



Champneys has opened the first of its high street premises in Chichester, and more are on the cards soon

Stephen Purdew, who turned 47 in May, eats, lives and breathes his spa brand Champneys, of which he is director and co-owner.

He lives on-site at one of the company's four UK luxury resorts in Tring in the picturesque county of Hertfordshire. It is a resort with 75 bedrooms and is set in 170 acres of grounds.

The reported £70m-£80m that the business turns over annually is roughly evenly split between resorts and Champneys-branded products, which range from food to cosmetics.

And while it's been a massive success for many years, Purdew is not happy to rest on his laurels, and now major developments are afoot both at home and abroad for what has become one of the country's best-known names in the spa industry.

This year marks the beginning of a significant diversification for a brand that is as closely linked with indulgence and wellbeing as any other brand out there. It is planning an incursion onto the nation's high streets. Without a doubt, the distribution of the spa brand by major retailer Sainsbury's has increased its recognition, and made it undeniably a household name, but Purdew now wants to make sure even more people have heard of it.

Champneys is extending its brand and creating a new breed of small day spa, or, as Purdew prefers to call them, treatment centres, because day spas traditionally have water and heat, which these new sites do not. "In the US and the UK, these kind of businesses are called day spas. But we just call them Champneys," he says.

Retail forms an important part of the new breed of "boutique-style" venue comprising anything from 75sqm to 111sqm of products.

Four to ten treatment rooms offer services such as Champneys Rose Back Glow, facials, such as Crystal Clear, St Tropez tans, massages, deluxe pedicures, eyebrow shaping and tinting and the latest Brazilian and Hollywood waxing treatments.

The first of the new 185-280sqm spas opened in December, in Chichester, West Sussex. The business opened in a leasehold property, which cost about £200,000 to fit out.

Purdew says further sites in Guildford, Surrey; Enfield, Middlesex; Windsor, Berkshire; St Albans, Hertfordshire and Islington, in north London, are planned to be in place by September.

He envisages opening eight this year, about 16 to 20 in 2008 and 50 within three to four years. Fit-out costs will be £300,000 to £600,000 each.

# CHAIN REACTION

CHAMPNEYS HAS QUICKLY RESPONDED TO THE PUBLIC'S ENTHUSIASM FOR PAMPERING. STEPHEN PURDEW TELLS ANDREW DON WHY HE HAS MOVED INTO THE HIGH STREET



Stephen Purdew says that Champneys is the brand people want to return to, because the experience is right

Purdew eventually sees himself opening what he regards as "a national brand" throughout the UK.

"The concept we are offering is new, and we have the pedigree to deliver high-quality experiences in these treatment centres," he says.

It could be a market into which others look to make an incursion. "Dove, The Body Shop and even The Sanctuary have talked, about it," he says.

With just one branch open, success is not a *fait accompli*. "If we can't deliver high standards on the high street we will abandon that strategy because it would tarnish the brand."

All high-street outlets will be company owned. Mention franchising the brand and Purdew almost snorts with derision: "It's a family business," he says. And that is what is important to Purdew. He emphasises the strength of the group's heritage, its forerunner dating back to 1970 when his mother and the current co-owner Dorothy established her own slimming club business. She ran 80 at one stage but everything has its time and by the early to mid '80s they had run their course and Dorothy "gave them away" to the people who ran them.

The Purdews kicked off the forerunner of the Champneys resort chain that was to follow with their first at Frimleys, Northampton, in 1978. They went on to buy Henlow Grange, in Bedfordshire, in 1981. Then in 1990 came Springs, followed by Forest Mere, Hampshire, in 1996 and Champneys Tring in 2002. The purchase of Champneys led to the Purdew family rebranding all of their resorts with the Champneys name in 2003.

The origin of the Champneys name comes from Ralph de Champneys who owned the mansion in which Champneys at Tring is set. The Tring site has an 80-year history as a health farm and it was the UK's first health farm when it was opened by naturopath Stanley Lief in 1925.

It is this rich heritage of the business's locations combined with the experience and pedigree of his family that Purdew is looking to capitalise on as Champneys considers opportunities overseas. Although Purdew stresses that the emphasis is still on the UK for the time being.

Champneys already has a spa in the InterContinental Grand Resort in Goa, India, and in Hotel de la Paix, in Champéry, Switzerland.

Purdew is flying to New York this October to look at an opportunity for opening a spa resort on the other side of the Atlantic, and he also has an opportunity to open another in Spain.

But this isn't just expansion without foresight. "We could do it easily but it's a question of whether we think it's a big enough opportunity," he says.

