ALPSHEALTHCOMP Report 1

Perception of the Alpine region as a health and wellness destination

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Content

At a glance

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- ◊ The Alpine region is primarily perceived as a natural space with strong focus on wintertime
- ◊ Health and wellness do not play an important role in the perception of the Alpine region
- ◊ Not everyone can afford vacations in the Alps and health and wellness: vacationers tend to belong to higher income social classes
- ◊ Health vacationers show low repetition rates and aren't particularly interested in the Alpine region
- ◊ Standard topics like hardware (swimming pools, saunas) and software (massages, body treatments) still dominate
- ◊ Health cures are no longer entrenched in consumers' minds
- ◊ Fortunately, with 1.3 % of all consumers the share of sceptics or of those, who principally reject this form of health and wellness vacations, is quite low
- ◊ The tourism industry in the Alpine region is expected to provide quality, service and enjoyment – which clearly distinguishes the Alpine region from other competitors

ALPSHEALTHCOMP Report is based on 1,607 telephone interviews (CATI) which were part of a random sample survey carried out in January 2007 representing the population. The respondents are inhabitants of the Republic of Germany 14 years of age and over. The field research was carried out by MARPLAN, Offenbach. Survey preparation and data analysis were carried out by the Department of Tourism of the University of Applied Sciences - München. Person responsible for the content of this report: Prof. Dr. Thomas Bausch. ALPSHEALTHCOMP is a transnational project which is promoted within the framework of the Alpine region programme as part of the common initiative INTERREG IIIB of the European Union. Further information on the project is available on www.alpshealthcomp.org or www.alpinespace.org.

Publication of results only with reference to "HM ALPSHEALTHCOMP Report 1"

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Perception of the Alpine region as a health and wellness destination

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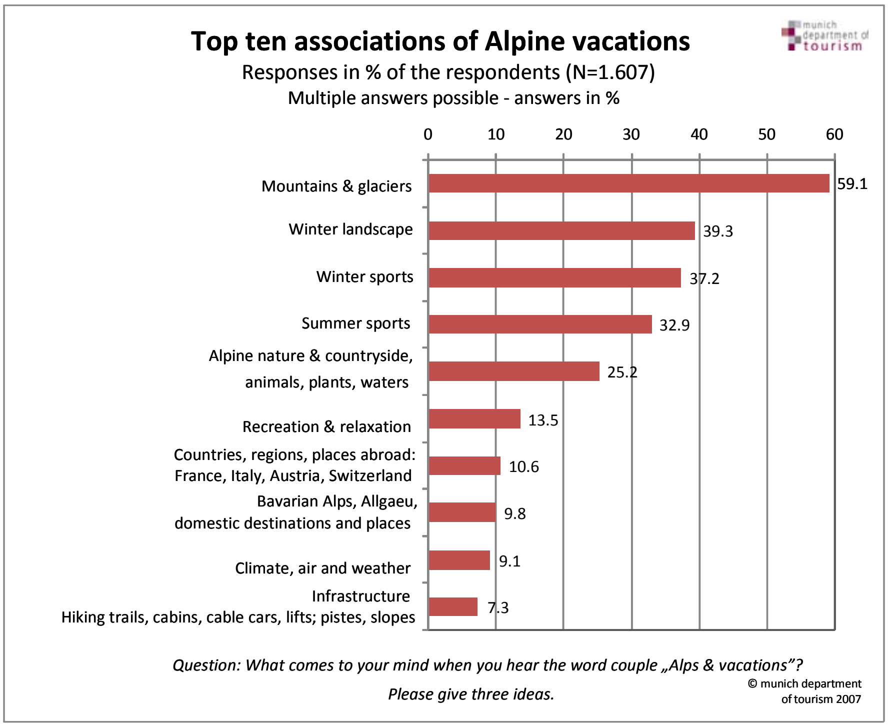
Perception of the Alpine region as a vacation area

The Alps are synonymous for natural space and an arena for sports – health and wellness are of less importance

When asked about Alps and vacations, German consumers mainly come up with associations like countryside (mountains and glaciers 59.1 %, winter landscapes 39.3 %), sports (winter sports 37.2 %, summer sports 32.9 %) as well as the outstanding natural space (Alpine nature & countryside, animals, plants, water 25.2 %).



For consumers, health and wellness did not play an important role among the top 25 topics.

