Health tourism in Hungary: future challenges for thermal spas

Worldwide Hospitality and Tourism Themes

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Received 22 January 2025
Revised 24 January 2025
Accepted 24 January 2025

Abstract

Purpose – This article identifies some of the challenges facing health tourism development in Hungary and uses research with expert respondents to make recommendations for the sector.

Design/methodology/approach – A combination of literature review, recent statistics and Delphi study data involving health tourism experts is used to identify challenges in product and service development which affect customer satisfaction.

Findings – Spas need to concentrate on improving their infrastructure where funding allows and to create better quality products and services that are tailored and marketed to specific segments. Investment may also be needed in staff recruitment and training to overcome shortages.

Originality/value – New insights are provided into the current situation in Hungarian health tourism using a comparative study of V4 countries. This helped to identify common challenges and solutions.

Keywords Health tourism, Spas, Thermal baths, V4 countries, Hungary

Paper type Research paper

Introduction

This article is based on research that was undertaken in order to understand better the current situation of health tourism in Hungary in the wider context of the V4 region. Previous research had suggested that the tradition of balneology and medical thermal tourism in Hungary is slowly declining in favor of wellness treatments and activities (Csapó and Marton, 2017; Strack and Raffay-Danyi, 2020; Smith *et al.*, 2021). Post-COVID statistics indicate that this trend is continuing to grow (Medve, 2023). This represents a challenge for traditional thermal baths that mainly offer balneology therapies to domestic tourists, especially those that want or need to cater for international tourists seeking high quality wellness services. To analyze the situation further, the author employed qualitative research aimed at answering the following research questions:

RQ1. What challenges did thermal baths and spas face before and after the period of COVID-19?

RQ2. How does the situation of Hungarian health tourism and spas compare to developments in other V4 countries?

RQ3. What kind of opportunities can be developed in the future despite the challenges and constraints identified by expert respondents?

Funding: This work was supported by Visegrad Fund [Grant Number The WellSpaV4 project no. 22010060].

Worldwide Hospitality and Tourism Themes
Vol. 17 No. 2, 2025
pp. 187-199
Emerald Publishing Limited
e-ISSN: 1755-4225
p-ISSN: 1755-4217
DOI 10.1108/WHATT-01-2025-0027

Recent secondary data statistics are used alongside primary data based on a Delphi Study that was undertaken with 28 respondents from the thermal spa sector in the V4 countries. These experts, nine of whom were from Hungary, were engaged in two rounds of questions covering several themes: spa development and challenges during the post-Socialist era; the extent of government support and funding; factors influencing spa growth; definitions of wellness and related activities; tourism growth; the profiles and satisfaction levels of customers; importance of collaborative spa networks and other initiatives; and the ramifications of COVID-19.

The findings emphasize the necessity for spas to concentrate on improving their infrastructure and creating quality services tailored to specific target segments. Achieving this goal may entail developing new products, investing in staff education and training, and implementing more effective marketing strategies. Notably, the growing popularity of leisure, recreation, and wellness services may converge with forthcoming developments in medical wellness, fostering greater awareness and adoption of preventive, healthy lifestyles. Government support, EU funding, and participation in spa networks could play pivotal roles in facilitating these advancements. Moreover, continual monitoring and online assessments of quality and satisfaction are integral for sustainable enhancement of facilities and services.

Overall, the research provides new insights into the current situation in Hungarian health tourism using a comparative study of V4 countries. This contextualizes Hungary within the region in terms of its level of development, as well as identifying challenges and opportunities that are common to all four countries. It is hoped that the sharing of experiences and good practice can help to develop the health tourism sector in a direction that is both lucrative for operators and beneficial for tourists.

Overview of spa development in Hungary

Hungary boasts one of the most abundant supplies of thermal and medical waters globally, including a spa culture that spans almost two millennia (Bottoni *et al.*, 2013). This supply comprises approximately 1,500 mineral springs, 200 of which demonstrate scientifically proven medicinal properties (Visit Hungary, 2023). Moreover, Hungary offers therapeutic resources like medical mud, caves, mofetta, and climate therapy. Extensive clinical trials have yielded compelling evidence that immersing oneself in Hungarian thermal waters can effectively alleviate issues linked to musculoskeletal diseases and chronic lower back pain (Bender *et al.*, 2014). Consequently, spas continue to play an important role in the wellbeing and healthcare system for local residents.

