

# 2023

WetLeisure Industry

# survey

# Results

Conducted by Golden Coast in association  
with





# Wet Leisure Survey Results 2023

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This is the thirteenth year of the Wet leisure Industry Survey

The first Survey took place in 2010 and the results were published at SPATEX the following year. The original concept of an industry wide survey came from Golden Coast and was simply this, Other industries and markets have facts, figures and statistics that are available to help people make better decisions and grow better businesses. We should be the same.

Golden Coast undertook to conduct the survey and to arrange for the results to be analysed and presented back to the industry by an outside consultancy.

Within the year the Wet Leisure Industry Survey had received the full support of the BSPF and this year we are pleased to say that the Survey also has the support of Swimming Pool News, ISPE, Swimming Pool Scene and Hot Tub and Swim Spa Scene, SPATA, BISHTA and WhatSpa.

Response as a whole has been universally positive. The Wet Leisure Survey has become established as an important part of our industry.

## How does it work?

Towards the end of October every business in the wet leisure industry is invited to take part in the survey. The invitation comes in the form of an email, social media or in industry magazines and publications.

People who choose to take the survey can do so by filling in an online questionnaire or returning a paper response. Every response, either digital or paper, is anonymous. We ask for information about your business but it is treated with confidentiality.

The survey generally stays open until mid January at which point all the responses are collated and the data is put into an online program that allows survey data to be analysed.

The final report is generated by an independent consultancy that has been filling this role since the survey began.

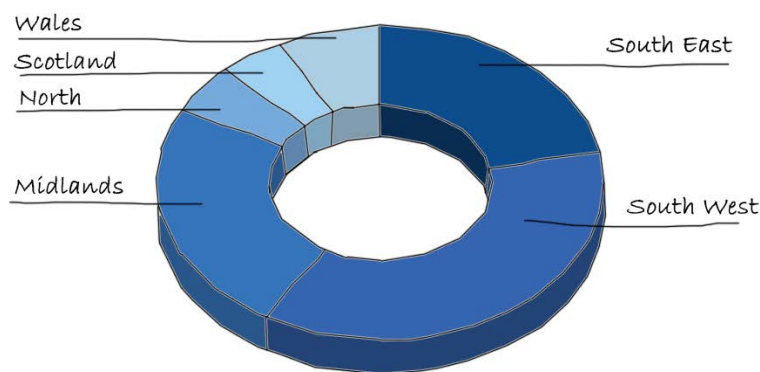
In previous years the report has been available for anyone to collect at SPATEX as well as being available for free download from goldenc.com or whatleisure.com, a site dedicated to the Wet Leisure Survey, which hosts the results from all previous years

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## What sort of businesses made up the survey sample?

It's important to know some things about the businesses that respond to the survey even if we don't know their names or have any other identification.

This first section of the survey can pick up industry trends like changes in the size of businesses by staff numbers, the sectors of the wet leisure industry that they service and their geographical location. The survey divides the country up into regions and so we ask, where does your business operate?



*Which region of the UK does your business operate from?*

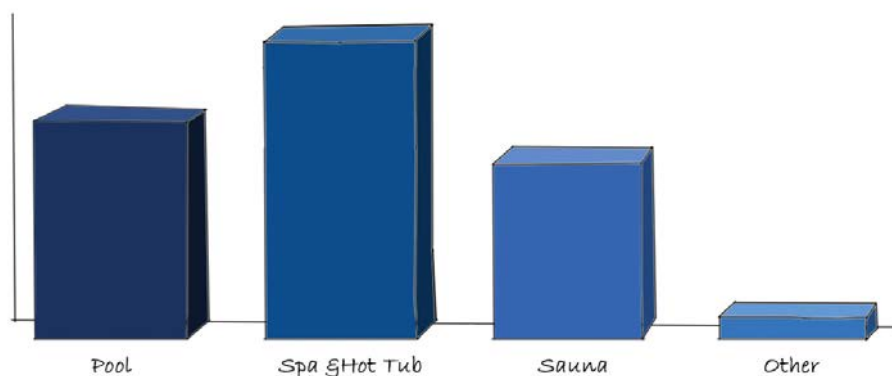
The majority of responses come from the South East, Midlands and the South West. This is almost certainly due to the relative economic strength of those regions.