That said, he expects to open a spa in Marbella in 2008/9 within a luxury development of apartments and villas. There will be "accommodation for people to stay on a hotel basis around the spa".

In May, Champneys launched its cosmetics products in 250 stores belonging to 36.6, a Russian pharmacy chain, which is similar to Boots, with 757 outlets in 23 Russian regions.

Champneys has a strong relationship with British supermarket giant Sainsbury's and sells about £20m worth of Champneys-branded cosmetics and toiletries, as well as a 14-strong food range manufactured by Kerry Foods, through its stores, which it hopes to increase.

The company also launched a vitamins and supplements range with NutraHealth's Biocare in May, which should be available in Sainsbury's shortly. And it launched its own branded massage machines a year ago, and sells foot spas through Selfridges and Argos, among others.

Champneys has its own e-commerce site from which it sells its products. It features a vast range of gifts, skincare, bodycare, shower items and products for men.

Purdew says web turnover is approaching £1m and "very profitable" although, as it is a private company, he will not divulge profits in any part of the business.

So how does Champneys fit into the estimated £2.8bn UK spa market? Purdew describes the sector as "buoyant" thanks to increasing demand. Indeed, he says there has been an explosion in the past ten years.

But there has not been much of an increase in destination spas such as Ragdale Hall and Champneys Henlow, to name just a couple.

"That's been stable but there has been an increase in hotels with spas added on because hotels are looking for occupancy and leisure breaks at weekends and their clients are demanding that sort of facility," says Purdew.

He recalls how at one stage there was more demand than supply. Some of the hotels do it very well, he says, but Champneys is "the real McCoy".



Champneys has created a thriving retail business, selling from its own stores and in Sainsbury's. Many other brands have tried to imitate the success of this portfolio

The quality of employees has improved and so has the training. We want to be the leading destination spa in the world and we know we'll achieve that. But we are only as good as the people we've got working for us so training them is vital."

Key personnel are Ray Payne, managing director, Katherine Pye, day spa director, Louise Day, fitness director, Jo Parker, spa director and Sharon Scott, marketing and PR manager.

Readers may be forgiven for thinking there must be an exit for Purdew at some point. Most business people will concede there is always a price, but

## YOU CREATE A DIFFERENT ATMOSPHERE IN A SPA WHEN YOU ARE A DESTINATION SPA. IT JUST DOESN'T WORK WHEN THERE IS A WEDDING OR A CAR LAUNCH GOING ON

He explains: "Most of the time you can't be a conference centre for five days and provide leisure for two days. The real McCoys are the specialists. It is what we do. It is what we are geared up to do. We are not hotels with spas. We are spas with hotel accommodation and that is very important."

Purdew says people appreciate that what Champneys provides is "another level".

He says: "There's a different atmosphere that you create when you are a destination spa. It doesn't work when you have Microsoft holding a convention or there's a wedding going on or celebration of a 21st birthday or a car launch."

He says it is the Champneys pedigree that will ensure the success of the industry longer term.

"If you are PwC you are good because you have the best accountants at the top and that filters downwards; the same with our industry," he says.

So is Champneys just trying to attract the well-heeled to buy its products? Not so. "Our resorts are luxury but we are like an aeroplane. We cater for different sectors with different requirements. We are aspirational but not exclusive. We're accessible and that is important," he says.

But that accessibility should not spoil the spa experience, says Purdew, who is critical of the way some spas operate. "How can you relax by the pool when kids are jumping in and out?," he says.

And when it comes to improvements made at Champneys, Purdew emphasises the quality of service and the product. "We've become better and better in our understanding of the whole concept.

Purdew is adamant there is no amount that would encourage him to head for the door.

"I would never sell this business, not part of it, or all of it or any of it. I love what I do. We love what we do. It's not my ambition to make it worth £200m or £500m and then say 'see you later'."

He has plenty of incentive. He has a 15-year-old son, Robert, and if Purdew's wishes come true, the young man will eventually step into his shoes. **EB**

### STEPHEN PURDEW SOUNDBYTES

#### WHAT CUSTOMERS WANT FROM A SPA:

"People don't necessarily want to live longer. What they want is a healthier life while they are around, and that is what Champneys provides."

**LOYAL FOLLOWING:** "The majority of our customers are repeat customers. People have tried other experiences and have come back to us for what we are able to offer them."

#### BEING A FLAGSHIP IN THE SPA INDUSTRY:

"It's really important for the spa industry that it understands that Champneys is the real McCoy. The must know that we are the flagship of this industry because that is what will ensure the success of this industry."

**TRAINING YOUR PEOPLE:** "You have to spend money on training, it's an absolute must that you have people working for you throughout your business who are motivated."