During the Socialist era from 1945 to 1989, the focus was primarily centered on spa tourism for regional and domestic tourists. However, after 1989, especially after joining the EU in 2004, the influx of tourists increased notably. According to Csapó and Marton (2017), the prioritization of health tourism emerged after the turn of the Millennium, coinciding with the availability of European funds. This shift led to Hungary's promotion as the "Land of Spas," notably branding Budapest, its capital, as "The City of Baths." Smith *et al*. (2015) identified four key types of health tourism services attracting international visitors in Hungary: hotels offering traditional balneotherapy, wellness-focused hotels, historic baths in Budapest and dental clinics as part of medical tourism.

Budapest has often been hailed as the spa capital of the world as it boasts more than 130 natural hot springs and twelve public baths. Some of these healing spas trace their origins back to the 16th-century Turkish occupation, earning the city the epithet of "The Mecca of Rheumatics" at one point (BGYH, 2020). Smith and Puczkó (2010) highlighted the consistent featuring of Budapest's historic spas and thermal baths in marketing efforts spanning 2 decades in the post-socialist era.

Research by Marton *et al*. (2019) revealed that although visits to Hungarian spa destinations tend to follow seasonal patterns, the degree of seasonality is lower compared to overall tourism in the country. Recent investments and advancements in spa facilities have notably mitigated this seasonal fluctuation. Strack and Raffay-Danyi (2020) highlighted that a majority of Hungarian spas are overseen by local governments and hospitals, prioritizing public service over profit-centric motives. Many spas are contemplating renovations in line with prevailing wellness trends, aiming to expand pools or create additional facilities. However, due to municipal ownership, securing necessary investments can pose challenges. The Budapest Municipal Government has actively supported the refurbishment of thermal baths in the city, allocating approximately EUR 300 million, largely sourced from the operational profit of the Budapest Spas Corporation. Several of these baths, notably Gellért, Széchenyi, Rudas, and Lukács, are increasingly popular among tourists. This surge in popularity is accompanied by a shift: outpatient services have decreased, wellness offerings expanded and prices have risen (Turizmus.com, 2020). Although spa service revenues declined during the COVID-19 pandemic, they rebounded in 2022, reaching nearly 61 million forints, a notable increase from the previous year's revenue of less than 34 million (Medve, 2023).

Recent statistics indicated that there were 140 thermal baths and 104 medical baths in 2022 (see Table 1). Although the bath industry appeared to have recovered from the impact of the COVID-19 pandemic by 2022 in terms of revenue, significantly fewer foreign tourists were visiting the country's thermal spas. The number of foreign tourists taking wellness trips to Hungary decreased by 64% between 2019 and 2022 and the spending of foreign tourists while on wellness trips decreased by 74%. In 2022, it was shown that 225 baths were offering wellness treatments and 109 were offering beauty treatments representing an increase compared to the previous year. Conversely, the 115 facilities offering medical treatments had decreased compared to the previous year (Medve, 2023). In terms of visitor numbers, the consequences of the COVID-19 pandemic means that the number of visitors has not yet reached pre-pandemic levels (33.7 million in 2022 compared to 42 million in 2019). The number of overnight domestic wellness trips had also not reached pre-pandemic levels with 572,000 in 2022 compared to 676,000 in 2017 (Medve, 2023). The impact of inflation as well as the aftermath of the pandemic should be taken into consideration here.

The proportion of guest nights in commercial accommodation reflects a similar trend across Hungary, with 47.8% attributed to domestic visitors and 52.2% to international guests. However, this ratio leans significantly higher towards foreign guests in Budapest, hovering around 80% (Jonas-Berki *et al.*, 2015). According to Marton *et al.* (2019), health tourism stands out as the primary tourism offering in Hungary, with approximately 45% of guest nights recorded in rural spas—an estimate that climbs to 68% if Budapest is included. Notably, seven to eight spa towns consistently secure positions in the Top 10 tourist destinations in Hungary (HCSO, 2019). Jonas-Berki *et al.* (2015) indicated that health tourism hubs are geographically concentrated in specific settlements, such as Bük, Egerszalók, Harkány, Hajdúszoboszló, Hévíz, Zalakaros, Gyula, and Sárvár.

