

Serena Spa at Athuruga Island Resort, Maldives (right) – the tsunami caused less damage here than in Sri Lanka

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MANAGING DIRECTOR, SERENA SPA PVT LTD



Serena Spa operates spas in the Maldives, Sri Lanka and India. We felt the tremendous devastation of the tsunami, in particular in Sri Lanka, where two of our spas were hit. Only the main structures and the roofs are still there: all equipment, furniture and products were

either smashed to pieces or washed out into the sea. Fortunately, no guests were in the spas at the time and our spa personnel were not seriously hurt, apart from the shock.

In the Maldives, the tsunami seemed to have lost some of its power. Although some 20 resort islands were damaged, most of them are already repaired. The remaining resort islands suffered only some wet mattresses and temporary power loss. In fact, the damage was so slight that most guests did not want to leave, despite tour operators offering special repatriation flights.

However, in both the Maldives and Sri Lanka, the major damage was suffered by the local population: fishermen and small shopkeepers. In the Maldives, the majority of the economy is hinged on tourism, so the best way to help is to get the tourism industry back on track as soon as possible. This industry, like no other, distributes money through the economy with speed, efficiency and in a very direct fashion. If the waiter earns a salary, his family can buy groceries from the shop and fish from the fisherman.

For Serena Spa, the most direct effect was the loss of four spa operations due to damage. Together with our resort partners, the



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repairs have already started and most will be back on track in a matter of months. Since our main asset is our people, we have retained all our spa therapists: some have been sent on paid vacation, some are undergoing training, but all are still on our payroll.

We are fortunate that our partners are as eager as we are to put this disaster behind us. Still, the gravest effect of the tsunami was that tourist arrivals dropped dramatically – by almost 80 per cent in January. The good news is that our occupancy levels for February and March have been very encouraging, perhaps not as good as usual, but very close.

In the short term, Serena Spa is expanding its operations to new areas. In April, we’re opening a new spa at the Red Sea in Egypt, with 24 treatment rooms and a low-calorie vegetarian restaurant. In Sri Lanka, we’re opening a 16,000sq ft spa in the historic Galle Face Hotel, Colombo, in May. In India, we’ve just introduced an upscale Decléor Aroma Care Institute in Bangalore – the first of several this year – as well as a Serena Spa at Surya Samudra in South India.

In the long term, the tsunami will not have any effect on our operations. The immediate goal is to get the visitors back, and for governments and the industry to work hand-in-hand to ensure tourists return to these uniquely beautiful countries.

SHUAIB M SHAH

CEO, ISLAND HIDEAWAY AT DHONAKULHI, SPA RESORT AND MARINA, MALDIVES

The Island Hideaway at Dhonakulhi Maldives – a luxury boutique spa resort and marina development on the beautiful virgin island of Dhonakulhi, North Maldives – opens this April.

Following the tsunami tragedy, we will naturally see a sharp drop in the number of tourists visiting the Maldives in the short term. This will be caused by a combination of two key factors. In the immediate aftermath, there is a sense of fear that another tsunami or natural disaster will occur. This is followed by a sense of guilt and a feeling that people shouldn’t be enjoying themselves with so much suffering around. This is



particularly true of the Japanese, who are typically the most sensitive to global events, as evidenced following the SARS crisis and the Iraq war.

I sense, therefore, that there has to be a period of

mourning and sufficient time must elapse for tourists to regain enough trust to visit the Maldives again – in my judgement, that will take about six months from the time of the tsunami. Indeed, we’re already witnessing the revival of that trust and a movement back to normality, as tourists slowly but surely return, especially from the British market. It’s the feeling in the industry that by the end of 2005, it will be business as usual in the Maldives, with 100 per cent occupancies at our resorts.

However, it is very much the case that in order to achieve this, all resort owners and operators in the Maldives need to totally rethink their strategies for marketing and sales. I think we’ll specifically see resorts spending more on advertising, hiring PR companies, conducting familiarisation trips for tour operators and press trips for journalists, as well as more aggressive marketing of promotions and incentives to tour operators and guests, in the form of discounts on room rates or value additions, such as free upgrades or extra nights. Already, some resorts are back to 80 per cent occupancy – the question, however, is how much of that is at pre-tsunami rates and how much on post-tsunami lower-yield product? ●