Thus, despite its special expertise in the field of health and wellness, the Alpine region has failed to permanently entrench these particular capabilities in consumers' minds so far. Although choosing January as the month to carry out the survey could have been the reason for a certain amount of winter-oriented answers, the extreme lack of summer-related associations is very startling especially since multiple answers were possible.

Against the background of the climate change it is necessary to become active and to revive topics like health and wellness as well as summer vacations in the mountains.

The history of Alpine tourism is inextricably linked with topics such as summer holidays and traditional health expertise. Major winter sports events and economic pressure from the mountain railway companies in different parts of the Alpine region have one-sidedly altered the actual image of the Alps as a vacation area.

Alps and health vacationers

Not everyone can afford to take a vacation in the Alps

One third of consumers living in Germany 14 years of age and over spend their vacation in the Alps, i.e. they spent at least one holiday in the Alps in the last five years (at least four nights) or made a short trip (one to three nights) to the Alps. In contrast, two thirds of the consumers completely avoid the Alps. At the same time, the amount of vacationers staying longer is clearly higher than the amount of those making a short trip. Within the group of Alpine travellers, the amount of real Alpine fans, who regularly spend both their holidays and short trips (1.49 % of the respondents, 4.49 % of the Alpine vacationers) in the Alps, is astonishingly high. However, it appears that there are less and less regular customers who visit their host at least once a year. Thus it becomes obvious that it is necessary to increase the efficiency of ways and means of winning and retaining customers.

Vacations in the Alps: Frequency and length during the past five years						
		Did you make a short trip of 2 to 4 days in the past 5 years once or several times?				
Did you take a vacation of 5 days or longer once or several times in the past 5 years?		No	Once	twice, three times	four times, more often	Total
	No		6.74	6.37	3.18	16.29
	Once	24.91	4.12	3.18	0.75	32.96
	two times, three times	24.34	1.31	4.12	1.31	31.09
	four times, more often	11.99	0.94	2.25	4.49	19.66
	Total	61.24	13.11	15.92	9.74	100.00
	Responses in %; basis: at least one vacation or short trip n=538					

In a number of market segments, Alpine vacations are more expensive than other options outside the Alpine region. Apart from that, there are hardly any options in the lowest price range in the Alpine region. Furthermore, marketing mostly takes place independent of large tour operating businesses although the number of cooperations in this sector is increasing steadily. As a result, Alpine vacations are not affordable to everyone. In the lowest income groups with earnings of up to € 1,500.00, the number of Alpine travellers is low, whereas their numbers in higher income groups with earnings from € 2,500.00 are disproportionately high. Income structures are closely linked to sociodemographic factors like higher education or jobs with higher incomes. As a final result,

Income structure Alpine vacationers			
		No vacation in the Alps	At least one vacation
Net income per household	below 1.500 Euro	35.16	16.67
	1,500 to below 2,500 Euro	40.74	41.95
	2,500 Euro and more	24.09	41.39
	Total	100.00	100.00
	Cases	1.069	538
	Responses in % per group		

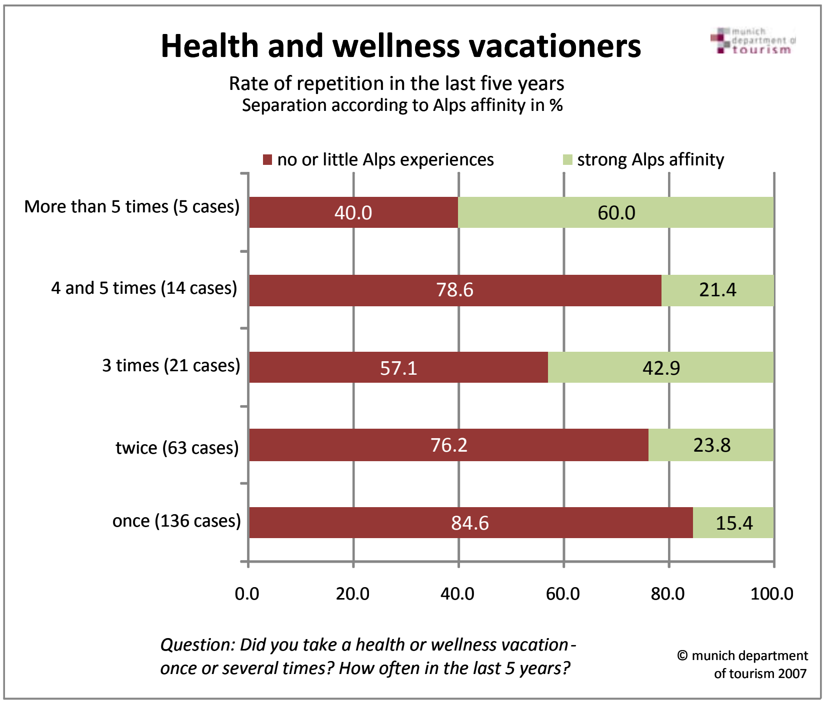
internet-based communication and presentation on the internet is essential for Alpine resorts as the amount of internet users increases significantly among the higher-educated population.