Table 1. Bath services in Hungary (2019–2022)

Type of bath	2019	2020	2021	2022
Medical bath	115	104	106	104
Thermal bath	157	136	136	140
Pleasure bath	198	174	183	193
Baths with the following available services				
Medical examination	102	89	86	79
Medical treatment	141	126	121	115
Wellness treatment	258	213	212	225
Beauty treatment	131	107	97	109

Source(s): Hungarian Central Statistical Office (KSH), 2023

Acccording to Turizmus.com (2019) the most visited cities in Hungary were the following:

(1) *Budapest* (10,383m guests)

(2) *Hévíz* (1,135m guests)

(3) *Hajdúszoboszló* (988,000 guests)

(4) *Bük* (744,000 guests)

(5) *Balatonfüred* (729,000 guests)

(6) *Siófok* (661,000 guests)

(7) *Zalakaros* (637,000 guests)

The 2021 Tourism Strategy in Hungary identified areas for development to attract international tourists and noted that health tourism is attractive at the regional level from neighboring source markets. Twelve internationally important spa towns still account for one-fifth of overnight stays (OECD, 2022).

In 2022, Budapest still attracted the highest number of visitors (7 million) and generated the most revenue (38 billion forints) followed by Zala county (3 million visitors) and revenue (34 billion forints). T Budapest attracts the most international tourists followed by Hévíz. For domestic tourists, Hajdúszoboszló – a town in eastern Hungary famous for its thermal spa complex is especially popular. The changing nature of Budapest spas should be noted, however, as the number of people using medical services had decreased from 428,000 guests in 2019 to only 115,000 in 2021 (Medve, 2023).

In 2016, research conducted across seven public spas in Budapest based on 2063 visitor questionnaires, highlighted distinct motivations for visits for foreign and Hungarian guests. According to Smith and Puczkó (2018), foreign visitors primarily frequented spas to admire the stunning architecture and for entertainment, while Hungarian guests sought the therapeutic properties of the waters and a space to relax in. This divergence in motivations hints at a potential clash of interests between the two groups. Some spa traditions were altered, such as eliminating separate gender sections and making swimming costumes compulsory. By 2019, the demographic shift was evident, with guests under 30 surpassing those aged 60 or above, constituting over 85% of visitors to Széchenyi and Gellért spas. Before the COVID-19 era, spa parties attracted around 58,000 participants, who were mainly foreigners aged 18–25 (Turizmus.com, 2020).

Smith and Puczkó's (2018) study noted high satisfaction among foreign visitors, labeling their spa experience as a unique and memorable cultural experience, which was often a highlight of their Budapest visit. However, Smith *et al*.'s (2021) analysis of Gellért spa's TripAdvisor reviews highlighted persistent service quality concerns, such as cleanliness, hygiene (heightened post-COVID), inadequate information dissemination, navigation difficulties and perceived staff unfriendliness surfaced. Nonetheless, the facilities themselves garnered praise, particularly the external architecture and buildings, deemed aesthetically pleasing.

Strack and Raffay-Danyi (2020) conducted an analysis centered on the operational success benchmarks of Hungarian spas, focusing on guest demand, profiles, and preferences. Their methodology encompassed an online questionnaire administered to spa managers, a content analysis of customer reviews pertaining to Hungarian spas, and structured interviews involving experts in Hungarian spa tourism. The study showed that families, senior citizens, and empty nesters constitute the core market for Hungarian spas, which also enjoy considerable popularity among international visitors. Notably, Germany, Romania, and Slovakia emerge as the primary source countries for spa guests. Hungarian visitors exhibit a preference for medical services covered by social insurance, closely followed by wellness offerings, whereas international guests predominantly opt for wellness services, often financing their medical treatments independently. The survey research identified several pivotal factors:

(1) The price of the ticket,

(2) Cleanliness of the facilities,

(3) The types of pools and

(4) the recommendation of relatives and friends.

