

WellSpaV4 Project Report

Opportunities and Challenges for V4 Spas: Hungary



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1. Executive Summary

This report focuses on the main challenges and opportunities for spas in Hungary. The data was derived from a wider project which examined the situation of spas in the V4 countries (Hungary, Poland, Czech Republic and Slovakia). Data was based on a Delphi Study that was undertaken with 28 expert respondents who were asked two rounds of questions about the following themes: main challenges for spas in the post-Socialist era; government support and funding; factors affecting spa development; customer profiles and satisfaction; definition and role of wellness activities; growth of tourism; importance of spa networks and collaborations; and the impacts of COVID-19.

The results show that spas mainly need to focus on improving their infrastructure further and to create high enough quality services for specified target segments with specific needs. This can require the development of new products, staff education and training, as well as better marketing. It is clear that leisure, recreation and wellness services are growing in popularity and might be combined with future developments in medical wellness to increase preventative approaches, healthy lifestyle awareness and practice. Government support, EU funding and membership of spa networks can help in these developments. Ongoing monitoring and online measurements of quality and satisfaction can also feed into this process of continuous improvement. This will be especially important in the post-COVID-19 period.

2. Overview of Spa Development in Hungary

Hungary has one of the richest sources of thermal and medical waters in the world (Bottoni et al., 2013) with a spa culture that is nearly 2000 years old. The natural resources include around 1300 thermal springs, 800 of which are used for medical purposes, as well as medical mud, caves, mofetta and climate therapy. Research using clinical trials produced evidence that bathing in Hungarian thermal waters can alleviate problems associated with musculoskeletal diseases as well as chronic lower back pain (Bender et al., 2014). Spas therefore play an important role in the lives and healthcare of residents.

Figure 1: Hungarian Natural Healing Resources

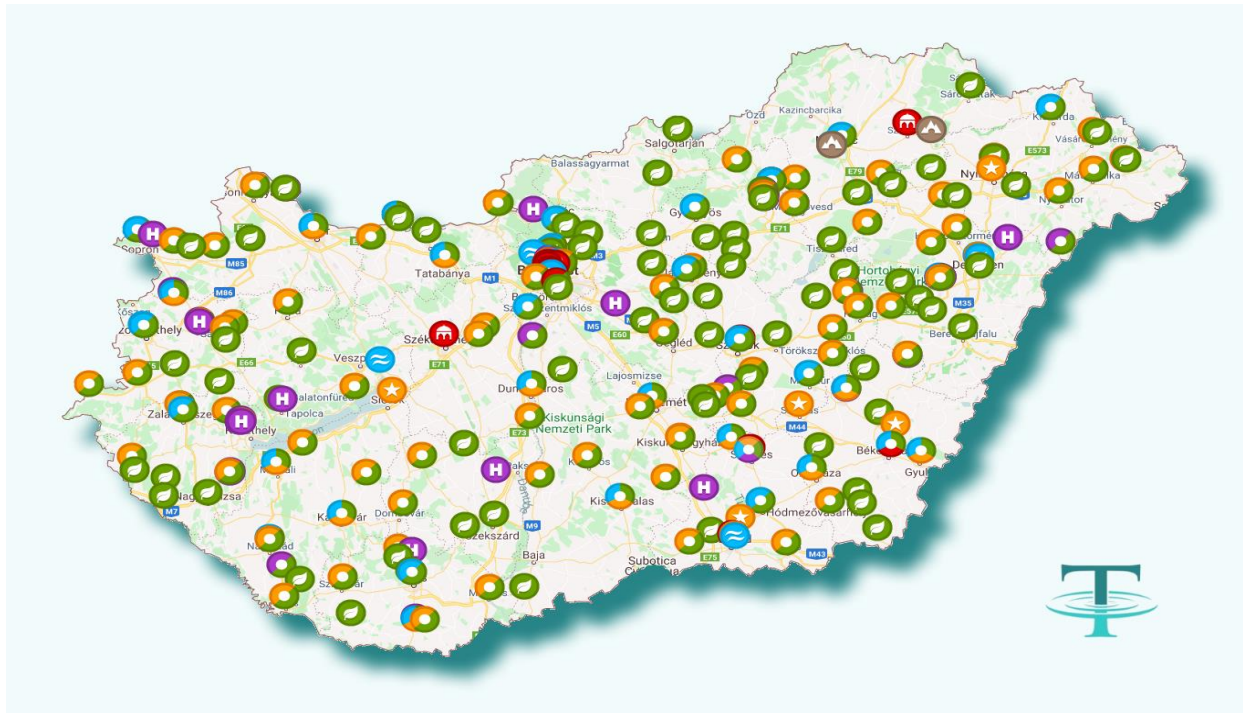
Number of Resources	Natural Resource	Name of the destination
1289	thermal springs	
17	qualified medical destination	Hévíz, Bükfürdő, Sárvár, Balf, Zalakaros, Harkány, Balatonfüred, Parád, Lillafüred, Kékestető, Eger, Mezőkövesd, Debrecen, Hajdúszoboszló, Gyula, Nyíregyháza-Sóstó- gyógyfürdő, Szigetvár
83	certified medical spa	
36	certified spa hotel	
5	medical cave	Abaliget, lilafüredi István-barlang, Budapesten a Szemlőhegyi-barlang, Tapolcán a Városi Kórház Gyógybarlangja, Jósvafőn a Béke-barlang
224	mineral water	
5	therapeutic-mud	
2	mofetta	Mátraderecske, Parádfürdő

