



NEWS

## How Goco is turning day-tripping spa fans into overnight guests

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By [Mary Gostelow](#) on 12/4/2018

GOSTELOW REPORT — "The secret to running a day spa with average spend of US\$150 is be authentic, and give an experience to remember," says Goco founder Ingo Schweder. Now can this visionary recreate the success of the USA's most successful day spa, Glen Ivy Hot Springs Spa, when that Corona, California, facility builds three hotels next to it?



Ingo Schweder at a breakfast meeting at Park Hyatt New York

January 2016, Goco, headquartered in Bangkok, purchased the 80-acre rural complex. This consists of the 18-acre wellness resort, on relatively flat land, plus 62 hilly acres that have been a prolific fruit farm since 1860.

Since the purchase, Goco has turned the resort into a US\$30 million annual operation, adults-only. Entrance is limited to 800, which means that by the 9 a.m. opening many, especially at weekends, have been waiting since 7:30 a.m. or earlier.

Entrance fees are US\$50 (US\$70 at weekends and holidays), and evening-only entrance, when only 400 are allowed in, is US\$38. Incremental spend takes that average daily check up to US\$150.

Nearly 80% of customers are female, all ages, all sizes. Some arrive the previous night and stay in the nearest chain hotels, Springhill Suites and Staybridge Suites, both 15 minutes' drive away. It is not unknown, however, for a group of girlfriends to have driven four hours to be there before the golden opening hour – only to find there is no more room at the inn. Those who are lucky enough to gain admission, and a locker for storing clothes, can spend the day frolicking in the most minimal of swimwear, swiping their proximity-pad "locker keys" for food, drinks, spa treatments and boutique goodies. Some customers are so addicted to this childlike freedom, which includes 19 pools, one themed Club Mud for its one-use mud to slather over friends, that they return, to pay another entrance fee for the evening session.

"Why this works is partly because we have a variety of products. Some guests simply want to lie by one pool all day long, perhaps breaking off for a Starbucks coffee and a snack. Others want to try everything, and lunch off Opus One and a fillet, and take a trip to the store to buy designer swimwear, all sizes available. We will do this with our hotels, which will be 3-star, 4-star and 5-star. A choice, with multi-offerings, can please everyone. It is impossible to do that when you only have a well-defined 5-star product," said Schweder.

There are Goco-branded spas in hotels, various brands, in Greece, Italy and Thailand, and its pipeline includes France, Japan, Montenegro, Portugal and Thailand. It gets contracts because of proven business returns, helped by passionate employees. Glen Ivy Hot Springs Spa runs with an average-250 workforce, which grows to 390 during the summer peak.

"All my senior managers are from Four Seasons or Ritz-Carlton, and the line staff are predominantly Californian, with a couple of dozen from further afield, including international interns whom we house. We motivate everyone by giving them qualifications, which raises their salaries, and we shall replicate this in our hotels," promised the visionary German boss. Already, 21 of the Glen Ivy Hot Springs team have achieved Goco silver certification, and four have got up to gold.

"Typically, a hotel's spa captures a maximum of 8% of room guests. When we build our own hotels, we are going for as near to 100% as we can." Schweder is confident that he can turn a business plan that makes millions from splashing around in pools evolve into the same success when it offers leaping in and out of beds.