The examination of customer reviews revealed a prevalence of positive sentiments outweighing the negatives. Commendations primarily centered on aspects like value for money, cleanliness, the extensive array of services or products available within spas, and staff performance (e.g. 99 positive comments versus 42 negative comments about staff). Conversely, critical reviews often cited concerns regarding value for money, cleanliness issues, overcrowding, and aspects of hospitality (e.g. restaurant quality). Among interviewed experts, a prevailing viewpoint emerged suggesting an oversaturation of spas in Hungary, posing challenges in terms of fostering competitiveness and distinctiveness. Additionally, the scarcity of skilled labor emerged as a significant hurdle, attributed in part to seasonal fluctuations and a deficit in education and training. The employment of inadequately trained, low-wage workers frequently resulted in compromised service quality, a factor pointed out by some experts as detrimental to the overall spa experience.

Research methods and data collection

Between 2020 and 2021, a Delphi Study was conducted within a project focused on examining the challenges and opportunities specifically faced by spas in the V4 countries—Hungary, Poland, Czech Republic, and Slovakia. Hsu and Sandford (2007, p. 1) define a Delphi study as a collaborative communication process aimed at detailed exploration and discussions surrounding a specific issue, commonly utilized for setting goals, investigating policies, or forecasting future occurrences. These studies involve a carefully selected group of subject matter experts and are typically employed when addressing intricate and multifaceted matters (Donohoe and Needham, 2009). Such methodologies have shown success in various health and wellness research endeavors (e.g. Lee and King, 2009; Smith, 2015). The process begins with experts receiving initial sets of questions pertinent to specific issues, which researchers thoroughly analyze. Subsequently, a second round of tailored questions based on the analysis of initial responses is sent to the same group of respondents. Best practices suggest involving a minimum of 10 expert participants and conducting at least two rounds of questioning (Gordon, 1994). However, Delphi studies commonly engage panels ranging from 15 to 35 experts (Miller, 2001). The primary objective is to attain a consensus of opinions; hence, in cases where consensus is not achieved, a third round of questions may be required. Nevertheless, it is common for some respondents to drop out in subsequent rounds, known as an "attrition rate." Acceptable attrition rates typically fall between 20 and 25%, although they can occasionally reach as high as 45–50% (Miller, 2001).

In this instance, the Delphi Study was specifically crafted to identify the primary challenges confronting spas within the V4 countries, aiming to offer recommendations for their future evolution. The four principal partners involved in the V4 project undertook the task of selecting expert respondents—comprising spa managers and directors—from their respective countries. The intent was to achieve a balanced sample representation across the four nations as far as possible. A total of 28 individuals were engaged in the interview process: 9 from Hungary, 7 from Poland, 6 from the Czech Republic, 5 from Slovakia, and an additional regional geothermal expert from Bulgaria. These respondents were presented with inquiries addressing a spectrum of topics, including challenges faced by post-Socialist era spas, government financial support, factors influencing spa development, the role of wellness activities, tourism expansion, customer profiles and satisfaction, and the repercussions of the COVID-19 pandemic.

Analysis of findings

This section provides an analysis of the Hungarian interview responses from Round 1 of the Delphi Study as well as the consensus that was reached on the main issues discussed by the respondents in Round 2.

Challenges facing thermal baths and spas after the period of socialism (post-1990)

Improvements within the spa industry began taking shape in the early 1990s, often funded through proceeds generated from water services. Previously, corporate resorts primarily catered to trade union holidays or local populations. The initial Hungarian Thermal Program post-1990 aimed to expand tourism appeal by enhancing accommodation near the spas and extending the operating season beyond just summer. Among the key challenges were upgrading outdated infrastructure to meet international standards and diminishing reliance on public funding by attracting guests from diverse countries. Attracting paying guests necessitated the creation of novel offerings, elevated experiential quality, superior hospitality and lodging services, and the segregation of public and private spa treatments in both space and time. This required addressing deficiencies in human resources and providing training for an unprepared workforce, including the development of managers well-versed not only in water management but also in broader management skills. A significant focus was directed toward marketing initiatives and altering the industry's image.