Source: Hungarian Tourism Agency (2014)

Csapó and Marton (2017) counted 529 spas in Hungary (380 functioning all year and 149 seasonally), many of which provide mixed medical, thermal and experience spa services or serve as swimming pools (lidos). Of these, 103 are medical spas, 220 are experience spas and 234 are lidos. Figure 1 indicates where some of these spas are located in the country.

Strack and Raffay-Danyi (2021) provided an overview of spas in Hungary and showed that the majority are operated by local governments and hospitals, rather than being profit-orientated enterprises. Many spas are planning to renovate buildings in line with current wellness trends to increase the number of pools or create additional facilities. However, municipal ownership can make the necessary investments rather difficult. Nevertheless, the Széchenyi Plans (2001-2003) already provided national funding for the renovation of spas, followed by European Union funding after 2004, and more recently, the New Széchenyi Plan 2007-2013 which focused on enhancing visitor capacity (Csapó and Marton, 2017).

Figure 2: Map of Spas in Hungary



Red: Historical baths and spas (1550-1936)
Purple: Hotel spas + indoor thermal wellness
Blue: Large swimming pools (50m)

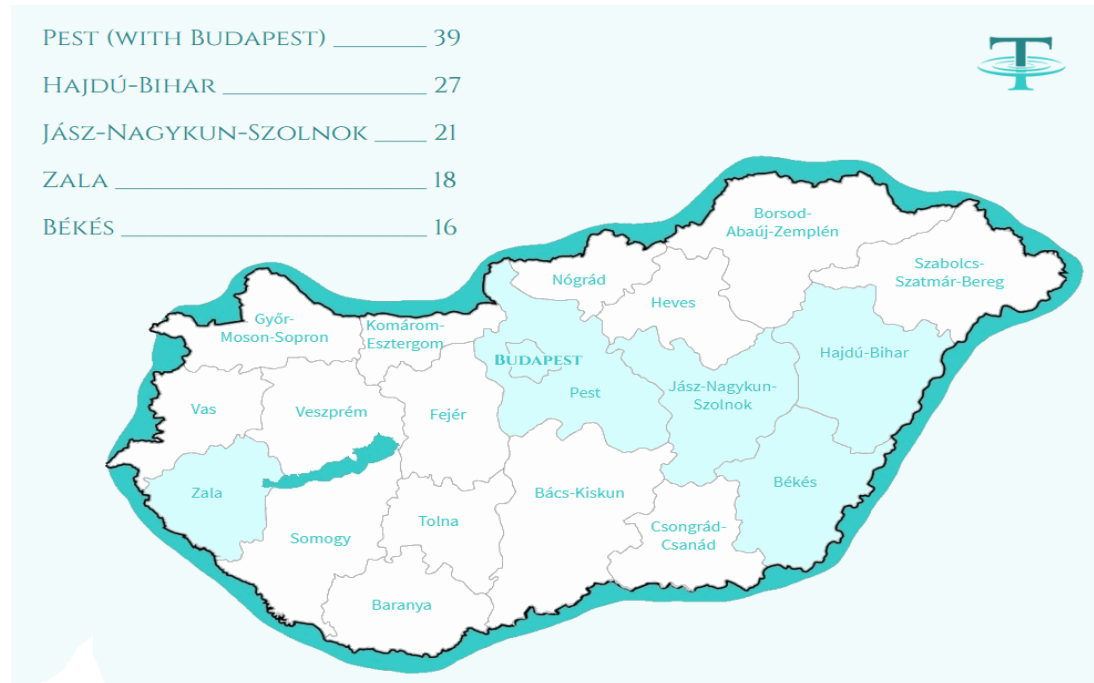
Green: Outdoor parks + thermal pools
Orange: Modern spas (from 1936) + indoor pool
Brown: Thermal baths and spas in caverns

Source: Thermal Hungary (2021)

Marton, Hinek, Kiss and Csapó (2019) identified health tourism as the leading tourism product in Hungary citing estimates that 45% of guest nights were registered in rural settlements with spas (increasing to 68% if Budapest is included). Jónás-Berki et al. (2014) suggested that health tourism destinations are quite concentrated spatially in certain settlements, for example, Bük, Egerszalók, Harkány, Hajdúszoboszló, Hévíz, Zalakaros, Gyula and Sárovar. At least 7 or 8 spa towns are listed in the Top 10 tourist destinations in Hungary (HCSO, 2018). According to Turizmus.com (2019) the most visited cities in Hungary were the following.

