



GLOBAL SPA & WELLNESS  
SUMMIT

GLOBAL SPA & WELLNESS  
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# AFRICA: EGYPT

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## 1. What is the latest spa and wellness news in your country?

Egypt ranks fourth among the top wellness tourism countries.

## 2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?

Spa and wellness establishments will introduce wireless spa destinations, wellness gadgets, fitness games and an increased access to spa menus and bookings via mobile phone apps. Moreover, spas will embrace hi-tech frequency and vibration techniques.

## 3. What is happening in your country in terms of wellness tourism?

Wellness tourism is almost non-existent. A rising number of hotel brands are expected to fully integrate their wellness approach. Many already offer fitness rooms and spa treatments, but we will soon see hotels that seek to draw customers solely with wellness offerings.

## 4. Please provide one sentence that best describes the latest developments in your country for each of these categories:

**Hotel spas:** Aromatherapy plays a role in pain treatment, mood enhancement, improvement of cognitive function and sleep therapy.

**Destination spas:** Spas are looking beyond traditional pampering towards technology, swimming pools, spa suites, post-relaxation decks, safari activities and Arabian (Egyptian) nights — all designed to make spa synonymous with luxury.

**Hot springs spas:** Bathing in hot springs within a therapeutic spa experience is a burgeoning trend in 2014, especially in desert areas like Siwa or Sahl Hasheesh.

**Wellness living communities:** Spas will soon become family and couples vacation destinations, along with destination wellness centers including fitness centers.

**Corporate or employee wellness programs:** Employees are offered health insurance within the private sector only.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

I see a spa and wellness industry using natural products, minimizing energy consumption and looking at alternative ways to reduce pollution through the use of solar energy, recycling, homegrown organic food and other green initiatives.

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# ASIA: BHUTAN

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## **1. What is the latest spa and wellness news in your country?**

Given Bhutan's relatively new tourism marketplace, the entry of new 5-star luxury hospitality brands has been noteworthy, particularly since these properties are set to take the country's spa and wellness offering to the next level. Starwood Hotels & Resorts has announced plans to open Le Méridien Thimphu in the country's capital city in January 2015. Six Senses Hotels Resorts Spas has initiated construction on five properties located across Bhutan's most travelled areas, which are slated to begin opening in 2016. Additionally, GOCO Hospitality is currently in talks about developing a dedicated mind-body wellness circuit in the country.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Part of Bhutan's mystique and appeal lies in its unique ability to provide a true escape from those technologies that allow us to be connected and accessible at all times. Therefore, it is believed (and hoped) that Bhutan's employment of technology in the nearish future, either wellness-related or otherwise, will not extend far beyond the fundamental demands of today's modern traveller who has become accustomed to high speed Internet, cable television, menu-loaded tablets, and in-room lighting features. Anything more would contradict the charm inherent in the simple pleasures and natural beauty of the location.

## **3. What is happening in your country in terms of wellness tourism?**

In order to understand the current context of wellness tourism in the country, it is important to first understand the country's unique history of tourism as a whole. Bhutan's rich and unique cultural heritage has remained intact largely as a result of a previous policy of isolationism from the rest of the world, which held firm until the early 1960s. Bhutan's tourism industry was only formally launched in 1974 and continues to follow a strict "high value, low impact/volume"

ethos in an effort to protect the country's uniquely preserved identity and environment from outside influences. Bhutan does not limit the number of tourists to the country; however, these volumes are strictly controlled via policies and regulations, including the required daily tourist tariff (i.e. minimum daily spend) of USD \$250 (per person, per day, peak season) and USD \$200 (low season), which is inclusive of accommodation, meals, transport, a sustainable tourism royalty of USD \$65, etc. Currently, only visitors from India, Bangladesh, and Maldives (formally categorized as "regional tourists") as well as those from Thailand have been exempted by the Royal Government of Bhutan from this tariff requirement. In 2013, Bhutan recorded more than 116,000 total tourist arrivals, of which 66% were international and 44% were regional. Incredibly, the 2013 average total spend among international tourists was USD \$3,917 per stay (averaging seven days), with 27% spending more than USD \$5,000. Annual 5-star occupancy rates in Bhutan average around 28%, reaching 63% during October's peak season; however, these percentages do not take into account regional or domestic tourists, government or corporate guests, so occupancy rates are, in reality, much higher (Tourism Council of Bhutan, "Bhutan Tourism Monitor: Annual Report 2013," 2014). Given our local knowledge of marketplace, we estimate that luxury hotels in the country experience annualized occupancy rates between 40% and 50%, including demand generated from the local and regional market.

However, while Bhutan's tourism industry is still in its relative infancy, wellness (particularly as it relates to spirituality) has always played an integral role, given the fact that Buddhism lives at the core of the country's history, culture, and values. As such, meditation and yoga-focused retreats, centers, and packages have become increasingly common offerings among tour companies and hotels operating in the main cities. Similarly, tshachus (hot springs) and menchus (hot stone baths) are found and frequented across the Kingdom, primarily by locals, and believed to hold sacred medicinal properties capable of healing the body. Tschachus typically consist of basic bathing facilities or simple outdoor pools fashioned within close proximity to a natural hot spring source. Menchus involve fire-heated stones being dropped into a bath, thereby heating the water and releasing a curative flow of minerals and steam. In these ways, the link between spirituality and wellness, mind and body is promoted and made accessible to the country's tourists. Furthermore, given the dominance of cultural tourism in Bhutan, wellness tourism is expected to offset the seasonality and uniformity of the country's current offering.

As with other attractive destinations, the barriers to entry are high in the Kingdom of Bhutan. Among the most notable are regulations limiting the percentage of land that can be developed within the country, making "green field" development increasingly challenging. Additionally, development costs in the country are relatively high, ranging anywhere between USD \$500,000 and USD \$1,000,000 per key. While the Government of Bhutan is open to developing its tour-

ism industry and overall infrastructure, controlled growth intended to preserve the country's cultural and environmental integrity is among its top priorities.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** There are just a handful of internationally benchmarked hotels currently operating in Bhutan, all of which feature a standard spa facility and some of which feature specialized bathing, thermal, gym, yoga and meditation facilities.

**Destination spas:** There are currently no dedicated destination spas in Bhutan. In 2013 Chiva-Som International Health Resort, headquartered in Thailand, partnered with Druk Holding and Investments, the Royal Government of Bhutan's holding company, on the development of the country's first wellness resort. However, those plans have been halted.

**Hot springs spas:** Tshachus (hot springs) and menchus (hot stone baths) are Bhutanese bathing traditions, which have been utilized for centuries. However, the hot spring facilities found across the country tend to take the form of simple indoor structures or basic outdoor pools.

**Wellness living communities:** One could argue that the whole of the country is a "wellness living community," given a governmental and cultural promotion of gross national happiness, sustainability and environmental preservation, and spiritual practice. However, formal versions of these communities do not exist as yet.

**Corporate or employee wellness programs:** The country's Gross National Happiness index specifically measures aspects of workplace wellness along with physical, mental, social, economic, and other forms of wellness. This could be considered a more macro-level holistic approach to traditional employee wellness initiatives.

#### **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

This year, Condé Nast's featured Bhutan as one of the "Top 10 Destinations to Watch in 2014," particularly attractive to those seasoned travellers, spiritual seekers, and nature enthusiasts in search of the next level experience. Additionally, Bhutan's tourism and development strategy for 2013-2018 outlines a plan for expanding the country's wellness tourism offering, which is

aligned with the country's overall cultural and spiritual identity, with goals of attracting over 260,000 visitors and USD \$470 million in tourism revenues by 2018. Therefore, we predict and are hopeful that while the spa and wellness landscape is sure to expand in the next five years, it will continue in line with what's currently being featured, including traditional bathing, dedicated mind-body practice, natural immersion, organic nutrition, and other offerings authentic to the last Shangri-La.

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# ASIA: CHINA

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## **1. What is the latest spa and wellness news in your country?**

The Chinese market is still dominated by day spas, bath houses and foot massage outlets. However, there is a significant increase in hotel spas appearing within major cities throughout the country. These spas are focusing on ancient Chinese healing traditions to add weight and substance to their offerings.

Domestic travelers make up the majority of China's leisure market. Their demand is for relaxation and luxury brands. This is particularly true of skincare lines where the perceived value is not only in the therapeutic effect of a line but also the status and luxury factors. The demand for opulence is perhaps not at the 'gold leaf' levels of the Middle Eastern consumer, but a need for the best skincare from all over the world is apparent and supported by limited consumer price resistance. The challenge to service this demand is handed back to the product companies who must now go through the lengthy process of licensing and the logistics associated with entering a new selling arena.

Following on from this is the rise of the importance placed on male grooming by Chinese males. Data released by consumer research firm Kantar World shows that 73 percent of men in China's biggest cities think that looking good is an essential part of being successful at work. The study goes on to identify that Chinese men use an average of 2.5 facial products daily. This interest in looking and feeling good will surely continue to have an effect on the spa and wellness scene in China, particularly in the bigger cities.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

The demand for technology in every area and at every moment of life is overwhelming. Guests arrive at destinations sometimes with four or five separate pieces of mobile technology, which will remain switched on, downloading, syncing and radiating throughout their stay. In an ideal world, the spa and wellness industry should be helping to provide

environments that let guests focus on themselves without the need for this constant connection. The industry as a whole creates and sells experiences; how can a guest get full value from this experience if they are distracted or not fully engaged? Every day we see people videoing events through the five-inch screen of their phone rather than lowering the phone and just enjoying the spectacle in all its glory.

That said, there are wellness technologies which will play more and more of a role throughout the industry, namely those providing biofeedback. The advent of watches that measure everything from heart rate and body fat through to monitoring quality of sleep means that large amounts of quality data are available to be downloaded, giving users feedback about their wellbeing, fitness levels and, most importantly, identifying precursors to ill health and disease. The industry can also not ignore that in China and Japan, over a quarter of those surveyed by McCann in 2013 said that technology actually made health fun; this is surely a figure that is set to increase, and rapidly.

### **3. What is happening in your country in terms of wellness tourism?**

According to a Euromonitor International report in 2013, wellness tourism remains relatively unpopular within China mainly due to the fact that the number-one priority for domestic Chinese tourists is sightseeing. Interestingly, growth in wellness tourism did rise by 12 percent, but the report goes on to say that relatively high prices, low awareness and lack of consumer education are factors limiting a rise in this type of tourism. Additionally, many tours within China are established, itinerated and fall on a well-trodden path. This is not the case in the wellness sector, where there are few well-designed travel routes or itineraries for the consumer to choose as an alternative to more established tourism options. This may change quickly if the country's bloggers and interactive reviewers continue their surge in popularity and stumble upon wellness tourism as a topic of interest; their influence could be a driving force in promoting wellness tourism.

The continued development of chain hotel and resort spas will no doubt have a positive impact on this sector, as consumers are enjoying more hotel/spa leisure. So in this regard, it will in some way be in the hands of these hotels and resorts, as they decide on the depth and breadth of their wellness offerings, as to how much consumers can access, enjoy and understand the wellness solutions that exist and how they might incorporate them into their daily lives or make them part of a regular travel itinerary.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** Hotel spas are currently flourishing, as many of the 5-star operators either open with new, luxurious spas or rebrand current offerings with new signature spa concepts. Luxury seems to be the key both in resort regions such as Sanya, where an already well-served market will soon be joined by Raffles' first spa venture in China, and in cities like Guangzhou and Shenzhen, where each new urban spa opening seeks to outdo the last.

**Destination spas:** Destination spas are perhaps the least well-served market within mainland China; however, the market is moving. Brilliant Resorts and Naked Retreats are providing a combination of hot spring and spa destinations, while Six Senses will open their first Chinese destination with the Qing Cheng Mountain retreat, opening in February 2015. In addition, Hainan Island also boasts the world's largest spa resort with the Mission Hills Spa and Wellness Resort. 2015 will also see the opening of China's first dedicated wellness retreat in Niutuo, south of Beijing. The \$120 million GOCO Retreat Niutuo will offer luxury wellness in over 13,000 square meters of dedicated space, including ancient natural hot springs used for centuries by emperors to bathe.