During Round 2 of the Delphi Study, respondents largely agreed on three main priorities:

(1) Infrastructure enhancement

(2) Crafting services tailored for new, often self-paying markets

(3) Meeting the requisite quality standards for international guests

One respondent disagreed with the order of the priorities, stating that:

> The biggest challenge is to reach the existing and new target groups, to create products for them, and then to make the improvements based on this (and not the other way around). The current spa offerings are not segmented (targeting "everyone"), which distorts the market, creates mass production and limits sustainable, economical operation.

Another respondent elaborated further on the challenges:

> During the development of new services, there is less and less innovation, factory templates are used, and designers who do not understand spa development. Even today, applications rarely need to be submitted, they do not require a thorough feasibility study to indicate the new segments. They hide behind the false illusion of multi-generational family bathing. At the very least, medical wellness and recreation services would be better separated.

Funding and finance

Since 1990, there has been a noticeable decline in state funding, decreasing from 80%. While State Insurance funding remains significant, hovering above 50% in certain areas, in others, it dwindles to a mere 20–30%. Consequently, the reliance on self-financing and private insurers has gradually increased at an annual rate of 1–2%. The 2004 EU accession ushered in numerous investment and development prospects, channeling nearly HUF 100 billion into spa advancements over a decade.

During Round 2 of the Delphi Study, opinions varied regarding whether the majority (60%+) of guests are now self-funded, despite a general inclination toward agreement. However, there was a lack of consensus regarding the growth of this segment, with conflicting views on whether domestic guests can afford self-financing. Nonetheless, there was unanimous agreement that EU funds played a pivotal role in fostering significant improvements across Hungarian spas.

Demand for thermal and spa facilities

The interviewees emphasized the pressing need to elevate the calibre of services, particularly catering to paying clientele. Over time, customers have grown more discerning, seeking heightened quality experiences due to their increased familiarity with spa services. This more sophisticated clientele may expect segregated spaces from those benefiting from public or health insurance-funded provisions. However, some respondents pointed out that despite the desire for superior quality encounters, the general lack of disposable income in Hungary tends to deter customers from paying higher prices for services.

Conversely, domestic demand has increased, partly attributed to special promotions, localized discount incentives, holiday vouchers and events like the “Night of Baths.” The utilization of recreational and wellness services is on the rise, indicative of a growing health consciousness among Hungarians. Notably, some respondents suggested a trend toward a younger customer base, leading to a decrease in the average customer age. Balancing the needs of guests seeking leisure experiences in active pools with those desiring tranquil pool or sauna environments poses a challenge. The integration of combined offers with spas, encompassing both family-oriented active tourism and culturally-inclined options for couples, is gaining prevalence.

During Round 2 of the Delphi Study, respondents largely agreed that spa services have exhibited improvement, noting growth in wellness and leisure offerings. While they acknowledged increased customer demands, there was disagreement regarding the perception that customers were financially unable to afford these services. There were divergent opinions regarding customer age trends, the decline in medical spa utilization, and a decrease in domestic demand.

Impacts of international tourism

Many international tourists visiting Hungary hail from neighboring countries, sharing a comparable income level with Hungarian guests—such as Serbians, Romanians, Slovaks, Czechs, and Ukrainians. However, exceptions exist, notably with Austrian, German and Slovenian visitors, who sometimes opt for more extended stays spanning 1–2 weeks. Visitors from neighboring countries often frequent rural spas, while Budapest spas have evolved into a “must-visit” attraction for most foreign tourists. Border spas in particular host a significant proportion of foreign guests, with some recording up to 60 or 70% foreign clientele, especially between early April and late September. Ensuring spa quality to meet the expectations of higher-income and more seasoned tourists is increasingly crucial, along with the necessity of employing colleagues proficient in foreign languages. The surge in tourism appears to exert the most significant influence on price increments. While wellness and experiential services appeal to tourists, medical services also attract foreigners to countryside spas.

In the second round of the Delphi Study, respondents did not agree that the majority of guests are now foreigners. However, there is a general agreement that a substantial number of foreign guests originate from neighboring countries, often patronizing the largest or most renowned spas. It is acknowledged that the majority of foreign tourists prefer independent travel rather than organized group tours. Views diverge regarding whether foreign guests favor wellness or medical services. Nearly all participants concur that the current quality standards fail to meet the expectations of foreign guests, highlighting the imperative for enhanced marketing strategies. There was a disagreement concerning tourism being the primary cause of price escalations.