Health and wellness vacationers show low repetition rates and aren't particularly interested in the Alpine region

Within the scope of this survey 14.8 % of the respondents said they had taken at least one wellness or health vacation within the last five years. This response was given independent of the vacation area. In contrast to "Reiseanalyse 2006" (travellers' analysis 2006) the respondents were not given any definition of what a health or wellness vacation is. It was rather left to them to assess if, according to their personal opinion, one of their vacations could be attributed to the health and wellness category. The value calculated for the five-year period is succinctly below the summary value in "Reiseanalyse 2006" calculated for a three-year period (health vacations 7 %, health cures during vacation 3 % and wellness vacation 5 %). However, multiple answers were possible, i.e. a vacation could be classified as a health and wellness vacation and at the same time as a health cure being part of the vacation.

The repetition rate among the health vacationers is still very low. Less than half (43.1 %) of the respondents took more than one health or wellness vacation during the last five years, only 7.9 % took three and more vacations of this kind.

Again, a slight tendency can be observed as regards incomes and levels of education as well as the frequency of health or wellness vacations. People with higher incomes more likely tend to take such a vacation, whereas in the case of those in the lowest income classes it is completely different. This again results in a stronger preference of the Alps as a vacation area.



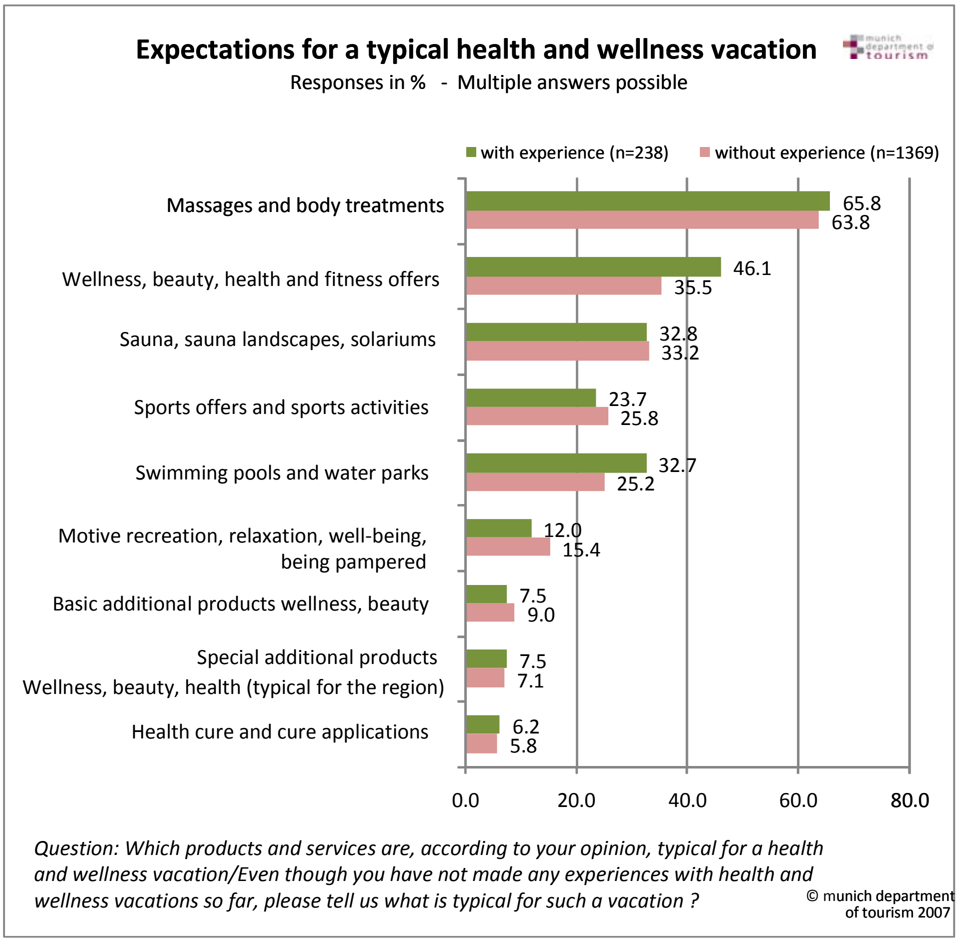
Expectations for health and wellness products