**Hot spring spas:** This category of spa continues to be the most popular within China, with offerings ranging from very local facilities to luxurious 5-star hot spring spas, recent figures show that there are nearly 550 hot spring hotels in China and over 8,000 bath-houses. The popularity of hot spring destinations will not reduce; rather, the integration of hot springs into 5-star hotel and resort destinations will increase. The result of this type of destination will be the therapeutic benefit of hot spring water enhanced by 5-star facilities and service levels.

**Wellness living communities:** Operating wellness living communities are limited within China. The community element of wellness is perhaps more attributable to the family and residential environments. The Chinese believe that wellness is easier to achieve with children, which is in stark contrast to survey participants in the UK and USA, who believe that children make it harder to achieve wellness. Group activities — such as morning Tai Chi and Qi Gong (tour any public space within China or any Asian capital for evidence), family style dining and the care of senior members of the family — are not new concepts, but they do show how wellness in the home and the community are integral to life and provide a great starting point for future developments. One such development under construction is surrounding a huge lake in Suzhou near Shanghai. It includes a dedicated destination spa, private residences, boutique hotel, serviced apartments and a commercial centre this is set to become China's first true wellness living community, conveniently located in close proximity to China's most cosmopolitan city.

Corporate or employee wellness programs: China's ongoing talent war means that employers and corporations are having to become ever more creative in the ways that they attract and retain staff. Corporate wellness as a concept is fairly new to the market. The implementation of this by Sodexo with the Nokia Group in Beijing in 2008-2009 was the first widely documented program, and it raised employee satisfaction from 84 to 98 percent in 12 months. These programs are continuing to develop throughout the country with big and small employers alike addressing issues such as smoking (China has 350 million smokers nationwide, according to WHO 2006) and sodium consumption, while providing more opportunities for exercise and physical activity.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

China, like all other countries, will be home to a more informed and health-conscious population who not only seek to live longer but to live better. This population will demand wellness solutions at all levels, from organically grown food through to cosmetic augmentation and medi-spa solutions. The demand for high-end cosmetic products will continue to increase, as will the need for health solutions that improve quality of life for all generations. This need will be met by an increasing number of wellness-focused resorts and retreats, as well as the continued development of traditional Chinese solutions, such as hot spring retreats.

McCann's 2013 "Truth About Wellness" document states that "86 percent of people surveyed felt that they had the power to change their own level of wellness and the average person believes they will live to be 79 years old, however in China this rose to 84 years old", indicating that not only is wellness at the core of the future in China but that it will be embraced with the hope of significantly increasing life expectancy.

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# ASIA: INDONESIA

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## **1. What is the latest spa and wellness news in your country?**

Over the last two years, this sector has grown at a tremendous rate. The number of spas and wellness-related centers is increasing significantly to meet a growing demand for spa and wellness treatments. The government pays a great deal of attention to this sector and gives its full support to development, writing new spa regulations to help raise the standard of spa and wellness-related functions, education and manpower.

Indonesia has just launched its nine preliminary signature spa treatments, each part of a cultural heritage passed down through the generations. These nine spa treatments are from nine different areas of Indonesia and were first introduced to the public in a national spa conference in May 2014.

The nine spa treatment are as follows: Oukup Martup (North Sumatra), Batangeh (West Sumatra), Tangas (Betawi), Lulur (Java), So'oso (Madura), Boreh (Bali), Batimung (Banjar), Tellu Sulapa Eppa (Bugis), Bakera (Minahasa). The Indonesian government is actively promoting these traditional ancient practices and their preservation, as well as conducting regular studies on their efficacy, the better to share our ancient wellness traditions with the world.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Spa and wellness entities in Indonesia are open to any cutting-edge wellness and health technologies as we view spa as aiming for health maintenance, disease prevention, revitalization, rejuvenation and beauty enhancement. We also preserve the holistic local wellness heritage, in concert with emerging scientific research, to achieve this goal.

### **3. What is happening in your country in terms of wellness tourism?**

Wellness tourism has developed significantly in terms of quality and quantity. Meanwhile, other parts of Indonesia — not just Bali — are preparing to embrace wellness tourism.

### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories: hotel spas, destination spas, hot springs spas, medical spas, wellness living communities and corporate or employee wellness programs.**

Indonesia offers a wide variety of wellness life traditions that meet clients' needs, with proven empiric benefits worth sharing.

### **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

We strongly believe that the spa and wellness industry in Indonesia will become even more colorful and wonderful in the next five years.

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# ASIA: JAPAN

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## **1. What is the latest spa and wellness news in your country?**

A personal training program with a structured dietary plan, followed by a body conditioning massage to modify and maintain the body's healthy condition — the results are dynamic and fast!

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Wellness technology is welcomed here in Japan since technology is our biggest friend. Smartphone technology can be combined with spa and wellness programs to offer a complete package to our guests. We offer three night/four day spa and wellness programs at our resort hotel. We recommend that our guests utilize a yoga app in the morning and a meditation app in the evening to maximize the effects of this program. Osh Yoga and Relax Melodies Oriental are two apps that we recommend our guests use during our stay program. We also have an ayurveda-themed spa and we recommend our guests do their yoga and meditation following their dosha types.

## **3. What is happening in your country in terms of wellness tourism?**

We are expecting to host the 2020 Olympics here in Japan. Wellness tourism is garnering more and more attention, thereby attracting potential international guests. Japanese food is registered under UNESCO's Intangible Cultural Heritage as a commitment to a healthy eating lifestyle. Hot springs are located throughout Japan. We also have the world's most populated forest climate (70 percent of the country is covered by forest) where you can enjoy forest therapy in an effort to release stress. The quality of mineral water is amazing here in Japan, a very healthy country. Since leading a healthy lifestyle –

comes naturally to us, it wasn't until recently that we realized we could promote wellness tourism outside of Japan. Currently, the promotion of wellness tourism in Japan is thriving more than ever.

**4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** A positive part of our healthy lifestyle.

**Destination spas:** Getting really hot!

**Hot springs spas:** Very popular already!

**Wellness living communities:** This concept has yet to arrive in Japan.

**Corporate or employee wellness programs:** Not common.

**5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

The wellness industry will become part of our daily lifestyle to the degree that the notion of it being too luxurious or expensive will no longer hold true.

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# ASIA: JAPAN

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## 1. What is the latest spa and wellness news in your country?

Nippon Spa Association will reveal its latest market data, based on the growth rates of the relevant official statistics, at Spa and Wellness Japan 2014 in Tokyo. According to NSPA, the annual turnover of spa services in Japan as of 2013 was 733.4 billion yen (\$7.3 billion). It showed a year-on-year increase of 10.7 percent and this figure surpassed the 2007 level, which was the highest on record (708.8 billion yen) before the global economic turndown. It seems that the Japanese market has recovered from the earthquake of 2011.

This momentum would be sustained through the next couple of years. With the 2020 Tokyo Olympics only six years away, a stream of huge complex buildings and 5-star hotels are under construction in central Tokyo.

Senkyaku Banrai, a 1.7-hectare complex within walking distance of Olympic venues and the new Tokyo fish market, will be opened in 2016 and will feature one of Japan's largest thermal spa facilities. At the top of the seven-story tower will be an open-air bath with great views of Tokyo bay and skyscrapers. This complex is expected to attract up to 4.2 million visitors a year.

On the other hand, Andaz Tokyo (Hyatt hotel group) has opened its AO spa and club in the city's second-tallest newly built complex. Aman Resorts also plans to open Aman Tokyo near Tokyo Central Station before the end of the year. These foreign-affiliated hotels are targeting both domestic and foreign wealthy customers.

Domestic hotels are also trying to draw foreign visitors. Hotel Okura, a traditional prestigious hotel, plans to rebuild its main building for a hefty 100 billion yen (\$1 billion), with a grand reopening slated for 2019. Hoshino Resort group also is set to open Hoshinoya Tokyo, a ryokan-type facility with onsen (natural hot springs) in central Tokyo in 2016. According to the Japan Hotel Association, the average occupancy rate at member hotels in the Tokyo metropolitan area during 2013 rose to 82.9 percent, a level reminiscent of the bubble era. This will definitely offer great opportunities for spa businesses.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Spa and Wellness Week (SWW), the only nationwide spa industry campaign and event, will take place at around 100 spa facilities in almost all areas in Japan, and guests can try various types of spa at discounted rates during the campaign period. Currently, the SWW committee is planning to provide smart photoplethysmography sensors to spas interested in utilizing it.

Currently, various smart wearable devices such as activity trackers (Nike+ Fuelband SE, Fitbit One, UP by Jawbone), smart watches, smart glasses and the other accessories are gradually getting popular in Japan. Although spas have yet to implement these devices, there are many pilot projects intent on making good use of these devices and other wellness technologies for creating valuable wellness solutions via inter-business collaborations. With the right business model, many wellness solutions could be deployed all over the nation.

## **3. What is happening in your country in terms of wellness tourism?**

Tourism agencies strongly promote onsen tourism for domestic and foreign travelers. 21 out of 29 representative health tourism promotion areas, selected by Japan Health Tourism Organization, utilize onsen in their wellness programs in combination with other elements — including medical checks, IT health management, anti-aging technology, macrobiotics, kinesiology, aromatherapy and Nordic walking — in each natural environment. The government aims to create and enhance new wellness industries by promoting more effective use of regional environments and resources, in collaboration with industries such as medical, agriculture, commerce and engineering.

Meanwhile, Hoshino Resort group unveiled their newly developed wellness destination program, which allows the guests to eat as much as they want during they stay at Hoshinoya Taketomijima (Okinawa), the group's destination resort in southern Japan. Astonishingly, guests can enjoy losing weight without vigorous exercise or by decreasing the number of meals because their brains are released from any stresses by satisfying every appetite. It is based on the unique research collaboration with a medical doctor at Yokokura Clinic and experts from Hoshino Resort, Onsen Medical Science Research Center, CIDESCO-NIPPON,

Mitsui Knowledge Industry and wellness journalism. This unique and effective wellness program will soon be implemented at the destination spa resort at Cape Muroto.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** With recovery of the entire economy, Japan has seen a rush of luxury hotel/spa openings and remodels not only in central Tokyo (Andaz, Aman, Hoshinoya and Okura) but also in Kyoto (Ritz-Carlton and Fourseasons), Osaka (Marriott Miyako, in Japan's tallest building) and Okinawa (Monterey and Hilton Okinawa-Chatan).

**Destination spas:** Hoshino Resort has implemented a Japanese style destination spa program at their ryokan (traditional Japanese hotel) in Kyoto. The oriental medicine doctor coaches about native lifestyle and the guests can experience Zen meditation and ascetic practices in a genuine traditional temple.

**Hot springs spas:** In preparation for the Tokyo Olympics, several huge or flagship natural hot springs bathing facilities are under development even in central Tokyo, some in the area of Tokyo Central Station, others at Shinjuku (the largest skyscraper city in Japan) and the Tokyo Bay area.

**Medical spas:** iMedical, a joint venture established by Resorttrust group and Mitsui group provided a new healthcare-hospitality model that draws upon their medical information with IT as a tool. iMedical will use healthcare information to provide various types of services to medical/wellness facilities in the Resorttrust Group, including the luxurious Midtown Clinic, which caters to 200,000 patients a year, around 60,000 of whom undergo medical checks.

**Wellness living communities:** More than 26 townships and cities in Japan have signed on to a new initiative known as Smart Wellness City. The project encourages the building of a system to encompass the clinical realization of health promotion, medical systems, regional cooperation society and life science. (In some trial cities, the residents will get health-happiness mileage points through their pedometers that can be used to obtain discounts at participating stores.)