Conflicts between user-groups

Conflicts between user groups within spas stemming from inadequate facility segregation have surfaced as a prominent issue. A notable divide often exists between health insurance-funded guests and self-paying visitors, with the latter expecting superior facilities and experiences. A similar quality expectation discrepancy may be observed between Western and Eastern tourists. Furthermore, conflicts between older and younger guests emerge, with noisy activities posing discomfort for the elderly seeking tranquility: As stated by one interviewee "a noisy wave bath or slides with loud music is disturbing for the elderly recovering in the sitting pools".

This disparity in preferences transcends nationalities, as senior German or Dutch tourists tend to steer clear of noisy or busy areas frequented by younger crowds. Instances of occasional conflicts between nationalities, such as Germans and Russians, Europeans and Arabic guests, or Poles and Russians, have also been highlighted. The needs of solo travelers differ from those accompanied by young children, adding another layer of complexity. Additionally, local "loyal" customers may feel disturbed by the influx of other visitors, leading to congestion during peak periods like weekends, holidays, or school breaks, hindering optimal guest service due to limited facilities and space.

In the second round of the Delphi Study, interesting perspectives emerged. One respondent highlighted fundamental conflicts arising from differing guest needs within each segment. The suggestion was for spas to target specific segments and cater to their specific needs to avert conflicts. Segregation based on motivations and service content was proposed, advocating separate areas for families with children and adults, thereby minimizing disturbances:

> it is possible to separate certain segments within a spa based on motivation and service content, e.g. for families with children there is an adventure pool and a related rest area, while for couples and adults it is a recreation area, saunas and separate rest areas.

While some respondents contended that distinctions between state-funded and self-financed guests were negligible, others stressed the necessity to separate these groups, especially concerning medical services, owing to differing expectations and treatment standards.

While few respondents directly addressed nationality-based separations, a broader suggestion encompassed segment separations based on motivations and services:

> medical and wellness [segments] possibly although if a spa is well designed you can mix it. Generations can be mixed or separated depending on the concept. Nationality conflicts sometimes arise, i.e. Germans/Russians. Options of sauna areas should be created coed and separated.

Meaning of wellness in Hungary

The provided definitions and depictions of wellness primarily revolve around beauty services, leisure activities, massages, and sauna/steam room experiences, particularly in hotel spas. The primary motivations or benefits identified are relaxation and recreation, with pampering and enjoyment also holding significance for specific market segments, such as families. However, lifestyle enhancement, fitness, self-improvement and spirituality were less frequently mentioned, and fewer services are tailored to cater to these areas. The emergence of medical wellness is observed in select spas, signaling a shift toward health-focused offerings. While wellness services are utilized across generations, women tend to exhibit a higher interest and younger individuals actively engage with these services.

During the second round of the Delphi Study, amidst some varied responses, a prevailing definition of wellness emerged: "Wellness leans more towards leisure and recreation rather than focusing on lifestyle improvement, balance, or self-development." Another popular viewpoint highlighted the ascendancy of medical wellness due to the promotion of healthy lifestyles and heightened emphasis on personal health care. Notably, none of the respondents agreed with the notion that "Wellness is about having fun!"

Monitoring and measuring guest satisfaction

In many spas, the measurement of guest satisfaction was noted to be lacking, with some establishments unaware of the precise number of guests they accommodate. Distinguishing the experiences of paying guests from health insurance-funded individuals proves challenging. Moreover, the prevalent focus tends to be on highlighting only the most negative scenarios. This issue is exacerbated in cases where spa managers lack expertise or when marketing funds originate from tourism or destination agencies. Some spas resort to methods like online questionnaires or outsourced agencies for monthly guest evaluations. Others mentioned employing electronic panels in guest areas or leveraging social media. However, it was observed that guest satisfaction surveys may offer a one-sided perspective and may not always accurately represent overall sentiments.