In future years we may well look at London as a separate region as the economic climate of the capital is becoming increasingly removed from that of the rest of the country. Economic forecasts suggest that London's economy will remain strong till the end of the decade.

Across the country as a whole, growth has slowed down to less than 1%.

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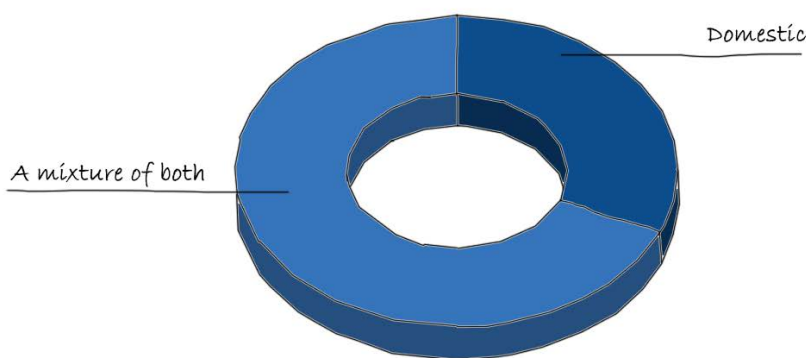
## Which sectors of the industry do you serve?



*Which sectors of the wet leisure industry do you serve?*

For three consecutive years pools came out at the top of this list but this year we see spas and hot tubs move ahead. Saunas had been languishing in third place but almost 50% of respondents this year said that they were doing sauna business. For a number of reasons, this could turn out to be the year of the sauna, but more on that later.

The other big differentiator is the difference between domestic and commercial work. Or at least there used to be a difference. The majority of businesses will now do a mixture of both types of work.



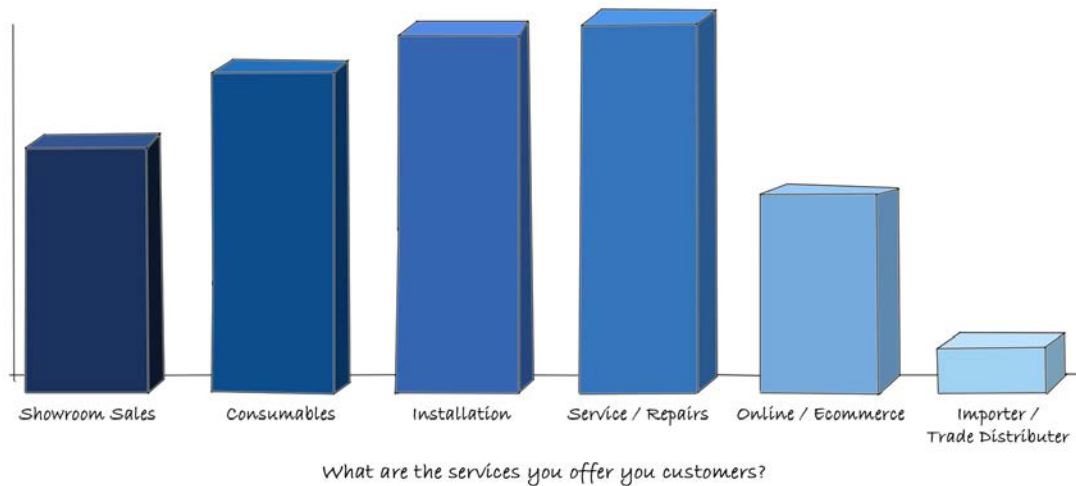
*Are your customers and clients domestic, commercial or a mixture of both?*

One reason for this is that domestic and commercial installations have become more similar with hotel and spas looking for a high aesthetic and standard of finish while domestic installations are increasingly using water treatment technology, heat pumps and automated dosing systems that were more usually found in a commercial setting.

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## What services do you offer customers?

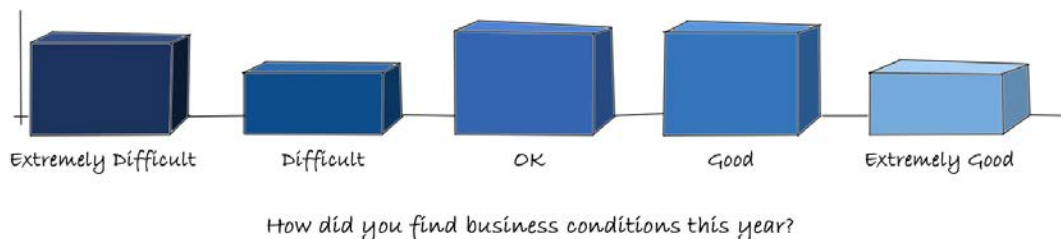
Service and repairs has climbed steadily over the past 12 years and now stands at 95%. Service contracts are the lifeblood of the industry. (As such, we should use the survey to dig more deeply into that sector of our industry.)