**Corporate or employee wellness programs:** Konami Sports, a major fitness group, provides a networked IT wellness management system for corporate members and collects personal health records such as fitness data (via machines), vitals and self-exercise data (via private devices) in order to recommend the best life style for the members.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

The six years to the 2020 Tokyo Olympics will be a golden opportunity for the city to boost its international competitiveness not only as a business center but also as a smart wellness city through a series of large-scale re-development projects sprinkled throughout Tokyo. It is obvious that demands for sporty and healthy lifestyles will increase among young and elderly people there.

Meanwhile, in order to cope with a severely aging society by establishing “the society of healthy longevity,” the government aims to create and enhance new wellness industries, by promoting more effective use of regional environments and resources, in collaboration with industries like medical, agriculture, commerce and engineering. Additionally, Prime Minister Shinzo Abe also promotes deregulation of the medical field to reduce barriers to industrial progress in designated special areas. Over eight million Japanese baby-boomers (born in 1947-1949) have retired recently, and they would be the target market for spa and wellness industries.

Furthermore, the government also strongly encourages inbound tourism. In 2013, the number of foreign visitors to Japan exceeded 10 million for the first time, and the government is working to attract 20 million foreign visitors in 2020. Given this, many tourism businesses, even the traditional onsen ryokans, must be able to cope with foreign languages within five or six years. In that event, the spa and wellness industry will enjoy bigger and wider opportunities for their business than ever before.

In conclusion, for at least the next five or six years, the spa and wellness industry can savor a lot of opportunities in central Tokyo as the entire city will be rebuilt with lots of hotel/commercial complex developments and inter-business collaborations to create a new wellness industry. Furthermore, the spa and wellness tourism industry in each region will also take chances to be more internationalized for acquiring foreign wellness tourists.

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# ASIA: MALAYSIA

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## **1. What is currently making news in your country when it comes to spa and wellness?**

From a consumer perspective, Malaysia is still a nascent market. Local consumers are looking for results-oriented treatments when it comes to beauty, but not necessarily when it comes to massage or other treatments. Foreign consumers visit Malaysia expecting similar experiences to those they get in Bali or Thailand. From a media perspective, the focus is always on the 'beautiful Asian spa' or the latest exotic treatment or the most recent product release from spa skincare companies. From an industry perspective, the discussion continues to centre around lack of clarity from the government on issues related to industry standards, licensing and foreign labour.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies in your country in the future?**

With an internet penetration rate of around 70 percent and a mobile penetration rate of 140 percent (because many have more than one device), Malaysia is a reasonably developed country in terms of technology. [[http://www.ecommercemilo.com/2014/03/mobile-users-mcommerce-mpayment-malaysia.html#.U-BAw\\_mSzTo](http://www.ecommercemilo.com/2014/03/mobile-users-mcommerce-mpayment-malaysia.html#.U-BAw_mSzTo)]

However, in line with the emergent nature of the wellness industry, wellness technologies, predictably, are underdeveloped. In terms of beauty-related fields, Malaysia has most of the latest technology. However, in terms of broader wellness technologies, I don't see much happening.

### 3. When it comes to wellness tourism, what is happening in your country?

Wellness tourism in Malaysia is still dominated by resort spas largely offering pampering and relaxation. In recent years we have seen a few attempts to create destination wellness facilities, but with only limited success. I believe the lack of success is due mainly to a belief, among both locals and foreigners, that Malaysia isn't able to deliver a high quality destination wellness product. This lack of belief can then be related back to issues of poor management of the wellness industry in general, by both the government and by the industry itself. A lot of time and money has been invested in trying to establish Malaysia as a hub for medical tourism. If this is successful, more general wellness tourism should follow.

### 4. Please provide one sentence that best describes the latest developments in your country for each of these categories:

**Hotel spas:** Services and facilities are generally in line with what you would expect in Asia (albeit absent of any innovation), though lacking in service delivery when compared to other countries in the region.

**Destination spas:** Few and far between, although some resort spas would like to claim that they are true destination spas.

Hot springs spas: Only one of note: <http://www.thebanjaran.com/>

**Wellness living communities:** Often a tag that is applied to increase property prices and almost always more focussed on eco-friendly issues than on wellness.

**Corporate or employee wellness programs:** Slowly gaining some traction, though almost entirely focussed on medical health rather than overall wellness.

### 5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.

If Malaysia is successful in becoming a hub for medical tourism, I believe that the spa and wellness industry will have the opportunity to ride on those coat tails to grow the industry. Success in medical tourism will see a rise in medical spas which have the ability to be profitable businesses, and also the potential for true wellness living projects. Without this,

I don't expect significant development in the country. Resort spas will continue to offer the standard fare. Day spas will emphasize beauty over massage. Development of destination and hot spring spas will remain stagnant.

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# ASIA: SAUDI ARABIA

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## 1. What is the latest spa and wellness news in your country?

The business environment in our region remains difficult because of its unconventionality, but we are pushing the industry forward nonetheless. Throughout the last year, the country has been going through tremendous changes in a positive direction under the leadership of King Abdullah. By the instructions of the king, the country has been pushing forward an agenda that supports the following:

Female empowerment on all fronts, which could be seen clearly through the appointment of enough women to the House of Counsel to fill 25 percent of the chairs, which should have an influence on pushing forward all women's issues, including spa and wellness regulation laws.

The appointment of a new Minister of Labor, highly educated and from a business background, who has applied professionalism and sound judgment to fast-forward the Ministry of Labor into the digital age, thus making a positive impact in reducing unemployment levels, especially among the female population.

Our country's stability, strength, and maturity in the midst of a region that is currently being roiled by revolutions ("the Arab Spring") in addition to its being a member of G20, led to its becoming a center of investment and thereafter a thriving economy, which is reflected in citizens' lives and prosperity.

The focus of our country's leaders on youth: By sending more than 250,000 of our young people on scholarships to all parts of the world, a program that was started by King Abdullah five years ago began to bear fruit with the first wave of exchange students returning home from overseas having acquired the highest standards of knowledge and education. Recently King Abdullah appointed a new Minister of Youth and Sports, a young prince with solid experience in this field who was charged with constructing 12 holistic sport cities, the first of which was completed in one year.

All of this will help Enaya to pioneer the revision of outdated legislation and make a positive impact on the wellness and spa industry. We aspire to lead, pioneer and achieve more synergy with government facilities and, with the support of the GSWS officials, to fast-track Saudi Arabia and the Gulf region into the forefront of the spa and wellness industry.

## **2. What is happening in your country in terms of wellness tourism?**

The Ministry of Tourism started to gain importance with the appointment of a young prince (who was also the first Saudi astronaut) who is noticeably improving tourism, which in our country is mostly of the religious variety. Regarding medical tourism, our Ministry of Health recently welcomed a new minister known for his commitment to practical solutions. The minister has already made well thought-out plans that should improve the standards of health in the country through medical and non-medical actions targeted to reduce common chronic diseases in Saudi Arabia, such as obesity and diabetes. Within three to five years these aggressive plans could help medical tourism see the light.

## **3. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** More investors and major hotel chain owners are eyeing Saudi Arabia for future investments and expansions.

**Destination spas:** Still under development, with a few plans and investors, both local and foreign, looking at the new economic cities to utilize some of them as the right spots for these kind of activities and investments.

**Hot springs spas:** Since Saudi Arabia is mostly desert, hot water springs are rare. But if active efforts were made to locate hot water springs, it might have potential in the future, especially in the mountain areas of Saudi Arabia.

#### **4. What has been the general attitude about investing in the spa/wellness arena in 2014?**

Investment is mainly done by owners themselves. Enaya Care Co. is one of first salon and spa businesses to secure bank financing in Saudi Arabia. Enaya Care has paved the way for members of our industry to secure bank financing, and now is looking to evangelize the concept of franchising within the industry. Enaya Care Co. has actively progressed from salon into spa, and has active plans to eventually build a chain of wellness centers. The clear vision of its founder, partners and board members is to become a public company by 2020 within the GCC region.

#### **5. Looking back at the past four decades of spa and wellness, what would you consider “a defining moment?”**

As a company, we believe that our country’s leaders are currently making history in Saudi Arabia, the GCC and our industry; there is an openness and transparency in action today that has never been seen before. For Enaya Care, the future looks bright. We still believe that if the GSWS team supports us by holding its summit in our region — either in one of Saudi Arabia’s new cities like King Abdullah Economic City (KAEC) or in a nearby location like Dubai — it would definitely fast-forward our industry.

(Note: The Expo 2020 will take place in Dubai, which could become a real hub for spa and wellness tourism in the region. It could quite conceivably host GSWS 2020. I highly recommend that the GSWS boards works with Enaya in making this a reality by that date.)

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# ASIA: SOUTH KOREA

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## **1. What is the latest spa and wellness news in your country?**

All kinds of new health spas catering to the elderly are being created, such as Ginsang Bath, Korean Herbal Bath and Germanium Bath. Among younger generations, sports and aquatic spas are popular, and water park construction is a booming industry, with about 30 water resorts now open across Korea. Mountain climbing is booming among the middle aged, since 67 percent of the Korean peninsula is mountainous. Sports walking is generally accepted as a wellness technique for all generations.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Eastern styles such as Gimgilbangs treatments (a Korean style, dry-heated chamber), classical temple meditation and Korean herbal medicine will soon be applied to western-style technologies in wellness establishments all over Korea.

## **3. What is happening in your country in terms of wellness tourism?**

A new business model, wellness camp, which I developed in 2010 with government-aided research, is slowly but surely emerging as a trend within the wellness tourism sector.

## **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel Spas:** International hotels such as the Park Hyatt, Hilton, and Amman Resort have set more sophisticated and luxurious standards for domestic hotel spas in Korea.

**Destination Spas:** The hot springs sector is growing in terms of investments, budgets and construction size.

**Hot Springs Spas:** Some of the historic hot spa complexes have been through difficult times, both because their facilities are out-of-date, and because of the serious competition between them.

**Wellness living communities:** One outstanding example of our wellness living communities is HealiENCE Village, located in our northern mountainous region. This unique community is revolutionizing the wellness living life-style.

**Corporate or Employee Wellness Programs:** Corporate and employee wellness programs are not yet fully developed in Korea.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Korean society is leading the world in wellness because of our increasing annual income per capita and our extended life expectancy. These factors have created a new paradigm of wellness recognition in South Korea.

The future of the wellness industry is extremely bright in three regions in Korea:

Jeju island is a very attractive site for vacationing that has attracted investment from Korean and Chinese investors, since it has a nice, warm semitropical climate. It attracts tourists and medical retreat seekers from all over Asia.

In Busan, the second largest city in Korea, located in the southern tip of the peninsula with wonderful ocean scenery (and the distinctive Diamond Bridge), five super deluxe hotel projects are currently being implemented, including the Wellness Hotel and the Anan Pant House.

Pyeongchang, host-city to the 2018 Winter Olympics, has seen a boom in state-aided construction in preparation for the Olympics. Its development concepts are directly related to nature and wellness philosophies.

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# ASIA: UNITED ARAB EMIRATES

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## **1. What is the latest spa and wellness news in your country?**

A current hot topic of discussion in the UAE is the training and licensing of workforce (namely spa therapists) employed in the spa industry. There is a major initiative to regulate and ensure the individuals with the right skill set and training are working in the spa industry. The UAE has a large number of spas in operation and this will impact business decisions for all operating spas. The industry leaders in the region are preparing to empower their employees and they welcome this change. Time and effort needs to be invested and standards established for this to become a reality.

Major concerns on the minds of all operators are to fill the talent gap, to provide value for money without compromising on service delivery and to continue planning for success in volatile business environments.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

UAE hotels' robust occupancy levels and consistent efforts to maintain tourist traffic by tourism authorities have both contributed to increased investor confidence. Owners and operators are eager to invest in new technology all over the industry. Operators are making conscious efforts to use technological advancements to create USPs and woo consumers. Technological advancements are now being embraced all over and have a lot of scope in future in the fields of medico-cosmetic treatment delivery, sales and marketing and consumer-related data tracking, to acquire and retain customers.