In the second round of the Delphi Study, preferences regarding effective guest satisfaction measurement methods varied significantly. Apart from one respondent, none mentioned utilizing paper-based guest satisfaction surveys. Online questionnaires and social media emerged as popular choices. Constant monitoring garnered more responses compared to monthly evaluations. One respondent succinctly captured the need for diverse measurement approaches, advocating for paper-based surveys for detailed feedback, online tools for quick, concise feedback, and social media for general feedback, underscoring the necessity of continuous monitoring.

Collaborations between spas

Apart from the European Spa Association (ESPA), European and V4 networks are somewhat limited. Funding occasionally originates from V4 or European sources and certification is sometimes granted for medical spas. Domestically-oriented networks like the Hungarian Bath Association, a 25-year-old institution and a member of ESPA, play a crucial role in disseminating information about emerging trends, ensuring quality control, and updating spas on state regulations. These networks facilitate the exchange of best practices, engage in collaborative marketing efforts, and undertake joint research endeavors. Special events like Hungarian Bath Culture Day, Baths Nights, Sauna Nights, and agreements for ticket sales are common occurrences. The Public Benefit Association of Southern Spas and Thermal Baths, celebrated its 23-year anniversary in 2023 and unites 32 spas in the region, assisting with regional planning, tenders, professional training and study trips.

Thermal Clusters, comprising up to 50 members inclusive of spas, hotels, healthcare agencies, educational institutions, swimming pool technology firms, and others, foster collaboration. Some Hungarian spas engage in reciprocal exchanges with counterparts in other countries; for instance, Mariánské Lázně in the Czech Republic and Harkány in Hungary facilitate employee holiday exchanges. However, there has been a decline in formerly prominent networks like the Association of Hungarian Balneologists in recent years. Additionally, an observation was made regarding destinations having a tendency to focus inwardly, preferring self-reliance over seeking external benchmarks or best practices.

In the second round of the Delphi Study, respondents held diverse perspectives on the significance of networks. There was acknowledgment of the interconnectedness between networks, emphasizing the necessity for collaboration between national and sub-regional entities. The value of networks in fostering collaboration and increasing demand within tourist areas was acknowledged, highlighting the effectiveness of cooperation between domestic and international organizations for professional development.

Future challenges

It is widely believed that establishing high-quality spas poses significant challenges, often exacerbated by spas undertaking overly ambitious designs and plans without the necessary expertise or experience. Key concerns revolve around infrastructure, product and service development, necessitating a renewed focus on basic technical infrastructure in some spas to ensure uniform service quality and fostering more environmentally friendly operations through initiatives like utilizing geothermal or solar energy. There is a pressing need for product differentiation tailored to domestic and international markets and diverse guest segments. Many spas are perceived to offer treatments reminiscent of those offered decades ago, rather than aligning with contemporary guest needs. The shift towards digitalization and enhancing the online presence of spas is also recognized as essential. Regarding medical waters, there is a call for further research to substantiate their efficacy for specific conditions. In the wellness sphere, it is noted that the current product focus primarily centers on relaxation and leisure, lacking demand for prevention and lifestyle programs, which might need adjustment to align with international expectations.

In the second round of the Delphi Study, while one respondent regarded all future developments and challenges as crucial, others unanimously prioritized infrastructural development and quality enhancement as “Very Important.” Additional priorities deemed “Very Important” or “Important” encompassed expanding services for new markets, ensuring a hygienic environment post-COVID, advancing medical wellness treatments linked to lifestyle improvements, emphasizing preventive care and counseling for healthy lifestyles, and enhancing marketing communication to potential clients. Priorities that were also deemed important but were slightly lower on the scale included sustainable developments and greener energy sources, further research on and education for balneology, and prioritizing digitalization and improving spas’ online presence. Undoubtedly, the most immediate challenge for 2020–2021 (when the research was undertaken) was surviving the impact of COVID-19 and ensuring a safe, hygienic environment for guests, warranting a distinct question and response.

The effects of COVID-19

Regrettably, much like other sectors, the entire spa industry was completely unprepared for the enormity and consequences of the COVID-19 outbreak. As highlighted by one interviewee, “Governments were completely unprepared and haphazard in their message. There was a total lack of direction in what measures to carry out, when and how.” Although some spas received support that was crucial for their survival, the sector witnessed a staggering decline in visitation, especially from foreign guests unable to cross borders, leading to a significant reduction in footfall by about 70%. Consequently, numerous employees were laid off, and cost-cutting measures, including reductions in marketing efforts, were implemented.