1. **Budapest** (10,383m guests)
2. **Hévíz** (1,135m guests)
3. **Hajdúszoboszló** (988,000 guests)
4. **Bük** (744,000 guests)
5. **Balatonfüred** (729,000 guests)
6. **Siófok** (661,000 guests)
7. **Zalakaros** (637,000 guests)

Figure 3: Top 5 Counties with the Most Spas in Hungary



Source: Thermal Hungary (2021)

During the Socialist period (1945-1989) the emphasis was predominantly on spa tourism for domestic and intra-regional tourists, but post-1989 and especially after EU accession in 2004, international tourists started to visit more frequently. Csapó and Marton (2017) suggest that health tourism only became a priority after the Millennium when European funds also became available. Hungary has since been promoted as the 'Land of Spas' and Budapest (its capital city) as 'The City of Baths'. Smith, Puczkó and Sziva (2013) suggested that international health tourists visit four main types of health tourism services in Hungary: hotels offering typical balneotherapy (water-based medical therapies), wellness hotels, historic baths in Budapest and dental clinics.

The Hungarian capital city Budapest is sometimes described as the Spa Capital of the world as it has over 130 natural hot springs and twelve public spas. The history of some of the healing spas goes back to the Turkish occupation in the 16th century and at one time the city was called 'The Mecca of Rheumatics' (BGYH, 2020). Smith and Puczkó (2010) noted that in 20 years of marketing in the post-socialist era, the historic spas or thermal baths in Budapest featured regularly in the marketing. The Budapest Municipal Government supported the renovation of the thermal baths in Budapest in recent years spending approximately EUR 300m, mainly using the operational profit of the Budapest Spas Corporation. Some of these are becoming increasingly popular with tourists, especially Gellért, Széchenyi, Rudas and Lukács. The capacity of outpatient services has decreased, more wellness services have been developed and the prices have also increased. Some spa traditions have been changed like removing separate sections for men and women and making swimming costumes compulsory. By 2019, the total number of guests under 30 had outnumbered those aged 60 or above, reaching 85% of guests or more in Széchenyi and Gellért.

Pre-COVID, spa parties were attracting around 58,000 visitors, 90% of whom were foreign and aged 18-25 (Turizmus.com, 2020).

3. Summary of Recent Research Studies on Spas

Marton, Hinek, Kiss and Csapó's (2019) research shows that although visits to spa destinations in Hungary tend to be seasonal, the level of seasonal visitation is lower than for tourism in the country overall. In addition, recent investments and developments in spa destinations have helped to decrease seasonality further.

Strack and Raffay-Danyi (2021) analysed the success criteria for Hungarian spa operation, as well as the nature of demand, profile and orientation of guests. The research used an online questionnaire survey designed for spa managers, content analysis of customer reviews on Hungarian spas, and structured interviews with Hungarian spa tourism experts. The findings indicate that families, senior citizens and empty nesters are the key market for the Hungarian spas, which are also popular with international visitors. The three main generating countries are Germany, Romania and Slovakia. While Hungarian visitors prefer medical services financed by social insurance followed by wellness services, international visitors opt for wellness services primarily, followed by self-financed medical services. The most important factors from the survey research are:

1. the price of the ticket
2. cleanliness of the facilities
3. the types of pools
4. the recommendation of relatives and friends

The analysis of customer reviews showed that there were more positive than negative opinions. These related to value for money, cleanliness, the wide range of available services or products within the spas and staff (e.g. there were 99 positive comments compared to 42 negative comments about staff). Most of the other negative reviews referred to value for money, lack of cleanliness, overcrowding and hospitality (e.g. quality of restaurants).

Some of the interviewed experts believe that there are too many spas in Hungary, which can be challenging when creating competitiveness and uniqueness. Labour shortage and the lack of a skilled workforce was cited as one of the most serious difficulties partly because of seasonality and partly because of a lack of education and training. The employment of untrained and low paid workers often led to a reduction in the quality of services.

Research in the Budapest spas in 2016 based on 2063 visitor questionnaires to seven of the public baths revealed that foreign visitors mainly come to the spa because of the beautiful architecture and to have fun whereas Hungarian guests visit because of the healing benefits of the waters and to relax (Smith and Puczko, 2018). This suggests a certain degree of incompatibility between the two groups which could lead to possible conflicts of interest. The same study showed that foreign visitors are very satisfied and described their spa visit as a

unique and memorable cultural experience and one of the highlights of their visit to Budapest. However, Smith, Jancsik and Puczkó's (2021) analysis of TripAdvisor guest comments about Gellért spa suggests that several issues relating to service quality still need to be addressed. This includes cleanliness and hygiene, which will be even more imperative post-COVID. It also includes problems of information provision, way-finding and unfriendliness of staff. Nevertheless, the facilities themselves are deemed beautiful, especially the exterior architecture and buildings.