The UAE is witnessing a rapid rise in diseases of affluence such as obesity and diabetes, which increases pressure on an understaffed healthcare workforce. This has led the UAE to adopt Telehealth in a big way. The UAE government embraced Mhealth networks, remote

patient monitoring and Telehealth solutions to improve healthcare access and quality.

“Diveguard” pool disinfectant systems designed for the Middle Eastern climate are being used for swimming pools. The product’s special formulation helps to maintain the pH levels of water at 7.4-7.5 without using acids, thus making it safe for human skin.

### **3. What is happening in your country in terms of wellness tourism?**

The UAE boasts one of the largest spa markets in the world and the UAE wellness products and services sector is estimated to generate revenue of \$3 billion by 2015 (Colliers Spa Market Review 2014). This solid base has made it feasible to create, innovate and operate new concepts and to offer value-driven services to all the different segments of consumer.

Most upscale spas are within established hotels, followed by midscale stand-alone spas. There is a great potential for developing more wellness destinations with the opening up of projects in other emirates.

Consumers are pressed for time and spas need to focus on adapting and reinventing services to keep these consumers engaged. Male spa consumers are getting more comfortable with spa wellness and trends show solid growth in this sector.

Overall, the beauty and wellness industry experienced growth due to various factors, including but not limited to high disposable income, fascination for malls and shopping and increased utilization by male consumers.

There is a great interest in medico-cosmetic services in the Middle East, and many people travel to Europe for such services. The UAE accounts for \$2 billion in healthcare travel to Germany annually. This is one segment that needs to be tapped into. A lot of outbound medical wellness tourism is to locations in Asia. With further development of the Dubai Healthcare City free economic zone, an additional segment of tourists will be targeted. The UAE has potential for developing into a world-class wellness destination.

Dubai is building 22 hospitals as part of its plans to attract 500,000 medical tourists a year. Talks are on to provide medical visas and packages. It is preparing to roll out medical

tourism packages covering procedures from sports medicine to cosmetic surgery. From September 2014 Dubai Health Authority will seek applications from hospitals in the emirate to participate in medical tourism packages, which will include the cost of treatment, visa, hotel stays and even recreation activities for accompanying family members. The project aims to become a major center for medical tourism in time for the 2020 Expo.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** Continues to be a strong revenue generator and demonstrates maximum growth in all the emirates. Dubai has announced its plan for Mall of the World, a 48 million square-foot project. It will include: the world's largest shopping mall, with a total of eight million square feet of floor space; 100 new hotels and serviced apartment buildings containing 20,000 hotel rooms; the largest indoor family park in the world; a cultural district including a theatre district modeled on New York's Broadway; Dubai's largest event centre, accommodating 15,000 people; a three million square-foot wellness district catering to medical tourists, and a temperature controlled, covered retail street network covering over seven kilometers.

**Destination spas:** There is a major wellness destination project taking shape in Ras Al Khaimah. With its hot springs, mountains and lush green fields, Ras Al Kahimah is trying to encourage the development of wellness retreats and create a niche for itself in the region's competitive hotel and tourism industry.

**Hot spring spas:** Hot springs are the least developed segment in the current market, as guests prefer traditional Hammam and Rhassoul over hot springs. There are some properties promoting hot springs in Ras Al Khaimah.

**Wellness living communities:** With the growth in obesity and obesity-related medical issues like depression and heart disease, this is one area that needs immediate attention. Wellness communities will encourage healthy lifestyle habits and eventually build a healthy generation — prevention being better than cure. Dubai's Government offered gold rewards last year to participants in its slimming competition and this year it launched an initiative to create obesity awareness among children with the slogan "Your Child in Gold". Regular initiatives by authorities to create awareness and tackle these lifestyle issues are positive signs for support and development of such communities in the region. Currently, around

60 percent of the male population and 66 percent of the female population in the UAE is overweight or obese (The National,UAE 2014).

**Corporate or employee wellness programs:** Operators need to customize their offerings and encourage wellness-driven MICE retreats. MICE trips to neighboring emirates will save travel time for companies and also provide time for social and emotional bonding among the employees, and encourage healthy lifestyles.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Dubai is the leading emirate and has established its reputation internationally. The other emirates are promoting structured growth to develop the hospitality industry in the Middle East and to set international benchmarks. The UAE's vision of a long-term structured development strategy for tourism will only lead to more development opportunities for hospitality and wellness projects. The spa and wellness industry is flourishing in the UAE and with the growth in tourist numbers, it is turning out to be one of the fastest growing spa destinations in the world

A synergy between medical and wellness tourism, technology driven services and an established board for certification and affiliation of the spa professionals are the main issues now facing us.

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# AUSTRALIA: AUSTRALIA

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## **1. What is currently making news in your country when it comes to spa and wellness?**

Billions of internet users are becoming more educated and demanding as consumers. We see an increasing need to communicate, obtain information and make decisions in less time. Consumers will demand more bang for their buck and, as skin care therapists working alongside product companies, we will need to demonstrate treatment and product efficacy, and provide faster and more effective results. From an educational point of view, ongoing training for therapists will be necessary due to the evolution of products and treatment modalities to meet the demand of consumers.

The integration of wellness into spa services is ongoing. Spas are also integrating more clinical aesthetics services to meet steady growth in the professional beauty sector and the clinical/medical sector. Spas are increasingly adding full-service beauty providers to spa and wellness to meet customer demands. Whilst good for the bottom line, these trends create a problem by blurring the distinction between spas and standard professional aesthetics businesses.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies in your country? In the future?**

The anti-aging movement will be a major focus for clinic/spas. Products and treatments that deliver results will be included on all treatment menus. Skin treatments, as opposed to facials, will be considered essential. Technology will be incorporated into treatments more than ever before. Effective and safe devices will be necessary for transdermal delivery of cosmeceutical ingredients.

### **3. When it comes to wellness tourism, what is happening in your country?**

Wellness education will be a priority for clients. An educational slant with wellbeing strategies will be a requirement for clinics and spas to provide.

A more concise skin consultation will be needed to create successful clinic treatment plans and prescribe skin care programs that deliver results and build a successful business.

We have seen a steady increase in wellness-oriented practices and offerings in the hospitality sphere (with or without an in-house spa). There has been a slowed increase in wellness-oriented tourism marketing, largely because of industry stabilization after the explosive spa/wellness boom of the past decade.

### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** Evolution of services to include a wider range of clinical, wellness and beauty/aesthetics/grooming services in addition to traditional spa services.

**Destination spas:** Social or group spa-going is an increasingly important component.

**Hot springs spas:** There are limited hot spring development opportunities in Australia but there is an early groundswell of next-stage development.

**Wellness living communities:** Slow growth.

**Corporate or employee wellness programs:** Slow growth.

### **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Stem cell-based products will gain a larger share of the market, as will tyrosinase inhibitors and organic ingredients to treat conditions such as photo-aging and hyper pigmentation, one of the key skin concerns we struggle to treat successfully in clinics.

Professionals will need to improve their knowledge of skin science and ingredients science, and develop business strategies on how to manage a business with multi-generational employees.

Education for graduates in salon, spa and wellness therapies will be offered with a holistic view regarding service excellence. As a result, graduates will be distinguished by their integration into the salon, medi spa or wellness environment. They will need to be equipped with the unique attributes that generate return visits and promote client advocacy.

Escalation in numbers of spa clinics and medi spas, with the term spa clinic slowly replacing the term medi spa. Early stages of maturation of group visitation to destination spas and spas with tourist hotels for focussed cosmetic clinical and wellness clinical services. Early evolution of spa and wellness-style palliative care and rehabilitation. Increase in development of mineral spring and hot spring opportunities.

While we need to consider all of these points, the need for personal service and the 'human touch' will still be important.

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# AUSTRALIA: AUSTRALIA

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## **1. What is currently making news in your country when it comes to spa and wellness?**

People are now much more health-focused than they ever have been. Most Australian women — and many men — previously sought mere rejuvenation. Now it seems they are seeking major changes in their lives. Spas in Australia are increasingly introducing therapies to help the everyday person cope with everyday activities, as well as incorporating elements of ancient spa techniques.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies in your country in the future?**

With advances in science, computing and nanotechnology (to name a few), spa and wellness centers will be revolutionized and may come to seem overwhelmingly futuristic within the next few years. Some examples are the NanoLift (a grid of tiny magnetic nano-particles is injected into the skin, and a magnetic wand is used to physically adjust and change the human face — to correct sunken eyes and build fuller cheeks, for instance), oxygen facials and epidermal growth factor serum (a biologically active protein that stimulates cell renewal).

## **3. When it comes to wellness tourism, what is happening in your country?**

According to [www.news.com.au](http://www.news.com.au), Australia is likely to see between 5.5 and 8.5 million wellness tourists over the next five years. This trend is driven by an aging population and increasing rates of illness, as well as by a corresponding awareness among young people of the need to remain fit and healthy.

#### 4. Please provide one sentence that best describes the latest developments in your country for each of these categories:

**Hotel spas:** Typically, all 5-star hotels in Australia offer luxurious and beautiful spa facilities, which have become very important to the global business traveller.

**Destination spas:** Destination spas have become increasingly popular in Australia, where you can be with like-minded people who share your interest in health.

**Hot springs spas:** Hot springs spas are a very popular attraction. However, there may be a shortage of natural springs in Australia.

**Wellness living communities:** This isn't currently a big part of the Australian spa and wellness landscape.

**Corporate or employee wellness programs:** While some large companies have programs promoting healthy lifestyle, nutrition and exercise, more can be done with providing wellness programs in the workplace.

#### 5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.

The spa and wellness industry in Australia will be taking advantage of the latest in innovative technology and treatments, but Australians will still place a high priority on relaxation, rejuvenation and time out. People will always need to escape from their busy, computer-filled lives.

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# EUROPE: FINLAND

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## **1. What is the latest spa and wellness news in your country?**

The Finnish Tourism Board (Visit Finland, see <http://www.visitfinland.com/about-us/> ) is developing the “Wellbeing Strategy for Finland” for international markets. Mindfulness is fashionable, not so much in traditional spas as in other types of wellbeing establishments.

The Finrelax brand has been registered. It includes services that are based on Finnish nature, sauna and silence. Visit Finland would also like to see companies utilizing this brand in their international marketing.

Visit Finland has also defined two other important business areas: sports/fitness and pampering services.

Spas in Finland have increased their wellbeing service offerings but this also requires investments in facilities. Because of the recent economic downturn, this has been harder to achieve.

Forests (and other green areas like big parks) as a source of well-being have been a field of study in Finland lately, and there seems to be some recent service development in this area.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

New technology is all the rage in Finland. Sports institutes in particular are using technology as part of their fitness and wellbeing programs. Spas are investing in certain new technological solutions but not so much, as yet, into activity bracelets or other vitality testing devices. Finland is also the home of two big players in sports and fitness technology, namely Suunto (<http://www.suunto.com/>) and Polar (<http://www.polar.com/en?nogeo>).

### 3. What is happening in your country in terms of wellness tourism?

The Finnish wellbeing strategy for international markets will be updated this fall. The number of visitors from Finland's main target market, Russia, is declining due to developments in and around Ukraine. Service product development is still very much needed in order to attract new target groups to Finland. The word "wellness" is a delicate one in Finland, as neither facilities nor services are at the necessary level of quality compared to international standards. (Finland is the only EU country which does not have a star rating for hotels). On the other hand, service providers are slowly understanding that wellness has many other aspects beyond simple luxury, like peace of mind and slowing down. Finland is very well set up for that, with its green, clean nature, noiseless areas and clean water. The challenge is the marketing of these services to international clients. We still have to face challenges in the proper segmenting of services offered. Only Haaga-Helia University of Applied Sciences offers a degree in this field of study.