The other services, with the exception of ecommerce, are levelling up. Soon virtually every business will offer their customers every service. And that makes sense. It's much easier to cross sell to an existing customer than to go out and find a new one.

## How did you find business conditions this year?

Responses to this question will always cover the scale from Extremely Difficult to Extremely Good but in previous years it has always been clear that there is a trend one way or another. Our industry is either thriving or struggling.



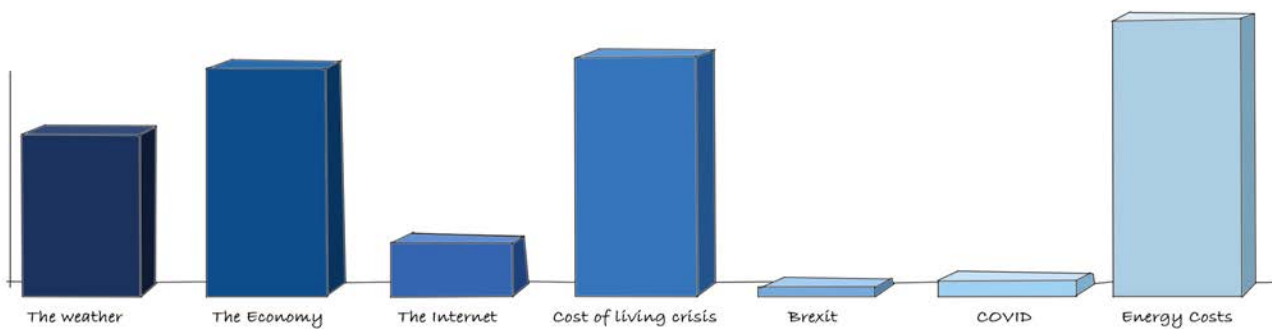
The graph this year is much flatter than normal. 35% of respondents reported a year that was worse than average while 38% reported having a year that was better than the middle range of 'OK'.

There will always be differences in how individual businesses cope with particular economic conditions but the suggestion here is that the economy was even more volatile than usual and companies could move quickly from doing well to being in crisis and, of course, vice versa.

The cost of living crisis, rising energy prices and the fluctuations in the housing market have certainly resulted in an unstable economy in which to do business.

### What had the biggest influence on your business this year?

Over the last few years we have added Brexit, Covid, the Cost of Living crisis and Energy costs to the list of possible influences. That says a lot about the world we have been living in.



What would you say were the things that had the biggest influence on your business this year?

The weather continues to be hugely influential and our industry continues to be one that is ‘solar powered’ with a hot, dry summer driving business in a way that nothing else does.

What comes as no surprise is that the cost of living and energy costs are clearly seen to be having the biggest affect this year. Over 72% see spiralling energy costs as influencing how their business performs.

One respondent simply says, *‘Hot tub sales dropped due to increased running costs.’*

Another sees that, *‘The current Ukraine and Gaza conflicts are not helping global stability which also filters down into economic confidence.’*

Increasingly, the problems that affect our businesses are global ones. The world has become a smaller place.

One respondent says that he sees, *‘General unwillingness to part with money, with many wishing to delay till 2024 in the hope they can have more faith in their own finances.’*

Undeniably, what this means is that energy saving technology and sustainable installations will become the industry norm with saving on running costs coming at the top of all our customer’s wish lists, from retrofit to new build.



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## **Would you describe most of those sales as being at the top-end of the market, budget conscious or somewhere in between?**

And here we find an anomaly. With all the economic pressures and concerns regarding costs, we might expect to see that a percentage of the market would be looking for budget products but, from these responses, it seems not.

Now, of course there are people looking for budget installations and retrofit products, but perhaps not as many as we might think.

Two things may be at play here. The wealthier individuals in the country have not been hit that hard by the recent economic challenges. The rich still have money.