4. Research Methods and Data Collection

A Delphi Study was undertaken in 2020-2021 as part of a project that focused on the challenges and opportunities for spas in the V4 countries (Hungary, Poland, Czech Republic and Slovakia). Hsu and Sandford (2007, p. 1) describe a Delphi study as "a group communication process that aims at conducting detailed examinations and discussions of a specific issue for the purpose of goal setting, policy investigation, or predicting the occurrence of future events". It is undertaken with a group of carefully selected experts in a specific field. Delphi studies are used when addressing complex issues (Donohoe and Needham, 2009). They have been used successfully in other health and wellness research studies (e.g. Lee and King, 2009; Smith, 2015). Experts receive a first round of questions based on specific issues which the researchers then analyse. They send a second round of questions to the same respondents based on the analysis of their first round responses. Best practice for the method includes using a minimum of 10 expert participants and at least two rounds of questions (Gordon, 1994), however, it is most common for Delphi studies to use Panels of 15-35 (Miller, 2001). The aim is to reach a consensus of opinion, so a third round of questions might be needed if adequate consensus is not reached. However, it is common for respondents to drop out of subsequent rounds known as an 'attrition rate'. An acceptable attrition rate would be between 20% and 25%, but can be as high as 45-50% (Miller, 2001).

In this case, the Delphi Study was designed with the purpose of identifying the main challenges for spas in the V4 countries as well as making recommendations for future developments. The four main partners in the V4 project identified expert respondents who were spa managers and directors from their own country with the aim of balancing the sample between the four countries as far as possible. Opinions were gathered from 28 interviewees: 9 from Hungary, 7 from Poland, 6 from the Czech Republic and 5 from Slovakia plus one geothermal expert from Bulgaria. In the second round 22 participants responded, an acceptable attrition rate of 21%. A third round was not included because it was realized that it was not possible to reach further consensus on some of the issues raised (i.e. some points could not easily be ranked by respondents and differences of opinion were expected, especially as they work in contexts with different priorities). Respondents were asked questions about main challenges for spas in the post-Socialist era; government support and funding; factors affecting spa development; role of wellness activities; customer profiles and satisfaction; growth of tourism; importance of spa networks and collaborations; and the impacts of COVID-19. Appendix 1 shows the questions that were asked in the two rounds of the Delphi Study.

The detailed results of the study will be presented in a wider report. Here, the focus is mainly on the results of the Hungarian data with a brief comparison of findings from the V4 data at the end.

5. Analysis of Findings

This section provides an analysis of the interview responses from Round 1 of the Delphi Study as well as the consensus that was reached on the main issues discussed by the respondents in Round 2.

Challenges facing thermal baths and spas after the period of socialism (post-1990)

Spa improvements were made from the early 1990s onwards, often using the profits from water services. Before this time, corporate resorts had mainly been used for trade union holidays or to serve the local population. The first Hungarian Thermal Program after 1990 aimed to develop tourist attractions by extending accommodation in the vicinity of the baths and to extend the season to all-year-round rather than only in summer.

Some of the main challenges included developing the obsolete infrastructure to an acceptable international level and reducing public funding by finding new guest segments from different countries. The attraction of paying guests also required the creation of new products, higher quality experiences, hospitality and accommodation services and the separation of public and private spa treatments in space and time. This necessitated addressing shortcomings in the area of human resources and to train the unprepared workforce. This included creating managers who were not only water professionals. Marketing and changing image were also a major focus.

In Round 2 of the Delphi Study, respondents agreed that the following three priorities were the most important ones:

1. The need for infrastructure improvements
2. Targeting and creating services for new (often self-paying) markets
3. Meeting the quality levels required for international guests

However, one respondent disagreed with the order of the priorities, stating that:

“The biggest challenge is to reach the existing and new target groups, to create products for them, and then to make the improvements based on this (and not the other way around). The current spa offerings are not segmented (targeting ‘everyone’), which distorts the market, creates mass production and limits sustainable, economical operation”.

Another respondent elaborated further on the challenges:

“During the development of new services, there is less and less innovation, factory templates are used, and designers who do not understand spa development. Even

today, applications rarely need to be submitted, they do not require a thorough feasibility study to indicate the new segments. They hide behind the false illusion of multi-generational family bathing. At the very least, medical wellness and recreation services would be better separated.”

Funding and finance

There was a decrease in state funding from 80% in 1990, and although State Insurance funding is still important in some places at more than 50%, in others, it is only 20-30%. This means that the role of self-financing and private insurers is growing slowly at an annual rate of 1-2%. The EU accession in 2004 created many opportunities for investment and development. In 10 years, nearly HUF 100 billion was spent on the development of spas.

In Round 2 of the Delphi Study, there were mixed responses about whether the majority (60%+) of guests are now self-funded and whether domestic guests can afford services, although the majority agreed. However, they do not really agree that this segment is growing. Everyone agrees unanimously that EU funds led to major improvements in spas in Hungary.

Demand for thermal and spa facilities

Interviewees mainly highlighted the need to improve quality of services, especially for paying customers. Over the years, customers have become more experienced and therefore more demanding and seek high quality services. They may also expect separate spaces from the public or health insurance-funded guests. However, some respondents suggested that due to the general lack of disposable income in Hungary, customers do not want to pay more for services even though they are looking for better quality experiences. On the other hand, domestic demand has increased partly because of the existence of special promotions, discount cards for locals, holiday vouchers and special events like ‘Night of Baths’. The use of recreational and wellness services is increasing and it is thought that health awareness among Hungarians is growing. Some respondents suggested that customers are getting younger and the average age is decreasing. One challenge may be to meet the needs of ‘experience’ seeking guests who enjoy adventure pools alongside those who want to rest and recharge in ‘quiet’ pools or saunas. Combined offers with spas are becoming more common, including both active tourism (e.g. for families) and cultural tourism (e.g. for couples).

