant permission...involving demolition of a listed building or removal of any internal or external features unless features of architectural or historic importance will not be adversely affected or it is essential to secure the economic use and consequent preservation of the building

C30 *consideration of polluting emissions

C32 *Security fittings only where:
   i  no viability loss into the building
   ii no detrimental affect to character and appearance

C18 *permission to demolish not granted unless redevelopment plans submitted

C19 *not grant permission for proposals which adversely affect a listed building or its setting, or any features of architectural interest it may possess.

Spa scheme response

As above

The fundamental principle has been to adhere to the Venice Charter

As above

The integrity of the original plan form is retained and enhanced without resorting to blind restoration.

As above

The thermal resource is used to its utmost to reduce the need for polluting emissions

Adopted as a principle of design

Partial demolition of the unlisted Beau Street Bath on health and safety grounds, and to enable archaeological investigation, while reconstruction is retained as a full option pro tem.

Proposals developed expressly to enhance the listed buildings and their setting.
Key policies from Bath Local Plan

Policy reference and precis of requirement

C20  sufficient additional information to enable the effect of the proposals on the character and setting of the listed building to be fully considered

C21  shop-front proposals permitted if satisfactory relationship with upper floors plus disabled access

C22  advertising to be considered for design, positioning, materials, proportion, illumination and safety

C24  remove any eyesore

C29  archaeological considerations:
  i  extent preserved insitu
  ii  intrinsic importance
  iii  significance to development of City and World Heritage status
  iv  substantial benefits and imposition of obligations

Leisure

LR6 The City Council will actively promote the establishment of a Spa facility within the Spa buildings...

Transport

T1 Reduce dependence on the private car

T6 Traffic policy (preserve Historic fabric, enhance pedestrian, cyclist, public transport, reduce private car)

T8 Reduce on street parking

cont.

Spa scheme response

As above

Disabled access a principle reason behind the proposed alterations. Relations to the upper floors not altered.

No advertising conspicuously provided

The Beau Street Bath roof removed

A significant and full archaeological investigation of the site is under way, especially where areas of potentially integrated evidence considered to be relevant (see Report) All work carried out to the highest standard and under supervision of EH via their local representative.

Little of great value found to date so fewer obligations imposed.

The fundamental basis of the scheme.

The city centre site and potential Bath Street proposals will discourage access by private car.

Defines the policies adopted by the Spa development.

Beau Street and Bilbury Lane parking reduced