General expectations hardly differ between consumers with or without experiences with health and wellness vacations

Although merely 14.8 % of the respondents have already had experience with health and wellness vacations in the recent past, all of them have precise ideas what to expect from vacations of this kind. Yet there are only small differences between consumers with experiences from the recent past and those who did not have any experiences during the last five years.

Differences are most significant as regards the expectations for wellness, beauty, health and fitness products (46.1 % with experiences expect them versus 35.5 % without experiences) and swimming pools or water parks. Thus 32.7 % of the experienced vacationers compared to 25.2 % of the inexperienced holidaymakers expect attractive swimming pools or water parks with outdoor pools, indoor pools, saline baths, whirlpools or swimming pools promising great experiences. The considerably higher demand for wellness, beauty, health and fitness options can be attributed to the product experiences made and the expectations arising thereof. Consumers learn what “standard” means and expect this very standard to be a component of the product range on offer.

Nevertheless, the predominance of massages and body treatments in consumers’ expectations compared with common wellness, beauty, health and fitness options (e.g. cosmetics, Ayurveda, Thalasso, Kneipp, gymnastics …) is startling particularly because no significant differences between both groups can be determined. These services



are part of the basic standard like rooms en suite. Who cannot offer them will hardly ever be successful on the market.

Topics like nutrition and food play a certain, but not a distinctive role. The reason for this is that consumers have different expectations. Some expect to be offered healthy, regional food (2.2 % of all respondents), others expect to find culinary enjoyment (1.8 %) and only a small part of them (0.2 %) expects special nutrition programmes (e.g. nutritional diets). Thus, for some respondents their vacation motives such as relaxation and well-being may also comprise aspects like culinary enjoyment, which they do not, however, explicitly mention.

Consumer typology health and wellness for Germany: Either hardware or software is given priority

It is possible to derive a consumer typology from the ten most important expectation dimensions, i.e. those which were mentioned at least once by not less than 5 % of the respondents. Consumers with wellness and health vacation experiences and those who have so far not taken a vacation of this kind are part of this typology.

With the help of cluster analyses (cluster centre analyses) six clearly distinguished types can be identified:

Health and wellness typology Germany: expectation types						
Type	1	2	3	4	5	6
Cluster share	13.7	26.5	4.6	24.9	19.0	11.3
Brief characteristics	Massages, sports and fitness	Massages and wellness	Bathing, cure, special wellness	Sauna & massage	Well-being and enjoyment	Scepticism and rejection
Massages and body treatments	100.0	100.0	34.7	60.7	0.0	41.6
Swimming pools and water parks	17.4	33.7	100.0	29.5	0.0	14.0
Fitness and sports offers	100.0	0.0	19.9	5.9	20.5	10.8
Sauna, sauna landscapes, solariums	33.7	0.0	3.0	100.0	0.0	12.3
Special wellness, health and fitness offers	18.5	26.4	34.8	17.4	27.2	17.5
Resentment, restrictions and negative associations	9.8	0.0	0.0	1.5	0.0	100.0
Special additional products wellness, beauty, fitness	8.4	5.7	29.2	3.0	9.0	3.7
Other beauty, wellness and health offers	6.4	13.3	3.5	6.5	16.6	11.2
Health cure and cure applications	2.9	6.7	31.8	1.9	6.1	2.7
Basic additional products wellness, beauty, fitness	3.4	10.6	7.3	7.3	14.9	2.2

The following list includes brief characteristics and descriptions of the six clearly distinguished consumer groups:

Type	Brief characteristics	Description
1	Massages, sports and fitness (13.7 %)	These consumers expect to be offered all massages and body treatments as well as fitness and sports facilities. One third of them wish to have a sauna as well. They tend to be younger (42.2 % younger than 40), with incomes above average (36 % more than € 2,500) and they have had fewer experiences in the wellness and health vacation sector than the average (14.3 %).
2	Massages and wellness (26.5 %)	All members of this group expect massages and body treatments, a third of them additionally expects a swimming pool or a water park. Well over one fourth of them are also interested in special wellness, health and fitness offers, some of them also take advantage of additional products (e.g. oils, cosmetics). The majority of them is aged between 40 and 69 (53.5 %) and has already had a lot more experiences in the health and wellness vacation sector than the average (27.4 %).
3	Bathing, health cure and special wellness (4.6 %)	All of them expect a swimming pool or a water park whereas almost one third wishes to have health cure treatments. Many of them also expect special offers in the field of health and nutrition. These consumers are aged above average (49.4 % are 60 and older) and have almost no experiences in the health and wellness sector (4.6 %).
4	Sauna & massage (24.9 %)	This relatively large group first of all expects sauna, sauna landscapes and solariums and 60.7 % of them wish to have massages and body treatments. Many of them also expect to have a swimming pool or water park in addition (29.5 %). Sport and fitness only play a minor role, additional health and wellness products and services are mentioned less frequently and thus below average. More than half of the group members are between 20 and 49 years old (51.8 %) and have an average or low income. Almost one fourth (24.5 %) has already had experiences with health and wellness vacations.
5	Well-being and enjoyment (19.0 %)	Concerning the ten main expectation dimensions, this group stands out because of its above-average interest in beauty treatments and basic additional products (e.g. cosmetics). There are strikingly high results in this group for expectation dimensions which play a minor role elsewhere: atmosphere and ambience, nice hotel, good service, good food, leisure and cultural activities. The motives relaxation and well-being are extremely important for them. Despite its high age (56.1 % of them are 50 and older), this group has partly had experiences with health and wellness vacations (20.3 %) and has medium incomes.
6	Scepticism and rejection (11.3 %)	All members of this group have a sceptical or even negative attitude to health and wellness vacations. Here, personal restrictions („unable to travel") are often the reason for this attitude. People of this group are spread evenly across all age and income groups.

As a result, consumers obviously tend to either consider the hardware (sauna, swimming pools) or the software (massages and body treatments, wellness and beauty offers) most important. Whoever aims at younger customers has to combine sports and fitness options on the one hand and treatments and applications on the other hand.

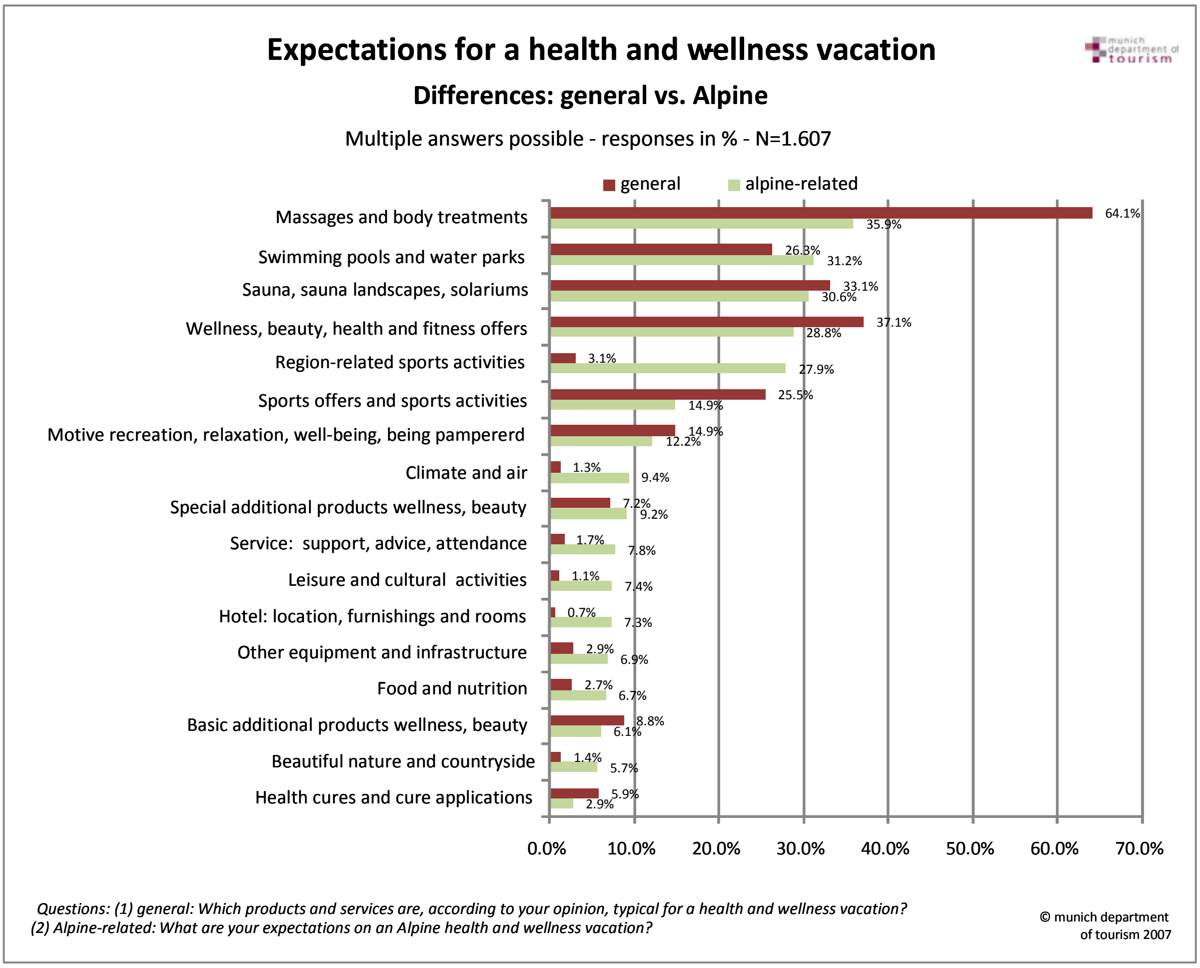
There are big differences between expectations for Alpine health and wellness vacations and general expectations