In Round 2 of the Delphi Study, respondents agree that the spa services have improved somewhat and that wellness and leisure services are growing. They believe that customers are demanding more, but they do not all agree that customers are getting younger, that medical use of spas is declining or that domestic demand is decreasing.

Impacts of international tourism

Many of the international tourists in Hungary come from the neighbouring countries and have a similarly modest income to the Hungarian guests (e.g. Serbians, Romanians, Slovaks, Czechs and

Ukrainians). The exception are Austrian, German and Slovenian guests who sometimes visit for longer periods (1-2 weeks). Neighbouring country tourists tend to visit spas in rural areas, whereas the spas in Budapest have become a 'must-see' attraction for most foreign tourists. Several border spas receive a high proportion of foreign guests (up to 60 or 70% in some cases), especially between early April and late September. There is an increasing need to assure the quality of the spas to meet the demands of higher income and more experienced tourists. It is important to employ colleagues who speak foreign languages. It is thought that the growth of tourism creates the greatest influence on price increases. Although wellness and 'experience' or 'adventure' services are popular among tourists, medical services also attract more foreigners in some of the countryside spas.

In Round 2 of the Delphi Study, most respondents do not agree that the majority of guests are now foreigners, but they mostly agree that the majority of foreign guests come from the neighbouring countries and tend to visit the largest or best-known spas. They agree that the majority of foreign tourists travel independently (rather than with organised groups). Results are mixed about whether foreign guests prefer wellness or medical services. Almost all agree that the quality is not yet high enough for foreign guests and that better marketing is needed. However, they disagree that tourism is the main cause of price increases.

Conflicts Between User-Groups

It was noted that there are some conflicts between user-groups in spas where the facilities are not well-separated. This is mainly true of the health insurance-funded guests versus those who are self-paying (the latter expect superior facilities and experiences). The same quality expectation issue may affect Western compared to Eastern tourists. There may also be conflicts between older and younger guests. As stated by one interviewee "a noisy wave bath or slides with loud music is disturbing for the elderly recovering in the sitting pools". This does not only affect Hungarian guests. Senior German or Dutch tourists also try to avoid areas that were noisy or crowded with younger people. Some nationalities were mentioned as having occasional conflicts, e.g. Germans and Russians, Europeans and Arabic guests or Polish and Russians. Those arriving alone may also have different needs to those arriving with a small child. Local 'loyal' customers may feel disturbed by all other visitors. One interviewee referred to "congestion of demand, e.g. on weekends, holidays, school holidays, when the spas reach their maximum capacity and cannot serve the guests properly". This includes not having enough chairs and resting spaces, congestion of saunas and limited treatment capacity in time and space.

In Round 2 of the Delphi Study, this question generated some interesting comments. One respondent stated that there may be fundamental conflicts between each segment, as each segment has different needs. The spas therefore have to decide which segment to target and to focus on that selected target group to avoid conflict between guest types. It was stated that wellness activities tend to be "noisier" than medical ones and that young children should definitely be separated from adults: "it is possible to separate certain segments within a spa based on motivation and service content, e.g. for families with children there is an adventure pool and a related rest area, while for couples and adults there is a recreation area, saunas and

separate rest areas”. Although one respondent suggests that there is no conflict between state and self-financing guests and that they cannot tell the difference, another believes that “In the case of medical services, it is necessary to separate subsidized and ‘paid’ guests due to the different expected standard of treatment / service and type of treatment”. Very few mentioned separating nationalities, although one respondent included it in a broader comment about separating guests “medical and wellness [segments] possibly although if a spa is well designed you can mix it. Generations can be mixed or separated depending on the concept. Nationality conflicts sometimes arise, i.e. Germans/Russians. Options of sauna areas should be created coed and separated”.

Meaning of Wellness in Hungary

The given definitions and descriptions of wellness mainly refer to beauty services, leisure, massage and saunas/steam rooms. This is especially true in the case of hotel spas. Relaxation and recreation are the most important motivations or benefits, although pampering also play a role and so does having fun for some markets (e.g. families). Improving lifestyle, fitness, self-development and spirituality were mentioned less frequently and fewer services are offered for these activities. Medical wellness is starting to be offered in some spas. It is thought that women are still more interested in wellness services and younger people, although they are used by all generations.

In Round 2 of the Delphi Study, although one interviewee makes the point that all of the definitions of wellness are valid and are were somewhat mixed responses, the most popular definition is: “Wellness is more about leisure and recreation than improving lifestyle, balance or self-development”. The second most popular response is that “Medical wellness is on the rise because of healthy lifestyle promotion and increased care for one’s health”. It should be noted that no respondents chose “Wellness is about having fun!”.