The other is perhaps down to the value that people see reflected in their wet leisure choices. Pools, spas and saunas are all seen as an investment in health and wellbeing at a time when those things are valued particularly highly.

This isn't to say that people have money to throw around, but they will spend on the right product.

## **What marketing and advertising do you do for your business?**

When things change slowly it can sometimes be difficult to realise that they actually change at all. The forms of advertising and marketing that make up this chart and the relative amount of importance each one is given seem to be exactly what you might expect.

For the world of today, it is. But if you go back ten years, the picture is very different

In 2013, 80% of businesses had a website but other than that, marketing was split almost equally between traditional media and the digital world.

The same number of businesses used social media, then still in its infancy, as used local press. Newsletters were just as likely to be posted through a letterbox as delivered by email.

Now look at 2023 and almost five times as much weight is put behind digital marketing as is put behind traditional media.



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## And what marketing do you think works best?

'Word of mouth' is always the top answer here and that is true this year just as it was ten years ago.

No matter how good your website or engaging your content, no matter how clever your advertising or impactful your show-stand there is something irresistible about word of mouth. The simple thought that people like your business so much that they tell all their friends is a very appealing one.

And so it should be. Testimonials, whether on line or over a pint at the pub, are probably one of the most persuasive forms of marketing that there is.

Then there is SEO. Will Google recommend you?

As the biggest gateway to the Internet, Google stands head and shoulders above the rest. That might be simply as a search engine or as a media channel for Google AdWords and pay per click. *'Google by a mile, its where the purchase journey starts,'* says one respondent.

Seen as almost as important as a website, social media is the new giant of digital marketing,

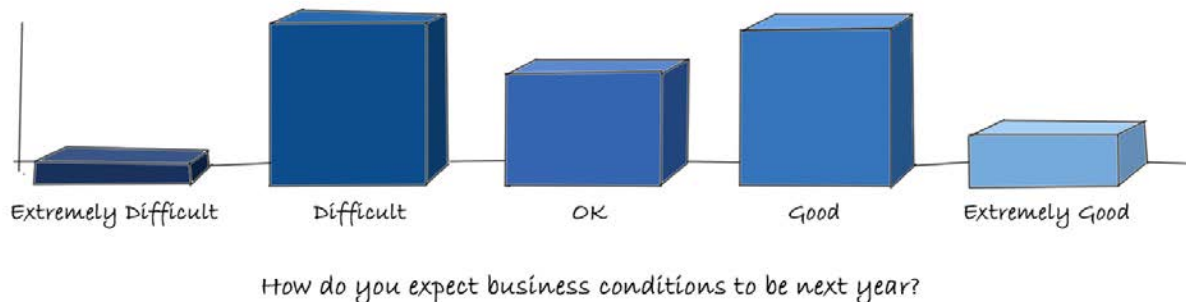
Respondents are saying. *'Social media & direct email marketing to target our customer base.'*

Interestingly, some respondents saw their customer service as a marketing tool. Which, of course it is. *'Providing an outstanding service at a competitive price.'*

But sometimes the old ways are the best. *'Shows and exhibitions are the best way to get out to the public whilst showroom footfall is low.'*

## Then we ask, 'How do you expect business conditions to be next year?'

Over the course of all of the surveys we have seen one trend that remains true each and every year. Respondents expect next year to be pretty much like this year. But as we have already seen, it's not easy to say what this year was actually like. With business conditions so unpredictable and choppy this year, our expectations for next year aren't clear. The overall picture that the responses paint is that next year will be 'OK.' There will be good and bad.



And that is probably true, particularly if we look at the reasons that have been given for that outlook.

Some people are finding that they are too busy and their challenge is *'Finding time to carry out the work requested by loyal customers.'*

Some see broader issues. *'The energy crisis still and cost of living.'*

How those broader issues impact on our industry. *'People thinking tubs cost loads to run and then are simply put off.'*

Some of the insights the survey data has shown can be seen clearly in the real world. The cost of living & energy prices will affect customer spending in the lower & middle markets.

Respondents point out that a general election during 2024 will only add to economic uncertainty.

These external business pressures are added to with internal challenges such as staff retention, which has been a recurring problem for the last three or four years now, and finding new staff with the appropriate skills and qualifications.

