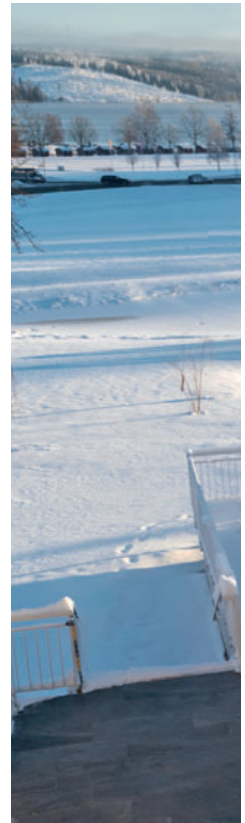


INTERVIEW

Berghult comes from a family of hoteliers and has grown up in the industry



Henrik Berghult

The COO of Nordic Hotels & Resorts, one of the region's largest and fastest-growing hospitality companies, shares his insights into spa and wellness with Lisa Starr



Coming from a family of hoteliers, Henrik Berghult spent his life growing up in hotels in the Nordic countries of Sweden, Norway, Finland and Denmark. So, it could be argued that becoming COO of one of the region's largest and fastest-growing collection of independent hotels has always been a part of his destiny.

He took on the top role at Nordic Hotels & Resorts in 2022, following years in operational management positions at Norlandia and Scandic, as well as working as chief buyer for Rezidor. Nordic, a division of the privately owned Strawberry Group (see p61), has 52 hotels and resorts in its portfolio, 17 of which feature spas. Some of its most notable wellness properties include Farris Bad near Oslo and Yasuragi near Stockholm. It's proud to include Selma, one of Sweden's oldest spa resorts, in its collection, while one of the newest is Sommerro, comprising one of Norway's last remaining – and now refurbished – public baths.



PHOTO: NORDIC HOTELS & RESORTS



Spas generate 30 per cent of revenue in our hotels – that's a lot

“Our portfolio has sprung from the spa and resort culture and some of these properties have been with us from the start [of the company in 1990],” he says.

But what makes a spa successful and how does he see Nordic developing its wellbeing experiences? He shares his vision with *Spa Business*’ contributing editor, Lisa Starr.

How important is wellness within Nordic’s portfolio?

Our operations are mainly divided into three categories: luxury, five-star properties, resorts (typically spa or ski sites) and boutique hotels. Wellness is super important in the first two categories and spas are particularly crucial.

What value do spas add from a business point of view?

In our properties that have spas, 30 per cent of revenue comes from that side of the business – that’s a big amount!

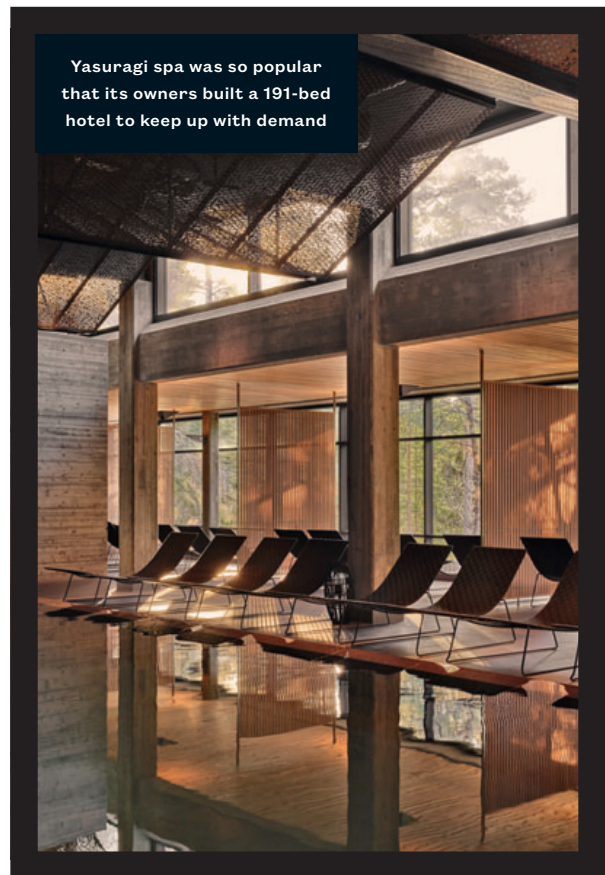


PHOTO: NORDIC HOTELS & RESORTS

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INTERVIEW: HENRIK BERGHULT

Sommerro boasts one of Norway's last remaining public baths

PHOTO: NORDIC HOTELS & RESORTS

► Alternatively, those properties that don't have spas (especially in the luxury bracket) are at a disadvantage. At Six Hotel in Stockholm, for example, we're in heavy competition with the Grand Hotel and struggling because it has a spa and we don't. We're looking to add one because guests staying in five-star properties demand spa facilities and they're key to driving leisure and weekend business.

How do you measure the performance of your spas?

We track many KPIs on the use of sq m, treatment rooms, saunas and so on. All of our spas are profitable, but the most successful ones are the bigger operations – where wellness is the core focus.

At Sommerro, our newest hotel that opened in Oslo in 2022, the spa and bathhouse are on the smaller side (see www.spabusiness.com/sommerro) and we're still trying to find the right level of service and kinds of treatments to increase yield. But, what I will say is that this has

been a special project from A to Z. No expense was spared on its investment and stepping into this art deco hotel is like stepping into *The Great Gatsby* movie and it would be well placed in any major gateway city from New York to London.