Monitoring and Measuring Guest Satisfaction

It was stated that measurement of guest satisfaction does not really take place in many spas. In some cases, the exact number of guests is not known. It is also difficult to separate the experiences of the paying guests versus the health insurance-funded ones. Often, only the most negative situations are highlighted. Some of these are related to situations where the spa managers do not have enough expertise or the funding for marketing came from tourism or destination agencies. In some spas, online questionnaires are used or guest opinions are collected from an outsourced agency (e.g. a monthly evaluation). Electronic panels in guest spaces and social media were mentioned by others. However, it was thought that guest satisfaction survey are one-sided and not always representative.

In the second Round of the Delphi Study, results were very mixed in terms of first place responses about which forms of guest satisfaction measurements work best. None of the respondents except one mentioned guest satisfaction surveys on paper. Online questionnaires and social media were the most popular choices. Constant monitoring was selected more often than

monthly evaluations. The need for mixed measurements is summarized well by one respondent “For detailed feedback guest satisfaction on paper. Online for quick short feedback. Social media for general feedback, constant monitoring is a must!”.

Collaborations Between Spas

It seems that European and V4 networks are relatively limited with the exception of the European Spa Association (ESPA). However, sometimes funding is gained from a V4 or European source. Certification is sometimes issued for medical baths. Most networks are domestic like the 25 year old Hungarian Bath Association (which is a member of ESPA), which keeps spas informed about new trends, quality control and new state regulations. The members exchange good practice in the field of operation, joint marketing campaigns and joint research. There are sometimes special events like the Hungarian Bath Culture Day, Baths Nights or Sauna Nights and ticket sales agreements too. Interviewees mentioned the Public Benefit Association of Southern Spas and Thermal Baths, which had a 20 year anniversary in 2020 and brought together 32 spas in the region. This association helps with regional planning, tendering, professional trainings and study trips. Thermal Clusters exist sometimes with 50 members which includes spas, hotels, healthcare agencies, higher education institutions, swimming pool technology companies and others. Some exchanges take place between Hungarian spas and those in other countries, for example, Mariánské Lázně in the Czech Republic and Harkány in Hungary exchange holidays among employees. Previously important networks like the Association of Hungarian Balneologists have disintegrated in recent years. One interviewee also noted that “in my experience destinations tend to be inward looking with a reluctance to collaborate or look outside themselves for bench-marking or good practices”. It tends to be common in Hungary to focus on one’s own spa, town or settlement rather than looking outside that.

In Round 2 of the Delphi Study, one respondent chose not to prioritise and deemed all of the network types as important and for the rest, the results were rather mixed. No one answer emerged strongly, although sub-regional networks were not chosen by most respondents. The point was made that some of these networks are closely inter-connected and could not work so easily without the support of each other, e.g. national networks and sub-regional ones should work together. The benefits of networks was summarized well in the following comment “A co-operation network between service providers within a tourist area can help increase demand, and active co-operation between and within domestic and international organizations can be effective in professional co-operation”.

Future Challenges

It is thought that creating high quality large spas is challenging and that some spas are over-ambitious in their designs and plans without the necessary knowledge or experience to back it up. Infrastructure, product and service development are highlighted as major concerns. The

renewal of the basic technical infrastructure is still needed in some spas in order to ensure uniform quality for all services and to develop capacities towards greener or more sustainable operations (e.g. geothermal or solar energy). Differentiation of products and services for domestic and international markets as well as different guest segments is needed. In many cases, it is thought that guests are still being offered the same treatments as 30 or 40 years ago rather than being tailored towards guests' problems today. There is also an identified need to switch over to more digitalised approaches and the online presence of spas. In the case of medical waters, more research may be needed to supply the evidence for use for certain conditions. In terms of wellness, the comment was made by one interviewee that "At the moment the product is essentially relaxation and leisure with little demand for prevention and lifestyle programs". This may need to change in line with international demand and expectations.

In Round 2 of the Delphi Study, one respondent ranked all of the given future developments and challenges as very important, but for the other respondents, the unanimous priority (ranked Very Important) was:

- Infrastructural developments and quality improvements
- The following were also ranked as Very Important or Important:
 - Developing services for new markets
 - Creating a hygienic environment for guests (Post-COVID)
 - Developing more medical wellness treatments connected to lifestyle improvements
 - Increasing the emphasis on providing preventive care and counselling in the field of healthy lifestyles
 - Improving the marketing communication to potential clients
- Important but slightly lower priorities were:
 - Sustainable developments and greener energy sources
 - More research on and education for balneology
 - Digitalization and improving the online presence of spas

Of course, the major challenge for 2020-2021 is to survive COVID-19 and to create a safe and hygienic environment for guests. It therefore warranted a separate question and response.

The Effects of COVID-19

Unfortunately, the whole spa sector (like others) was totally unprepared for the scale and implications of COVID. As stated by one interviewee "Governments were completely unprepared and haphazard in their message. There is a total lack of direction in what measures to carry out, when and how". On the other hand, many spas were offered some support,

without which they could not have survived. However, the decline in traffic was around 70% (especially from foreign guests who could not cross the borders) and hundreds of employees were fired. Other cost reduction strategies included decreasing the marketing. In the summer season of 2020, it was thought that COVID may be coming to an end and many spas opened up and offered vouchers to domestic guests. New cleaning schemes, disinfection and employee and guest protocols were introduced.