## Which market trends are your customers following?

Eco friendly and energy saving products top the list here. Almost 75% of customers are looking to save money or save the planet. That surely comes as no surprise.

The next highest score is 56% and that is for top-end and luxury products.

In these challenging times, however, it does come as a slight surprise that budget priced products sit at the bottom of the list with a score of only 36%.

People are looking for value for money more than they are looking to simply save money.

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## Which sectors of the industry have seen growth this year?

As we have seen, pool spa and sauna business behaves differently under different conditions and influences so we look at them individually to see how they have performed during the year.

### How has the pool sector behaved this year?

51% of respondents have seen growth in pool business over the year. For 45% of respondents things have remained broadly the same leaving only 4% of businesses doing less pool business than before.

A healthy 30% of that pool business was mostly building new pools with the other 70% doing both new builds and refurbishment.

### How has the spa and hot tub sector performed this year?

The hot dry summer of 2020 combined with the travel restrictions brought about by Covid and the unspent cash from furloughed workers and un-taken overseas holidays brought spa and hot tub sales to their absolute peak.

It was never likely that these conditions would repeat themselves and, indeed, they haven't. Spa sales have been in decline ever since.

Almost 66% of respondents saw falling sales in spas this year.

What is causing that? There is a theory that 2020 sales were so high that anyone who wants a spa now has one. Of course the other factor is the energy cost with hot tubs being seen as expensive to run.

### How has the sauna sector performed this year?

Over 40% of respondents have seen growth in sales of sauna and steam products over the last year.

Sauna sales were barely influenced by the pandemic and neither are saunas seen to be expensive to run. Sauna offers both physical and mental benefits and estate agents say that a sauna is almost always seen as an asset to a property whereas a pool or a spa can sometimes actually detract from a property value.

These three things appear to be in harmony with what the public are looking for today and it seems safe to say that growth in sauna sales will continue.

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## Breakdown by region

We end where we began, with looking at the survey region by region.

Our regions each have their different characteristics and, if anything, these have become more notable over time.

### South East

The South East tend to have slightly smaller businesses – in terms of staff numbers - than the survey norm and that has been true for a number of years.

Businesses in this region are more likely to be working in the pool sector.

In terms of challenges, energy costs were certainly a factor here but not more so than the weather or the overall state of the economy.

Their customers were certainly looking for top-end installations.

They are expecting business next year to be good.

### South West

Another region where the influence of rising energy costs sat equally alongside the economy as a whole and the cost of living crisis.

Although no respondents described their client base as purely commercial it seems that the hotel, rented holiday accommodation and holiday parks are a major factor in the economy of this area and that in turn influences what conditions exert what affect.

Respondent's view of business next year is slightly more pessimistic than that of the South East.

### Midlands

If you are doing business in the midlands you are selling spas and hot tubs. This region has always loved it's hot tubs.

Businesses in the region found business challenging this year and that has mostly been put down to spiralling energy costs, which probably play a greater part in hot tub sales than any other industry sector.

Sauna and steam are growing in popularity in the region.

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## North

This region shares some characteristics with the Midlands, particularly when it comes to the importance of spas and sauna.

## Wales

Business was difficult in Wales but such business as there was tended to be spas and sauna but respondents thought things would improve next year.

## In conclusion

It has been a difficult and complicated year with different regions and different industry sectors responding differently to the challenges and opportunities that the year has given us.

The rising cost of energy has, however, hit everybody everywhere.

Sauna appears to continue to grow in popularity. It has a relatively low energy use and yet delivers the mental and physical benefits that customers are looking for

Customers want to save money but not at any cost. They are looking for the best value for money rather than simply the cheapest product or installation.

The wet leisure industry is becoming a storehouse of knowledge regarding energy saving and sustainability. If a customer will be a heat exchanger from you for his pool or hot tub, then why not for his house?

We have built a strong and resilient industry that has withstood the challenges of the last year far better than it stood up to the dreadful weather and recession of 2011/2012.

We should celebrate ourselves for that achievement and many others.

## And finally.

This year the survey has once again had the support of the BSPF, Swimming Pool News, ISPE, Swimming Pool Scene, Hot Tub and Swim Spa Scene, SPATA, BISHTA and WhatSpa.

The most important contribution however has come from the people who have responded to the survey.

Please remember to take part in next year's survey when it comes out in October