Meanwhile, Yasuragi, which is just outside of Stockholm, is excelling in all areas (see www.spabusiness.com/yasuragi). Its Japanese-inspired bathing area covers 2,200sq m and is the key attraction of the 191-bed hotel – in fact, the spa came first and was so popular the owners then added accommodation. Even taking into account operational costs, which are extensive considering its myriad pools and heat experiences, it's a hugely successful model. It offers multiple packages and is not super-exclusive – a spa weekend starts at around €500 (US\$546, £418) – but you won't leave the property without spending at least that again because of the different experiences on offer and retail add-ons. It's so unique and that's something we really strive for.

How would you describe Nordic's customers?

There are different demands in different markets – whether you're in Finland, Norway, Sweden or Denmark. However, they all embrace the outdoors and want to get out hiking and biking in the woods and mountains ... and then happily head back to the spa in the afternoon for a treatment and nice dinner and glass of red wine. They expect the full wellness offering and it's a balancing act for general managers to get that right. It's especially important they understand the nuances of a spa business, what treatments are more profitable and which product houses to work with. ►

PHOTO: NORDIC HOTELS & RESORTS

The distinctive art deco style at Sommerro

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ABOUT THE STRAWBERRY GROUP

Strawberry Group, known as Nordic Choice Hotels until May 2023, was established by Norwegian businessman Petter Stordalen in 1990. The name change was inspired by Stordalen's budding entrepreneurship as a teenager when he was reported as being one of Norway's best strawberry sellers.

The conglomerate consists of 10 companies spanning the hospitality, retail, real estate, art and finance sectors. According to its latest annual report, Strawberry's portfolio included 215 hotels at the end of 2022, with another 22 projects in the pipeline. It reached sales of NOK14.3 billion (US\$1.33 billion, €1.22 billion, £1.02 billion) and EBITDA sat at NOK1,5 billion (US\$143.3 million, €131.5 million, £109.8 million) – both the highest in its history, which Stordalen puts down to strong demand following COVID-19. RevPAR was NOK704 (US\$65, €60, £50) and TRevPAR was NOK1,140 (US\$106, €97, £81), just above its 2019 recordings.

Sustainability is a key focus and it's aiming to be carbon-neutral in operations in the next six years.



Petter Stordalen

PHOTO: STRAWBERRY GROUP

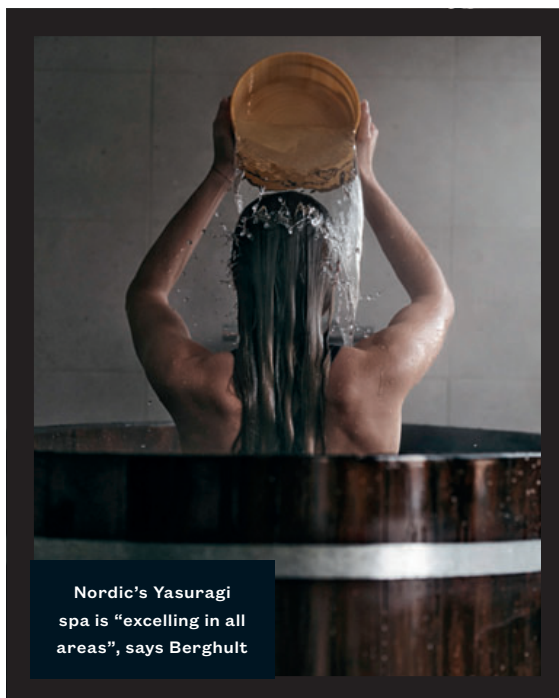


PHOTO: NORDIC HOTELS & RESORTS

Nordic's Yasuragi spa is "excelling in all areas", says Berghult



Customers expect the full wellness offering and that's a balancing act for GMs



PHOTO: DACHAUERSTADT

Aufguss sessions, such as those at Farris Bad, are particularly popular

PHOTO: ANDRZEJ KOTELSKI & RESORTS



Resorts with bigger spas are more profitable, says Berghult

HENRIK BERGHULT: FAVOURITES

TREATMENT: a classic massage – it's the best

SPA: Outside of our group it's The Well in Norway. It's an awesome place that sets a high standard

PLACE: My summer house in south Sweden. I was born there. It's 'home'

BOOK: *Steve Jobs: The Exclusive Biography* by Walter Isaacson

ADVICE: The best thing about money, is that you can always earn more

► How are their needs changing?

Since the pandemic, there's a higher demand for wellness experiences that are more than just a treatment. This is why aufguss sessions are working out particularly well for us and Lasse Eriksen [development manager at Farris Bad] has been instrumental in this.

Aufguss is a relatively new and unusual experience in the Nordics, but it's something that appeals to people who are interested in sport and can be enjoyed by groups and it's a talking point when you post on Instagram or tell your friends about it.

Since Eriksen introduced the 64sq m event sauna at Farris Bad five years ago, it's had a big impact on both the guest experience and profits (see www.spabusiness.com/farrisbad). It was built with state-of-the-art lighting and sound systems for entertaining and can fit at least 50 people at a time – some of our larger resorts have 600-700 hotel guests, but we don't have enough treatment rooms to cater to demand, so a bigger-scale experience is ideal.

We're expecting to add more unique experiences like this in the future. ●

• To read more about the business dynamics of aufguss saunas, see p66.

PHOTO: MICHAEL SUTTORP



Lasse Eriksen has been instrumental in developing wellness offerings