During the summer season of 2020, there was a glimmer of hope that the COVID situation might be abating, prompting many spas to reopen and extend vouchers to domestic guests. This period witnessed the introduction of new cleaning protocols, enhanced disinfection measures, and the implementation of strict employee and guest protocols to ensure safety.

A brief comparison of the Hungarian and V4 country data

The data collected from the V4 countries revealed several commonalities. Challenges included the struggle to meet quality standards for paying and international guests due to limitations in health insurance funding, low employee salaries, recruitment difficulties for skilled personnel, and the necessity to manage conflicts among different guest groups needing separate spaces.

In the Czech Republic, there was a notable focus on balneology in interviews, emphasizing the importance of ongoing education, research and evidence-based treatment approaches. Concerns surfaced about the shift in spa guest focus towards leisure and recreation, potentially at the expense of traditional balneological practices. Outside the “West Bohemian Triangle” spas (Karlovy Vary, Mariánské Lázně, Františkovy Lázně), a mere 20% of spa-goers fund their visits themselves, necessitating increased investment for the maintenance and restoration of heritage buildings, including World Heritage Sites. Czech spas attract a relatively higher number of guests from the Middle East compared to Hungarian spas.

Similarly, in Slovakia, a clearer distinction exists between spas offering medical treatment and those centered on leisure or wellness services, a differentiation less evident in Hungary. Despite this, insufficient funding from health insurance has hindered the maintenance and improvement of many Slovak spas. While around 19% of clients at Slovak spas are foreign tourists, their stays tend to be shorter than those of Czech guests, with new investments leaning toward wellness but resulting in briefer visits compared to medical spas. Future plans include preventive programs targeting lifestyle-related issues.

In Poland, the data highlighted challenges related to adapting to changing market needs in customer service alongside the demand for further investments in facilities. The positive impact of EU funding was frequently highlighted. Many Polish spas have expanded their offerings beyond medical treatments to include leisure, recreation, and wellness. Poland also seems more inclined towards embracing healthy lifestyle trends compared to Hungary or the Czech Republic, with few to no conflicts mentioned between guest groups.

Conclusion and recommendations for spas

The most important challenges for spas in both Hungary and the V4 region more generally according to the Delphi Study include improving infrastructure and creating high enough quality services for the target segments. This might include product development, staff training and improved marketing. Interviewee responses suggest that the demand for leisure and wellness services are growing, including among domestic tourists who can usually afford such services. Belonging to spa networks at all levels can be beneficial for spas to exchange good practice, receive support and guidelines and undertake joint research, training or marketing.

Even though respondents agree that wellness is mainly about leisure and recreation, future developments might focus on improving knowledge of preventative healthcare and healthy lifestyles among Hungarians, possibly using a medical wellness approach. Interviewees also suggest that future developments should take into consideration the needs of different user groups and consider separating spaces or targeting specific groups rather than “everyone” or “three generations”. Monitoring of quality and customer satisfaction should be undertaken on an ongoing basis and ideally through online questionnaires or social media.

2022 statistics show that revenue from spa services has doubled in the past year, but significantly fewer foreign tourists are visiting Hungarian spas, especially those taking wellness trips. The number of domestic trips has not yet reached 2017 levels (Medve, 2023). This could also be a result of economic recession or concerns about traveling sustainably. However, it is clear that spa towns account for at least 20% of overnight stays in Hungary (OECD, 2022) with Budapest being the most popular followed by Hévíz for foreign tourists and Hajdúszoboszló for domestic tourists (Medve, 2023). Health tourism is especially popular with tourists from the neighboring countries (OECD, 2022), but tourists visiting the spas in Budapest are younger and more motivated by fun than spas elsewhere in the country (Turizmus.com, 2020). Nevertheless, country-wide, it seems that facilities offering medical treatments and visitors seeking medical services are slowly decreasing while spas offering wellness and beauty treatments are increasing (Hungarian Central Statistical Office, 2023). Further research will be needed to assess the implications for future management of Hungarian spas building on the Delphi data and the more recent statistical insights.

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