### 4. Please provide one sentence that best describes the latest developments in your country for each of these categories:

**Hotel spas:** There has not been much development in this area lately. We have some slowly developing spas like Haikko Manor and Naantali Spa. And Holiday Club Saimaa has invested in the hotel spa concept, although it is still more like a resort.

**Destination spas:** We do not really have destination spas as such. The closest equivalent to the concept would perhaps be Ikaalinen Spa and Holiday Club resorts. Facilities are old (from the 1960s and '70s) and are slowly being renovated. They offer a wide variety of activities but do not usually have a specific spa philosophy. Most spas offer very basic beauty treatments, massages and body treatments.

**Hot springs spas:** Do not exist in Finland

**Medical spas:** Finland Care acts as the coordinator but the main target group (Russians) is currently in decline. We should find new target groups. Traditionally, the medical (occupational health) side has been paid for by the state using tax revenue but the economic downturn has also affected this, and many service providers are trying to renew their offerings to attract new private markets. Some private medical centers have also shown interest in this field.

**Wellness living communities:** Do not exist yet, but the concept is being slowly embraced.

**Corporate wellness:** Finnish Sauna is traditionally always included in incentive tourism but otherwise we do not really have wellbeing elements in the corporate service offer. Some spas are now slowly adapting their concepts for the occupational health sector, meaning that they offer services to companies in their location. A great deal of further investment is required.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Visit Finland hopes to have an established supply of wellbeing programs for international tourists which will include the most important Finnish wellbeing elements: sauna, traditional wellness treatments, good quality, healthy Finnish food, and wellbeing deriving from forests, nature and silence. There will be further studies of all customer segments. This data is also actively used in service product development, the targeting of wellbeing services, and in marketing.

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# EUROPE: FRANCE

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## 1. What is the latest spa and wellness news in your country?

As president for the past two years of the “WELLNESS TOURISM COMMISSION” NF ST02, led by the AFNOR Organization I am pleased to share with you the press release announcing the “Standards for a Wellness Spa in France” (February 8th, 2014). This is the first standard for wellness spas in France, after three years of negotiations and work.

### About AFNOR

The AFNOR association and its affiliates form an international public interest group focused on promoting public interest concerns and better economic growth. AFNOR designs and deploys standards-driven solutions to drive progress and build trust. The association performs its public-interest missions within the framework of a government decree to lead and coordinate the French standardization system, to defend French positions in European (CEN) and international (ISO) standardization agencies, and to draft and publish French standards. The AFNOR affiliates — assessment, certification and training services and international network — operate in highly competitive marketplaces and lead their business by demonstrating the most stringent compliance with the governing market rules. Olivier Peyrat is currently AFNOR Group CEO. Find out more at <http://www.afnor.org>

### What is a standard?

A standard is an AFNOR-published reference document produced on demand and published by AFNOR with active input from a federative community of representative stakeholders (industry leaders, consumer groups, associations, unions, local authorities, and more). Through this iterative co-development process, a standard gives a set of core principles and key requirements on a process activity or performance outcomes. At the close of 2013, there were 33,399 voluntary standards on catalogue, of which 1% have been made

compulsory regulatory standards. The voluntary standards live and breathe: they get systematically revised at least every 5 years to keep them fresh, and it is the users involved who decide to continue, update or cancel the version. In 2013, 2,194 new standards were published, of which 1,250 were new updated versions. 1936 standards have been withdrawn from the collection.

The focus of the standard is: “Design a spa operation, range of wellness and/or beauty care treatments, and personnel competencies”

It provides recommendations on facility layout, ideal surface area, facility inspection-maintenance-hygiene, and water treatment solutions, but also on the sensory ambience, cosmetics products and product storage conditions, and on the management of consumables and laundry so critical to any spa business...

Personnel training is also tackled. Health spa care delivery practitioners shall be required to hold a State-issue diploma in aesthetics or kinesiotherapy and/or an RNCP\*-accredited title.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Yes definitely, with Accor, we are working on pilot solutions to roll-out in the near future.

## **3. What is happening in your country in terms of wellness tourism?**

Atout France organization (affiliate to the Ministry of Tourism) created (4 years ago) a wellness cluster with 20 professionals representing, spas, sea water spas, and thermal spas, in order to promote France as a wellness destination. We do have diversified wellness offerings in France.

**5. Fast Forward five years and tell us what you think the spa and wellness industry in your country will look like.**

We will go back to basics, eat well, sleep well, and have a preventive approach when it comes to wellness. It will not be a trend anymore and just a way of life. At the same time quantified tools will help us stay connected with our body and get a better knowledge about our lifestyle. We will be in control and responsible people.

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# EUROPE: BELGIUM & FRANCE

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## **1. What is currently making news in your country when it comes to spa and wellness?**

Although Belgium is a country the size of a small region of France, it is home to Brussels, the buoyant European capital characterized by a perpetual cross-fertilization of cultures.

After a severe economic downturn (2009-2011), which involved the bankruptcy of several landmark spas and left spa development at a standstill, several new holistic spas are preparing to open in the Brussels region by the end of 2014 and in early 2015.

Belgians and affluent French expatriates are ready to invest time and money in efficient wellness programs using international experts in yoga, Lomilomi, Shiatsu and nutrition.

Although times are grim in France, with very low confidence in President Hollande (nicknamed “the Lazy King” by the French press), Brussels is now the fast-moving place to be.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies in your country? In the future?**

No Belgian spa (nor, to my knowledge, any French spa) has yet embarked on promoting wellness technologies in its spa shop (to boost retail) or in its wellness programs. This is too bad because the “quantified self revolution” is a powerful driver to sell packages and memberships.

Evaluating health-related metrics during the first session, keeping track daily or weekly with specific exercises and personal training, and then watching data improve quarterly offers a win-win scenario both for clients and for wellness spas which can literally bank on evidence-based wellness programs. This is one of the recommendations I delivered three months ago to the managers of a wellness hotel currently under construction in Amsterdam and opening early in 2016.

### 3. When it comes to wellness tourism, what is happening in your country?

Honestly, Belgium does not have such great weather; Bangkok and Singapore are far more attractive as health and wellness destinations. However, with Paris only 75 minutes away by high-speed train, a lot of French women come to Brussels for advanced aesthetic treatments (fillers, dermabrasion, laser-hair removal, IPL rejuvenation, thermage tonifying programs, etc.), which are between 20 and 30 percent less expensive in Belgium than in France.

While in France people mostly pay with credit cards or bank checks, and only pay for small expenses in cash, the opposite holds true in Belgium, where people can pay for their yearly membership in cash or with credit card (checks are almost non-existent).

One can easily understand why some French doctors now come to Belgium to cater to a French clientele.

### 4. Please provide one sentence that best describes the latest developments in your country for each of these categories:

**Hotel spas:** A focus on wellness programs and unique signature treatments, not only to entice more hotel guests from their bedrooms to the spa, but also to attract local clientele with exciting membership programs, thus pulling them away from local day spas only delivering treatments.

**Destination spas:** Ahhhhhhhh... I long so much for Miraval, Canyon Ranch, Rancho La Puer-ta, Spa Eastman, Chiva Som, Kamalaya or COMO Shamballah to open a sister property in the South of France. I know the perfect location near Saint-Tropez, on pristine land over-looking the iconic French Riviera.

**Hot springs spas:** The 103 French traditional thermal spas in operation still maintain a decent business model, billing 25 percent of the cost of nine million days of treatments to Belgium's social security administration, in order to cure chronic afflictions, addictions and ailments associated with aging (520,000 guests per annum with an average of 18 days). (In Belgium, the tradition of taking the baths is more fun and socially oriented — and, more often than not, in the nude — in heat and water facilities called Thermen.)

**Wellness living communities:** Brussels will soon welcome its first-ever wellness-living community in a bourgeois district only ten minutes from the Grand Place, with a Spa Cinq Mondes soon to follow, managed by Deep Nature, France's largest spa operator, with over 40 spas already in operation.

**Corporate or employee wellness programs:** French companies do not seem to invest seriously in wellness programs using precise physical evaluations at the outset (because no company wants to prove that it induces stress in its employees). However, a yearly event every October called "J'aime ma boîte" ("I love my company") offers the opportunity to sell Amma chair massages and express aesthetic treatments. Label Spas de France, one of the three spa associations in France (with nearly 200 spas) is organizing a spa week between September 15-18 ("Le Spa en Fête") with the aim of not only attracting individual guests, but also targeting corporations in the catchment area of each spa, the results of which can be commercially sustaining for the rest of the year.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Urban Destination Hotels developing in Paris, Brussels and major European capitals, partnering with strong health and wellness destination brand names and visiting experts and therapists.

Wellness companions (not "gadgets") will be monitored by therapists and personal trainers to make each session at the spa as efficient as possible, to move away from "anti-aging" into "optimal aging."

I also believe that the Global Wellness Day initiated by Ms. Belgin Aksoy in 2012 in Richmond Nua (Turkey) will become an international beacon, each second Saturday of June, encouraging stressed urbanites to switch to healthier and richer lifestyles (the next Global Wellness Day is Saturday 13 June, 2015).

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# EUROPE: GERMANY

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## 1. What is the latest spa and wellness news in your country?

As in many European countries, news continually references the increasing levels of obesity within German society and the challenges and opportunities created by an aging demographic.

By 2030, one person out of every four in Germany will be aged 65 or older. This is coupled with the dramatic growth in obesity — currently, about 35 percent of all adults in Germany are overweight, and about 21 percent are obese, with figures set to rise (Kantar Health Global Wellness Report 2013).

Thus the aging German consumer with an expanding waistline is joining a large segment of individuals for whom health is a primary concern, and creating an increasing demand for wellness, spa and fitness services. According to the Ken research report “Germany Health and Wellness Industry Outlook to 2017,” the German health and wellness market will grow at a CAGR of 3.9 percent during the period 2013-2017. Health clubs are a major segment of the German wellness industries, accounting for nearly 20 percent of the overall wellness spend in 2012. We will witness continued diversification and growth in both budgets and the luxury health club market as membership levels increase.

The city of Berlin has always done things differently and is constantly in the news as it ascends to true global city status. Berlin is a beacon of integrative wellbeing set within an urban landscape. With its abundance of yoga centers, authentic Turkish hammams, eight world-class bathing facilities including the “Liquidrom” and the recently opened Vabali-spa, eco-passionate city planners who prioritize new cycling pathways, and abundant organic stores including Europe’s largest (LPG Biomarkt), Berlin defines a modern urban lifestyle.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Current industry reports estimate that the market for wearable technology is still in its infancy but will grow to \$5 billion by 2018, and developing further as wearable devices evolve and deliver more of what consumers want.

According to the 2014 Digital Surgeons report, 15 percent of today's consumers currently use wearable tech, 50 percent want to buy it and 70 percent know what it is, making it a hot commodity with huge potential for the wellness industry. While the manufacturers of wearable tech will be the ones putting the technology onto the market, the healthcare and wellness industry will be the force that drives its active use and adoption.

Technology creates opportunities for the wellness industry to integrate and diagnose more efficiently and cheaply. Germany, as a leading developer of medical technology and wellness destinations, will be at the forefront of adopting these technologies into wellness. Spa professionals will embrace technology such as Google Glass, which with the flick of an eye can access guests' preferences and treatment information or record guests' workouts to provide on-the-spot video feedback, along with fit-bit tech and sleep analysis to create a holistic diagnostic of guests. All of this will be recorded on guests' soon-to-launch personal Apple Healthbook.

Medi tech will be increasingly adopted within spas. Ultrasounds are now highly portable and easier to use, are becoming much cheaper and will be adopted by practitioners to ascertain muscular- skeletal conditions. Meanwhile, hand-held A&E diagnostic tools can now take pinprick blood samples to diagnose hormone and mineral levels without the need for time-consuming lab work-ups.