When comparing general consumer expectations on a health and wellness vacation with Alpine-related expectations, significant differences become obvious in several dimensions. Just slightly more than half of the respondents expect to have massages and body treatments on the associative level. In contrast, region-related sports activities are of high importance. This confirms the perception of the Alps as Europe's sports arena.

Expectations for a health and wellness vacation			
Expectations	Alpine-related	general	Difference Alpine-related - general
Massages and body treatments	35.9%	64.1%	-28.2%
Region-related sports activities	27.9%	3.1%	24.8%
Different kinds of sport and sports activities	14.9%	25.5%	-10.6%
Wellness, beauty, health and fitness offers	28.8%	37.1%	-8.3%
Climate and air	10.1%	1.3%	8.1%
Hotel: location, furnishings and rooms	7.3%	0.7%	6.6%
Leisure and cultural activities	7.4%	1.1%	6.3%
Service: support, advice, attendance	7.8%	1.7%	6.0%
Swimming pools and water parks	31.2%	26.3%	4.9%
Beautiful nature and countryside	5.0%	1.4%	4.3%
Other equipment and infrastructure	6.9%	2.9%	4.0%
Food and nutrition	6.7%	2.7%	4.0%
Health cure and cure applications	2.9%	5.9%	-3.0%
Motive recreation, relaxation, well-being, being pampered	12.2%	14.9%	-2.7%
Basic additional products wellness, beauty	6.1%	8.8%	-2.7%
Sauna, sauna landscape, solariums	30.6%	33.1%	-2.5%
Special additional products wellness, beauty, health	9.2%	7.2%	2.1%
Travelling motive community, contacts	0.8%	0.2%	0.6%
Enjoyable atmosphere, ambience, positive	1.6%	1.1%	0.5%
Resentment, restrictions and negative	1.7%	1.2%	0.4%
Motive variety and fun	0.4%	0.0%	0.4%
Motive health	0.6%	0.9%	-0.3%
Motive intact environment and nature	0.1%	0.0%	0.1%

Other topics that were particularly important in an Alpine-related context and of minor importance as regards the general expectations are climate and air, hotel quality, leisure and cultural activities, service or beautiful nature and countryside. Health or health cure treatments are even less important when people are asked about general expectations. This confirms the lack of a clear positioning of this topic.

Tourism experts and environmental organisations in the Alpine region think that the motive “intact environment and nature” is of high importance among consumers. In this survey, however, respondents did not mention it when they were asked to associate freely. The reason is probably that it is basically part of the expectations of the consumer but does not represent a real separate motive. Thus, the results from surveys with closed questions should not be over interpreted.



Outlook

Parallel to the survey in Germany, an identical field study was carried out in Italy. The purpose of this simultaneous study is to identify the culture-related differences in the perception of health and wellness in Germany and Italy: It will thus help to identify guidelines for a differentiated marketing approach. First results of this comparison are to be published in autumn 2007.

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