A Brief Comparison of the Hungarian and V4 Country Data

The data from the V4 countries contained many similarities. This included the problems of meeting quality standards for paying and international guests, but not being able to fund this through health insurance funds; low salaries for employees and the difficulties in recruiting a qualified workforce; as well as addressing a few conflicts between groups of guests who ideally need to be offered separate spaces.

More emphasis was placed on balneology in the Czech interviews, especially the need for continuing with education, research and evidence-based approaches to treatment. There was a fear that the leisure and recreation focus of the spa guests was leading to a loss of the balneological traditions. Overall, the Czech responses appeared to reflect a concern that wellness was replacing traditional treatments with an imperative to achieve profitability. With the exception of the "West Bohemian Triangle" spas (Karlovy Vary, Mariánské Lázně, Františkovy Lázně), only around 20% of spa-goers are self-funded. However, the high number of heritage buildings (including World Heritage Sites) requires more investment for renovation or maintenance of buildings. Czech spas attract a higher number of guests from the Middle East than Hungarian ones do.

Similar to the Czech Republic, in Slovakia, a clearer distinction is made between those spas offering medical treatment and those offering leisure or wellness services than in Hungary. However, unfortunately, the funding from health insurance has not been sufficient to maintain or improve many of the spas. Tourists from abroad are using both medical and wellness spas around 19% of clients are foreign, but their stays tend to be much shorter than those of Czech guests. New investments are being made in wellness, but these visits tend to be much shorter (2-5 days versus an average of 16 days for medical spas). Preventative programmes for lifestyle-related problems are envisaged for the future.

The Polish data mainly emphasizes the challenges of adapting to the needs of the changing market in terms of customer service, but dealing with facilities which require further investment. However, the benefits of EU funding were mentioned quite frequently. Many Polish spas have already diversified their offer beyond medical treatments towards leisure, recreation and wellness. The embracing of healthy lifestyle trends appears to be more common in Poland than in either Hungary or Czech Republic. Few or no conflicts between guest groups were mentioned

6. Conclusion and Recommendations for Spas

The most important challenges for spas according to the Delphi Study include improving infrastructure and creating high enough quality services for the target segments. This might include product development, staff training and improved marketing. Interviewee responses suggest that the demand for leisure and wellness services are growing, including among domestic tourists who can usually afford such services. Belonging to spa networks at all levels can be beneficial for spas to exchange good practice, receive support and guidelines and undertake joint research, training or marketing.

Even though respondents agree that wellness is mainly about leisure and recreation, future developments might focus on improving knowledge of preventative healthcare and healthy lifestyles among Hungarians, possibly using a medical wellness approach. Interviewees also suggest that future developments should take into consideration the needs of different user groups and consider separating spaces or targeting specific groups rather than 'everyone' or 'three generations'. Monitoring of quality and customer satisfaction should be undertaken on an ongoing basis and ideally through online questionnaires or social media. Recommendations for the post-COVID-19 period should be based on international examples of good practice.

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Appendix

Interview Questions for the Delphi Study

Round 1 Questions

1. Please identify what you think have been the main challenges for thermal baths and medical spas in your country in the post-Socialist era (1990 onwards)?
2. What is the share of government support (health insurance) in your thermal baths or medical spas compared to self-funding? Has this changed over time? Do EU or other subsidy programs play a role?
3. Has there been a growth or decline in the popularity of thermal bath and medical spa visits among local residents and/or domestic tourists? Which factors have affected this situation?
4. What impacts (if any) has international tourism development had on your country's thermal baths and spas?
5. What does wellness mean in your country (e.g. prevention, lifestyle, balance, relaxation, pampering, spirituality?) Have any kinds of wellness activities been introduced in the thermal baths and medical spas in your country? If so, what and who uses them currently (e.g. paying guests; international tourists; women; younger people; specific nationalities?)
6. Have there been any conflicts between user groups in your thermal baths and spas (e.g. medical and wellness guests; older and younger generations; men and women; international tourists and local residents; different nationality guests)? If so, please specify.
7. Do you use a client satisfaction evaluation system in your institution? Do you know whether the quality and service levels of your thermal baths and medical spas satisfy patients or guests (e.g. from reviews or other feedback)? Do you know which problems need to be addressed?
8. Are there any collaborations or networks between thermal baths and medical spas in your country or between the V4 countries? If so, what is their focus? (e.g. quality control, marketing, research, education, exchange of good practice). If not, would you find collaboration useful and if so, in which form and for what purpose?
9. Can you identify any future challenges, opportunities or development options for your country's thermal baths and medical spas (e.g. wellness developments; sustainability; technological innovation; customer service improvement)?
10. How did the COVID-19 situation affect your thermal baths and medical spas? How is the situation being handled (e.g. government support; new hygiene regulations)?

Round 2 Questions

1. In the first round, respondents were asked to summarise the main challenges for spas since 1990. Do you agree that the Top 3 challenges (in order of importance) are the following?