However, it is important that these tools be used wisely; they should not replace the inherent need for personal consultation and the human touch.

### **3. When it comes to wellness tourism, what is happening in your country?**

Germany continues to develop as a preferred destination for inbound international medical tourism. Wellness holidays and travel are highly popular, with 12 percent of consumers saying that they had taken a wellness, spa or health treatment holiday in 2012 — far higher than many other EU member states (CBI Market Information 2013).

Germans do not need to be convinced of the benefits of spa and are the leading purchasers of wellness tourism in Europe — to the tune of 49.2 million annual trips and €30.8 billion in expenditures, according to the latest SRI report for the Global Wellness Tourism Forum (2014). Leading Austrian destination spa Lanserhof is capitalizing on this demand, having opened a luxury 70-room, 21,000 square-meter medi spa in Tegernsee in January 2014, coupled with an outpatient satellite branch in Hamburg.

Medical tourism both to and from Germany is also on the rise. According to Euromonitor (2012), “Medical tourism is expected to see dynamic growth during the forecast period (2011–2016). The strong reputation of the German healthcare system at an international level is likely to attract a growing number of patients to specialized clinics in Germany.”

However due to changes in medical insurance coverage (“krankenkasse”), Germans are increasingly tempted to go abroad for their own medical needs. Health insurance providers, seeking cheaper alternatives for less complex procedures, are encouraging this, which was once unheard of. Specialist tour operators now offer cheap dental travel to former Eastern-bloc locations, and laser eye treatment (“Lasik tourism”) is heavily promoted by border countries such as Poland and Hungary.

### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories.**

**Hotel spas:** The most-significant hurdle remains the high cost of employment and sourcing of qualified masseurs and aestheticians. German hotel spas need to become more defined in their offerings and adopt savvy day spa practices, such as active social-local media marketing and dynamic pricing strategies, if they are to create sustained profitability.

**Destination spas:** Germany has a number of leading health resorts capitalizing on the strong reputation Germany has as a healthcare provider. Lanserhof Tegernsee joins The Ayurveda Parkschlösschen and Buchinger am Bodensee as an internationally benchmarked German destination spa with additional opportunities to develop similar destination resorts, specifically within the medical and weight-loss markets.

**Hot springs spas:** There are over 330 officially recognized spa towns in Germany and many more wellness hotels (“kur hotel”). These resorts were once strongly supported by the state but due to changes in medical insurance coverage, bathing towns (“Bad”) will need to attract an increased number of privately paying guests and make investments in their aging facilities if they are to remain viable.

**Wellness living communities:** With this aging population and a buoyant economy, coupled with the need for German spa towns to reinvent themselves, the development of wellness communities seems a natural step. GOCO Hospitality is currently working on two projects in Germany (in Rugen and Bad Kissingen) that will combine medi spa and hotel with a residential component aimed at the active retirement market.

**Corporate or employee wellness programs:** In Germany, federal law dictates that private insurers must promote corporate wellness programs, and these will continue to increase due to Germany’s enlightened corporate wellbeing culture. A great example comes from IBM Germany, with “Looking Through the Eye into the Heart,” a program designed to assess employees’ risk of developing cardiovascular disease. Using a pocket PC, participants first complete a questionnaire regarding risk factors, and responses are forwarded to examiners who provide immediate feedback regarding primary risk and advice on lifestyle.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

German wellness consumers are savvy, well-read and have a strong historical link to well-being. Germany currently ranks top among all European nations for outbound/international wellness travel (19.4 million trips), and counts for nearly a tenth of all wellness-tourism dollars spent globally, making Germany a wellness powerhouse.

Fast-forward five years and Germany remains a significant market for international wellness providers, with consumers who will continue to drive domestic and global growth. Inbound medical and wellness tourism will grow, due to interest from the fast developing markets of Russia, China and the Middle East attracted by the quality guarantee that “Made in Germany” stands for globally.

While an aging society in Germany poses a challenge to industries such as fashion and consumer electronics, in the medium to long term there will be significant growth in all areas touching on health and wellness. The industry will evolve to meet the needs of this aging population, and we will witness the growth of health clubs specific to this demographic. New destination spas and medical resorts will come on line, and an opportunity to develop assisted wellness communities built on the foundations of existing spa towns will rise, led by wealthy wellness retirees and a buoyant German tourist hungry for new local and international wellness locations to visit.

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# EUROPE: GERMANY

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## **1. What is the latest spa and wellness news in your country?**

Despite all cries of naysayers about the impact of economic crisis on the wellness business there are still new spas being planned, currently under construction or newly opened. “Wellness” is still a buzz word and revenues are increasing. It is interesting to see that the foreseen equalization of spa is now happening. SPA is not anymore only for the rich and famous in five-star-environments but actively reaching out for the three-star-sector.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Technology is still mainly used in fitness. People are posting their activities on social media, competing with fellows or challenging themselves this way. However, the increasing use of personal gadgets will reach the wellness biz soon, ranging from online yoga classes to measuring certain health indicators and sharing them online with a health center or MD. The first step will most probably be a de-personalization. Wellness activities will not necessarily be provided by a person but for example an avatar or as online video. That will make wellness activities easily accessible at all times at all places for an unlimited number of clients.

Although, in general, Germans are quite concerned about data security and privacy, the number of spa users connecting with peers on social media platforms or with health and wellness providers will increase.

### 3. What is happening in your country in terms of wellness tourism?

Germany continues to develop as a preferred destination for inbound international medical tourism. Germany has always been and is still one of the key players in the international wellness tourism. The rich heritage of what is called “Kur” and the internationally recognized expertise of medical staff in Germany makes it the number one destination for wealthy, health seeking clients.

### 4. Please provide one sentence that best describes the latest developments in your country for each of these categories: hotel spas, destination spas, hot springs spas, medical spas, wellness living communities and corporate or employee wellness programs:

**Hotel spas:** there seems to be a change of opinion from “size matters” to “concepts matter.” Fortunately.

**Destination spas:** this segment seems to be in the phase of consolidation

**Hot springs spas:** hot spring spas are hot! Existing facilities are upgrading their services to true wellness experiences.

**Wellness living communities:** this segment has not yet evolved in Germany but is definitely on the list for future developments.

**Corporate or employee wellness programs:** hot topic in Germany, especially because most health insurances are reimbursing expenses.

### 5. Fast Forward five years and tell us what you think the spa and wellness industry in your country will look like.

The accessibility of spa and wellness will become easier. There will be concepts that decrease costs so that customers that cannot afford the ultimate in luxury will get their share.

Due to the changes in population, pyramid services and facilities will focus on the needs of elder clients.

The need of well-trained professional staff will not be solved. Therapists from foreign countries such as Poland, Greece or from Asian countries will play a bigger role in wellness teams. At the same time spa management will have become more professional and business driven.

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# EUROPE: GERMANY

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## **1. What is making news in your country when it comes to spa and wellness?**

Spa and wellness travel is still on the rise; the wellness market in Germany continues to grow, and most wellness hotels can boast an increase in revenue. On the other hand, there are multiple challenges: a shortage of qualified staff, especially therapists; an increase in costs, from food to energy; and last but not least, more competition in the market. In the last four years, about 200 new properties have opened in Germany and Austria, adding to a total of 2,400 hotel and resorts now offering spa and wellness, and all battling for the customer's attention. No new studies have been conducted to provide detailed figures on the market in Germany.

For the first time in 2014, we have been able to publish reliable and detailed benchmark figures on wellness hotels in Germany. It took more than three years to build up the structure and relevant sources, but we have taken the first important steps in this direction and are proud of the results.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies in your country? And in the future?**

The sharp rise in hotel ratings shows that it is increasingly common for holiday-makers to express their opinion on the internet, and thus relate their experiences to prospective hotel guests. Researches show that 61 percent of all wellness customers check hotel reviews before making a booking decision, with a priority for the younger age range: 73 percent under 29 and 69 percent between 30 and 39. The percentage decreased by age, from 63 percent between 40 and 49, 58 percent between 50 and 59, to 47 percent aged 60 years and older.

There have been wide discussions about the use of internet and wifi in spas, and some hotels shy away from these techniques. But the customer is speaking another language and does not want to be restricted. Social media as a marketing tool for spas will be an important theme for the future.

### **3. When it comes to wellness tourism, what is happening in your country?**

The move from straightforward pampering to a holistic wellness mindset has been widely noted over the last decade. “Wellness as an alternative to doctors, drugs and diseases,” as wellness pioneer Don Ardell expressed it years ago. What he calls “REAL” wellness is a concept to promote healthier, more enjoyable lifestyles. The option is not “yes we can” but “we will do something for ourselves, now or never!” (We really appreciated meeting Don Ardell when he visited Germany.)

### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** The trend now is “go local.” Regional USPs can easily be communicated and go along with the increasing demand on domestic spa travel. Whether using wild herbs, goat’s milk or wine, Germany offers a treasure trove of spa treatments. Successful providers make it clear: the focus should be on a core competence to provide a clear profile.

**Destination spas:** A new project development sets the pace for the future: Villa Stéphanie, our destination spa in Baden-Baden. The new spa, housed in the historic Villa Stéphanie, adjacent to the Brenners Park Hotel and Spa, will offer an integrated approach to health, covering beauty, wellbeing and medical needs. Covering an area of 5000 square meters, an entire house has been dedicated to the world of spa. Spread over five floors, it offers a 500-square-meter sauna, a plunge pool, a private gym, a hamam and a ladies’ sauna. There are also inspiringly designed treatment rooms overlooking the gardens, a lounge with an extensive library, 12 spacious double rooms and three impressive suites — all surrounded by nature in a lush green private park. Directly connected to the new destination spa is Haus Julius, a 1700-square-meter mansion designed to offer unique and exclusive medical care to Brenners’ guests.

Hot springs spas: German has a long tradition of cures and healing springs going back to the 16th century. By 1900, Wiesbaden was a world spa with around 136,000 visitors a year, followed by Baden-Baden, with about 72,000 guests. Today, many spa destinations mourn those glory days, but they can still be proud of their resources and effective remedies. They show high potential for attracting a new and younger clientele.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

As mentioned earlier, in Germany we are transitioning from mere pampering to a holistic wellness mindset over the last decade. But there are two sides to this coin: on the one hand, hotels that lack an understanding of what to offer or how to attract future customers with new concepts; on the other hand, guests, who fall into the next spa resort with the intention of just doing nothing. Everybody organizing activities or educational programs is absolutely frustrated if nobody participates.

But let us not lose hope for the future — we are definitely optimistic about the spa and wellness market in Germany and German-speaking countries. Nobel Prize-winner Hermann Hesse once said, “You must find your dream, then the way becomes easy”. Our dream is “fast forward,” but with a well-considered approach to successful business in the spa, wellness and hospitality industry in Germany.

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# EUROPE: HUNGARY

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## **1. What is currently making news in your country when it comes to spa and wellness?**

The sector is constantly growing, and the government has plans to invest in the health industry. We have almost finished the modernization of our traditional thermal baths, and Hungary has many well designed new indoor spas. Budapest has been rediscovered by European spa tourists.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies in your country in the future?**

There is growing emphasis on the importance of medical aspects of spa treatments, and an evidence-based medicine approach has begun to evolve. Combining this with local traditions will deeply influence the future of the spa industry in Central-Eastern Europe. Currently our hotels use more and more international spa products, but domestic product developments also exist.

## **3. When it comes to wellness tourism, what is happening in your country?**

We have fewer German tourists these days, but the number of tourists from Great Britain, Poland and neighboring countries is increasing. Most wellness hotels have more domestic costumers than foreigners.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** Eger has a magnificent hotel spa, and the hotels of Budapest are increasingly offering splendid spas as part of their overall packages.

**Destination spas:** Demjén is a magnificent thermal bath and spa built in caves under a hill, very close to the fantastic, Pamukkale-like salt hill thermal bath in Egerszalok and Eger, with its turkish bath and two types of thermal waters.

**Hot springs spas:** Almost every traditional hot spring now has a new indoor spa building. Wellness living communities: Not yet widespread, but there are rumblings in Budapest about this groundbreaking notion.

**Corporate or employee wellness programs:** Apart from international companies this is not yet widespread phenomenon, but there is a strong wellness program for workers within the national health insurance system.

#### **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Based on the last 10 years of intensive developments and Hungary's deep-rooted spa traditions, it is not unrealistic to predict a doubling of revenue for the spa and wellness sector in Hungary. It will likely consist of three main parts: an increase in the number of mainstream wellness treatments for domestic costumers; the development of medical wellness packages for foreigners, and developing new approaches that combine our traditional treatments with modern medical knowledge. Hungary will ever again regain the preeminent position it held in the first half of the twentieth century as one of the market leaders in spa, though it can still become a respected and important modern spa destination.

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# EUROPE: ITALY

## 1. What is the latest spa and wellness news in your country?

The spa and wellness industry represents a very important segment of the Italian economy even if, according to 2013 data from Euromonitor International, Italians remain very careful spenders and are increasingly on the lookout for bargains. The turnover of the 35,000 spas, beauty centers and gyms is over €21 billion, and sector employees number over 70,000. With these figures, Italy is in fifth place in the worldwide ranking for its personal and tourism wellness offerings. Milan and the Lombardia region together offer 36 percent of total national wellness services.

Out of the 60,000 people surveyed in Italy, 40,000 are actively concerned about their physical wellbeing and practice some sport activity, while one in six spends over around €1,200 per year on beauty and wellness products and treatments to look and feel good. Nevertheless, current statistics show that one in two Italians over the age of 20 runs the risk of becoming obese, and that most of the working population suffers from chronic stress and some kind of physical tension and pain.

The need for a combination of health and wellbeing solutions is a strong incentive for the expansion of a very new and interesting phenomenon: the growth of mini-spas within pharmacies, in combination with a wide range of supplements and innovative nutritional solutions to fight aging and excessive weight. Clients seek a new holistic professional response which uses the best from both Western and complementary medicines.

As social media and the Internet play an increasingly central role in daily life, they are supportive in educating consumers on wellness as well as helping to promote spa treatments and products. The market is very clearly moving towards a bi-polarization: low-cost services and cheap home care versus very qualified top-level centers and products.

When it comes to specifically female habits, according to a recent study published by Elle magazine, Italian women top the list of “beauty addicts” together with Japanese women. Yet such a commitment to preserving one’s beauty has some very specific features.

Compared to Asian women, Italian women are the fastest when it comes to home care and this is reflected in their growing demand for express, multiple treatments also in spas. This also pushes many women to take shortcuts to a better look by choosing surgery: Italy is sixth in the world for cosmetic surgery, mostly for bust and face rejuvenation.

Another specific phenomenon is that the major concern of Italian women is not only fighting aging but also keeping the body in shape, a true obsession, especially before the summer. This implies a very strong focus on cellulite treatments, which still represent a considerable part of the day spa business, alongside a very new beauty trend represented by nail-care mania.

Wellness also means balancing nutrition, buying organic food and selecting organic lunches for workdays, as well as investing in stress-relief weekends and vacations.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Professional equipment has always been present in day spas, including classic models such as pressotherapy for cellulite programs and a wide variety of body slimming and face rejuvenating technologies. Home care devices for face and epilation and mobile applications for wellness and fitness are also becoming very popular, partly because of the need to reduce day spa visits for economic reasons.

## **3. What is happening in your country in terms of wellness tourism?**

In 2013, the Euromonitor International Study confirmed that health and wellness tourism is a very important resource and it is expected to increase further, reaching value sales of €1.2 billion by 2017. The trend will be supported by the increasing importance of thermal spas. In recent years, these have made huge investments to modify their offers and also provide wellness cures, in addition to pure thermal cures.

Natural, historic and sport locations have come to understand the added value for clients in offering spa as part of hotel services to attract wellness tourism, to be more competitive and also to de-seasonalize their offerings.

The first region which to understand and transform this potential into countless projects is South Tyrol-Trentino. Projects range from completely modernized public locations to 5-star hotels which have added huge wet facilities with pools, water attractions and spa rooms, as well as niche wellness centers with just a sauna and a couple of rooms in smaller hotels. Some of them also offer unique regional mountain services such as the hay bath, which is very healthy and at the same time very distinctive. Following this example, Tuscany, Sardinia and Apulia have massively developed this offer and many others are following suit.

The age range of spa goers is broad, since the first experience usually happens around the age of 25 and never really stops. The larger segment is between 35 and 60 years of age.

When it comes to Italians, one in five selects a spa location as part of their personal stress recovery program or vacation.

**4. Please provide one sentence that best describes the latest developments in your country for each of these categories: hotel spas, destination spas, hot springs spas, medical spas, wellness living communities and corporate or employee wellness programs:**

**Hotel spas:** From 3-stars to 5-stars, they are now everywhere — in historical cities as well as in tourist locations by the sea and in the mountains. The spa component is a must-have in order to remain competitive. Many include local elements from their area in the spa menu as elements of distinction.

**Destination spas:** Most of the destination spas in Italy are connected to natural springs and are also able to provide a unique combination of history, nature, health, beauty and luxury. A wonderful example is the Fonteverde Group in Tuscany.

**Hot springs spas:** This is the true “Italian Heritage” with an estimated total of 370 locations in about 170 cities and villages. They represent an impressive potential in terms of attractiveness, but are challenged by the need to modernize and improve their quality of service. National and international customers are becoming more and more demanding, and thus the ability to transform ancient traditions into a contemporary, innovative, profitable business model will determine the future of this segment.

**Wellness living communities:** These do not exist in Italy. Promotion and encouragement of the development and maintenance of a healthy body, mind and spirit is the objective of many urban cultural associations, which are often inspired by alternative medicines and eastern philosophies.

**Corporate or employee wellness programs:** These are mostly exclusive initiatives by large international corporations with branches in Italy. Technogym has created specific programs and reports. Among the Italian companies that have implemented them, Diesel and Ferrari stand out for their active approach. Ferrari has extended its wellness program, initially dedicated only to pilots and engineers, to all the employees of the Fiat group. Among smaller but more innovative companies, Davines promotes health and wellness through sustainable programs of self-care and nutrition.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

The spa and wellness industry will influence the daily routine in terms of prevention and self-care becoming more and more related to health, which will have a new meaning: no longer only the mere absence of illness but also a positive sense of vitality and wellbeing.

The need to look younger will drive business, together with the search for serenity and stress relief obtained through self-education, dedicated assistance by spa professionals and doctors, and a combination of supplements, food and skin care.

Trust will be the key concept for spas to work on while building relationships with customers through a serious, rigorous approach. Those who spend the money will demand high quality and proven results. The era of mere pampering is over, and the time has arrived for competence and dedication to the real needs of clients. Those who can customize and still guarantee high standards will win the client's preference.

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SKIN SCIENCE SOUL

# EUROPE: MOROCCO

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## **1. What is the latest spa and wellness news in your country?**

La dernière nouvelle dans notre pays dans le domaine du SPA et Bien-Être est l'officialisation des Normes de l'industrie du SPA et Bien-Être au Maroc.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Le Maroc est un pays qui suit l'évolution et les tendances du domaine du Bien-Être et de tous autres domaines dans le monde entier, nous sommes parfaitement conscients de l'importance de Bien-Être pour chaque individu en particulier et pour le tourisme Marocain en général. Notre association A-SPA-MAROC, en partenariat avec différents organismes étatiques Marocains, veille à la sensibilisation, l'information et la formation sur les nouvelles technologies au services des établissements du SPA et Bien-Être.

## **3. What is happening in your country in terms of wellness tourism?**

Le tourisme du Bien-Être n'est pas nouveau pour le Maroc et les Marocains, nous suivons parfaitement les nouvelles et les tendances de ce domaine et la meilleure preuve est que la vision 2020 du Tourisme Marocain se base entre autre sur le tourisme du Bien-Être.

**4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** l'image fascinante de l'hôtel

**Destination spas:** La philosophie du SPA est une fusion Est-Oest

**Hot springs spas:** les sources thermales prennent le nom SPA THERMALE

**Medical spas:** répondent à la philosophie du SPA sous le thème des 6 sens

**Wellness Living Communities and Corporate or Employee Wellness Programs:**

La politique qui répond aux nouvelles NORMES DE L'INDUSTRIE DU SPA AU MAROC

**5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Il ya cinq avaant, les centers de SPA poussaient comme des chompignons en suivant la ruée vers le gain d'argent. La plus part pensaient que c'était un phénomène de mode. Mais plus maintenant, avec notre accompagnement et la sensibilisation des organisme responsable nous suivant parfaitement l'évolution et les tendance de cette industrie qui est devenu très connu par tous les Marocains consommateurs investisseurs et professionnel.

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# EUROPE: RUSSIA

## 1. What is the latest spa and wellness news in your country?

Establishment of the first- time- in-history Federal Standards on spa services marked a new era in the development of the Russian spa and wellness market. Besides clearly defining all the key terms and definitions used by professionals, the Standards relieved the pressure on day spas and hotel spas that had been obliged until now to work under medical license. This regulation did not only mean hiring the staff with a serious medical background but made spas subject to constant supervision by the healthcare authorities. The Standards will help the new spas to operate in accordance with international rules and practices and guarantee the best quality of service to their clients.

In 2014 one of the best Russian hotel spas, Mandara Spa, Moscow, won the World Spa and Wellness Awards as the Hotel Spa of the year in Eastern Europe. Although the winner is operated by an international company, the victory has been considered as a serious breakthrough for the Russian market.

Another important event for the Russian professional community will be the Spa and Wellness International Congress, due in October 2014 that will address the national audience of spa owners and directors with a series of conferences, panel discussions and competitions.

## 2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?

The process of adapting modern wellness technologies in spa and wellness facilities in Russia is gaining speed, with more and more clients becoming wellness-aware and practically all key equipment brands represented in the Russian market. Some wellness clubs and clubs spas integrate wellness software in their programs, and the majority of resort spas would boast of sophisticated alfa-capsules, floatation tanks or Hypoxi chambers.

Besides these internationally popular technologies, Russian scientists offer a wide range

of innovations to be implemented in spa and wellness establishments, such as ultra-short frequency equipment, crio-saunas, aura diagnostics etc. The lower cost of domestically-produced equipment and gadgets might be a solution for the segment of day spas and local wellness clubs with lower budgets.

### **3. What is happening in your country in terms of wellness tourism?**

Despite the fact that the percentage of Russian tourists travelling for wellness inside the country is still smaller compared to those choosing foreign wellness destinations, the segment of health resorts is developing rapidly, especially with the boost given by the state during the preparation for the Sochi Olympic Games of 2014.

Russia has a vast potential for all types of wellness tourism, with its hot springs areas in the South, Altai mountains sanctuary destinations, Black Sea climatic and thalassotherapy resorts and over 2000 rehabilitation institutions expecting modernization. Depending on the infrastructure development and social and economic situation, a serious shift to domestic health and wellness tourism can be forecasted.

### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories: hotel spas, destination spas, hot springs spas, medical spas, wellness living communities, and corporate or employee wellness programs.**

**Hotel Spas** is the fastest developing segment of the market, due to a large number of international hotels already operating or to be opened soon, including The Four Seasons in Moscow and St.Petersburg.

**Destination Spas:** Many former health resorts becoming properties of private investors are transformed into destination spas to satisfy the growing demand.

**Hot Springs Spas** have been a tradition in Russia since the Peter the Great Empire, and although some of the existing spas require serious modernization, the tradition is still alive, with many Russians choosing this kind of rehabilitation.