- a) The need for infrastructure improvements
- b) Targeting and creating services for new (often self-paying) markets
- c) Meeting the quality levels required for international guests

IF NOT, PLEASE ADD YOUR COMMENTS HERE

2. In round 1, respondents commented on changes in demand. Below is a summary of the responses. Which of these statements do you agree with the most for the past 5 years? (1. Totally agree, 2. Somewhat agree, 3. Neither agree nor disagree, 4. Somewhat disagree, 5. Totally disagree)

- a) The quality of spa services has improved
- b) Customers have become more demanding
- c) Medical use of the spas has declined
- d) Wellness services and recreational experiences have increased
- e) Customers are unwilling or unable to pay more for higher quality services
- f) Domestic demand has increased
- g) The average age of customers is getting younger
- h) Paying customers want separate spaces from state-funded guests
- i) People want to go to spas which are in a peaceful and clean natural environment
- j) Paying customers are demanding more and more service packages (e.g. including treatments and wellness activities)
- k) Post-COVID, people are more likely to visit spas for recovery, prevention and to boost their immune system

3. In round 1, the effects of international tourism (pre-COVID-19) were listed by respondents. Based on these ideas, which of the following statements do you agree or disagree with?

- a) The majority of the spa guests in my country (60% or more) are foreign now
- b) Most of our foreign guests (60% or more) come from neighbouring countries
- c) The majority of international tourists are independent travellers
- d) Foreign tourists use medical services more than wellness ones
- e) Tourism affects price increases more than any other factor
- f) The quality of our spas is high enough for foreign tourists
- g) Foreign clients prefer larger (more well-known) spa facilities to other small and lesser-known spas
- h) Although the interest of foreign guests is growing, marketing communication with this target group is still insufficient

4. Respondents were asked to define wellness in Round 1. Please select the definition(s) below that come closest to the meaning of wellness in spas in your country (Top 3 only in order of preference where 1 is the closest).
- a) Wellness means beauty services, massage and saunas mainly
 - b) Wellness means relaxation and recreation (pampering is less important)
 - c) Wellness is more about leisure and recreation than improving lifestyle, balance or self-development
 - d) Wellness includes sauna, massage and fitness
 - e) Medical wellness (e.g. healthy lifestyle recommendations by a doctor) is not popular
 - f) Medical wellness is on the rise because of healthy lifestyle promotion and increased care for one's health
 - g) Wellness functions more as a short experience than a lifestyle
 - h) Wellness is about having fun!
5. In Round 1, respondents were asked about funding and financing of spas. Which of the following statements do you agree or disagree with:
- a) The majority of guests are now self-funded (over 60%)
 - b) The majority of guests are still supported by state health insurance (over 60%)
 - c) The share of self-paying guests is not dominant but it is growing
 - d) EU funding has led to major improvements in spas in my country
 - e) The role of self-financing and private insurers is growing
 - f) The majority of domestic tourists in my country cannot afford to self-fund
6. Respondents were asked about conflicts between user groups in Round 1 and it emerged that there can be some conflicts. Do you agree that separate spaces, facilities or time slots should be created for the following groups? If so, please select which group(s) and explain your choice(s):
- a) State-funded and self-financing guests
 - b) Medical and wellness guests
 - c) Domestic and international tourists
 - d) Eastern European and Western tourists
 - e) Generations (i.e. older and younger guests)
 - f) Different nationalities
 - g) Men and women
 - h) Families and individuals or couples
7. Based on the responses about measuring spa guest satisfaction, which of the following tools work best, in your opinion? Please select maximum 3 and rank them 1-3 where 1 is the most useful.
- a) Online questionnaires

- b) Monthly evaluation
 - c) Constant monitoring
 - d) Visitor management strategy
 - e) Guest satisfaction surveys (on paper)
 - f) Social media feedback
8. According to the round 1 responses, it seems that collaborations and networks bring some benefits. Which of the following interests you most and why?
- a) An international spa association with regular newsletters, meetings and events
 - b) A European spa association which offers guidelines and good practice case studies, as well as events and meetings.
 - c) A regional (multi-country) network which has meetings, shares good practice and includes some joint promotion
 - d) A national spa network which has an annual conference and regular meetings. It offers training, certification and optional audits, as well as negotiating conditions with health insurance companies.
 - e) A regional (sub-national) spa network which shares resources and marketing budgets, as well as examples of good practice.
 - f) A local network like a Tourism Destination Management Organisation or similar where spas are part of a wider strategy. One main role is to lobby for government support and appropriate regulations.
9. Based on the Round 1 responses about future developments and challenges, which of the following do you think are the most important priorities in the next 5 years (please rank them where 1 -5 where 1 is most important)
- a) Infrastructural developments and quality improvements
 - b) Developing services for new markets
 - c) Creating a hygienic environment for guests (Post-COVID)
 - d) Sustainable developments and greener energy sources
 - e) More research on and education for balneology
 - f) Developing more medical wellness treatments connected to lifestyle improvements
 - g) Digitalization and improving the online presence of spas
 - h) Improving the marketing communication to potential clients
 - i) Increasing the emphasis on providing preventive care and counselling in the field of healthy lifestyles