**Medical Spas:** This category is often misunderstood in Russia, and in a large number of spas that position themselves as “medical” the main focus is on aesthetic medicine treatments, such as Botox and hyaluronic acid injections, as well as anti-ageing cosmetology programs.

**Corporate Wellness Programs** used to be a normal practice within state enterprises but today it is a priority only in large private corporations that own about 5% of national health resorts, which are the majority of Russian companies and enterprises providing basic healthcare programs for their employees.

## **5. Fast forward 5 years and tell us what you think the spa and wellness industry in your country will be like.**

Independent of the political and economic developments in Eastern Europe, the health and wellness awareness of the Russian population is growing, together with the demand for the high standard of spa services. Several dozens of spa and wellness projects are being either developed or are in the construction stage, and the hospitality segment provides more opportunities for hotel spas.

As an optimist, I believe that the spa and wellness industry in Russia will experience a boom in the coming five years, with more and more private investors considering the new market as a prospective one. With more and more western-model companies operating in Russia, spas will become part of corporate culture.

I hope that there will be wellness educational programs introduced in secondary schools. The “spa therapist” qualification would be subject to formal standardization, with a system of professional education finally established in Russia.

New spa and wellness destinations in natural resorts will attract international tourists who would appreciate the Russian balneology and holistic curative traditions.

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# EUROPE: SWITZERLAND

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## **1. What is currently making news in your country when it comes to spa and wellness?**

Sophisticated facilities architecture and state-of-the art technology in terms of treatments and medical influence. Guests visit spas in Switzerland for their contemporary design as much for the high quality of services and medical research. And let's not forget that the beauty of the nature surrounding most Swiss establishments still draws a lot of customers to Switzerland.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies in your country?**

Not all spas are investing in new technologies. Clinique La Prairie is a pioneer in this field due to the fact that it has a full medical centre with 60 doctors. Thanks to newly available technologies, spa treatments can achieve more visible results quickly through non-invasive methods, but also help in the field of prevention. In the future, not only will new technologies further enhance a personalized spa experience, they will also create an engaging relationship with customers after their visit as well.

## **3. When it comes to wellness tourism, what is happening in your country?**

Health and wellness tourism is one of the most profitable and dynamic elements in tourism in Switzerland. Consumers are searching for a more traditional approach to wellness, with proven medical influence. They are attracted by Swiss medical excellence and highly trained doctors and medical staff, and by the high level of security and hygiene of the infrastructure, as well as an elevated attention to customer service.

**4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** an increasing focus on medical treatments and a medical approach to wellness.

**Destination spas:** a focus on a very clean environment.

**Hot springs spas:** elderly care and rehabilitation.

**Corporate or employee wellness programs:** some progress, but still a lot to do....

**5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

More people will invest in prevention through medical spa breaks. The notion of “adding life to your years,” as we do at Clinique La Prairie, will become central. As the world’s population ages, we will certainly see an increase in this field.

Switzerland will remain at the forefront in terms of medical retreats.

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# EUROPE: SWITZERLAND

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## 1. What is making news in your country when it comes to spa and wellness?

To be honest, Switzerland seems to have slept through the wellness boom and megatrend. Some properties took a leading position at an early stage, such as the Tschuggen Grand Hotel Arosa, designed by Matteo Thun, Victoria-Jungfrau Grand Hotel and Spa (host of GSWS 2010), “Park Weggis” or the Kulm Hotel, St. Moritz. All these hotels are 5-star-deluxe hotels and resorts.

The latest 5-star opening in 2013 was the Park Hotel Vitznau on Lake Lucerne, with 47 residences, junior and regular suites and 2,000 square meters of spa. One highlight of its “Health and Wealth Spa” is a fish-tank of 65,000 liters of salt water, offering a habitat for 7,000 fishes and native corals from the Seychelles. No wonder the total investment for revitalizing the historic property, which dates back to 1903, was about 270,000 million Swiss Francs.

But there were two outstanding openings in 2013 I must tell you about. The first one, “Cocon” at Hotel Seerose, is located in the German speaking Aargau region in the north of the country, 45 km from Zurich. Hotelier Felix Suhner started a design competition to expand his existing hotel “Seerose,” where he already runs a Thai restaurant, one of the five best in Switzerland. He invested 20 million francs out of his pocket, and the result is a lakeside Swiss-Thai hideaway named Cocon, with 32 modern suites in boathouse style and an authentic spa. Therapists are all native Thai and deliver exotic Thai spa rituals and classical Thai massage. To complete the integrated concept, Thai Tea Time and cooking classes are arranged.

The other new opening, Kurhaus Cademario, is located in the south of Switzerland, high above Lake Lugano. When you hear its story, you almost want to believe that wellness was invented there a century ago. It was 1914 when a Swiss-German doctor decided to open a “Kurhotel” high up in the mountains in sunny Ticino to realize his idea of “real wellbeing,” no drugs, just prevention, healthy food grown on his own premises and a lot of exercise in fresh air.

Dr. Keller started with 18 guests and great enthusiasm. In 1924, a wing and a pool were added, not heated, of course, but as cold and fresh as the water running from the taps in the bathrooms. At a time when nobody talked about detox, the founder of the Kurhotel wrote a book on cleansing and detoxifying the body.

Today, the new Kurhaus Cademario Hotel and Spa offers stylish rooms; fresh, hearty cuisine and a spacious 2,200 square-meter DOT.Spa area. The “Dot Spa” is hitting the spot via a holistic concept with a strong focus on people. “In the midst of being” is the guideline, to make sure all guests find their own suitable programs and use their stay to mark a turning point in their lifestyle. Hosts at Cademario are Rafaela and Peter Hoeck Domig, who have contributed greatly to the successful concept.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies?**

This is not only a question of economics but of philosophy. There have been widespread discussions about the use of internet and wifi in spas, with some hotels strictly opposed to these things. But the customer is speaking another language and does not want to be restricted. Social media as a marketing tool for spas will be an important trend for the future.

But technology is a rising challenge for the customer as well. In a world where we are constantly distracted and are increasingly forced to adapt to multitasking, it depends on how our clients allow themselves to drift with the crowd or set a signal to stop.

## **3. When it comes to wellness tourism, what is happening in Switzerland?**

Swiss tourism has seen a significant decline in overnight stays by local and foreign tourists over the last couple of years. The reasons are largely economic, and primarily result from financial and economic crises in important source markets. In particular, the strong Swiss Franc has weakened the price competitiveness of Swiss tourism. 2013 brought a turnaround, with an increase of 3.5 percent in foreign tourists, including the leading source countries, Germany, the UK and the United States.

The catch-up process looks set to continue in 2014. Wellness hotels and spa resorts contribute to this positive development. However, their importance has not yet impacted official statistics: there are statistics on skiing schools, camping facilities and hiking trails, for example, but none at all on wellness providers.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

##### **Hotel spas:**

Switzerland hosts some of the most amazing luxury spa hotels in the world. Overall, the number of wellness hotels in Switzerland has increased, and they are no longer limited to deluxe-properties. Of the 20 best wellness hotels selected by the Swiss tourist board, around one-half are 4-star or 4-star-superior hotels. But the number is still very low compared with the 2,400 wellness hotels and spa resorts in other German-speaking countries.

To my knowledge, there is no marketing platform specializing in wellness hotels and spa resorts, with the exception of Private Selection Hotels. Brought together under the Private Selection umbrella brand, member establishments offer their services with a special focus on wellness, plus golf, city breaks, sea-/lakeside and Alpine summer and winter holidays. The platform “Premium Switzerland” acts as an online guide to the best that Switzerland has to offer: luxury services, premium holiday destinations, city guides, private medical clinics, Swiss boarding schools and financial services. The website offers a selection of 17 spa hotels.

##### **Destination spas:**

In my opinion, the Grand Resort Bad Ragaz is Switzerland’s top destination spa. To meet all requirements and to satisfy the highest expectations, they have created “Europe’s leading wellbeing and medical health resort.” Peter P. Tschirky, CEO of Grand Resort Bad Ragaz, has confirmed in an interview with “Hotelier” that he welcomes the decision to strictly separate wellness tourism and medical travel in the future. “There has been much uncertainty and confusion about buzzwords such as medical wellness. Therefore, the differentiation is not only desirable, but a must.” Recently, Condé Nast Traveller’s Spa Guide named the 36.5° Wellbeing & Thermal Spa at the 5-star resort as “Winner, Best Medi Spa.”

### **Hot springs spas:**

Switzerland is a traditional home to cures connected with spa treatments. As can be seen from the Cademario example, hotels are linked to history and proud to be named a “Kurhaus” or “Kurhotel,” but it is a broad term and can easily be misunderstood. Many other hot spring spas are public bath-institutions of different quality.

Remarkable even without thermal water is the “Splash e Spa Tamaro,” an innovative new tourist attraction in Ticino. This is the first water park in Switzerland, covering more than 10,000 square meters dedicated to leisure and well-being, offering aquatic leisure activities together with spa and wellness treatments. A third of the center is dedicated to a deluxe spa with a special focus on regional products such as grapes and chestnuts.

### **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

We are sure that the catching-up process for wellness hotels and spa resorts in Switzerland will continue apace in 2014. Good things need time to ripen — in the Swiss mountains, perhaps a little longer. But we can count on Swiss quality of the highest standards and on Swiss hoteliers as excellent hosts.

We wait to be surprised!

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# EUROPE: UNITED KINGDOM

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## **1. What is the latest spa and wellness news in your country?**

The spa industry is growing steadily and wellbeing is increasingly being incorporated into everyday routines. There is a developing residential market for spa areas and gym products as the UK becomes more aware of the importance of health and wellness.

Spa areas are becoming more visual with the addition of ornate and elaborate rooms. Horizontal showers, cold therapies, salt injection systems, Kneipp walks and foam treatments are a few of the latest therapies that are now expected from a spa experience.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

The basic wellness technologies such as chromatherapy lighting, touchscreen control panels, aromatherapy and entertainment centres with music and TVs will continue to be incorporated into residential and commercial UK spa areas.

New wellness-based developments such as lifestyle monitors will become invaluable in gyms because heart rates, sleep patterns and even sugar levels can be tracked at all times.

However, the more popular the wellness industry becomes, the more we need to beware rogue products and false claims, and to protect ourselves from negative publicity in this area.

### 3. What is happening in your country in terms of wellness tourism?

Every time a new spa opens, the bar is set higher with more luxurious surroundings and the latest state-of-the-art spa and gym facilities. The more specialist spiritual yoga and detox retreats are also becoming increasingly appealing to visitors.

### 4. Please provide one sentence that best describes the latest developments in your country for each of these categories:

**Hotel Spas:** Hotel spas have had to increase their range of facilities as more guests naturally expect a full spa experience as part of their stay, including a comprehensive mix of thermal rooms at varying temperatures and a wide selection of holistic treatments.

**Hot Springs:** Recent investment in the UK's spa towns continues to show in improved facilities within their spas and increased visitor numbers as people turn to natural therapies.

**Corporate and Employee Wellness Programs:** The importance of workplace wellness is becoming more widely recognised as employers strive to maintain a happy, balanced workforce amid rising stress levels and greater time spent at work. A number of companies now offer on-site massages and therapies, educating the workers in how to stay healthy and motivated.

### 5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.

The spa and wellness industry will be flourishing as the UK continues to be educated into the importance of everyday wellbeing. It will be more accessible to all, although keeping the more 'exclusive' retreats for the rich and famous to relax and renew themselves.

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# THE AMERICAS: CANADA

*Canada's spa and wellness industry evolved slowly during with 1980s, with a modest facility and amenity infrastructure in comparison with today's spa operations. Demand was supported by minimally trained staff delivering basic spa services. Fifteen years later the spa culture matured due to more sophisticated and well-travelled clients' demands on domestic day spas. Simultaneously, hotel and resort spas became de rigeur in order to attract guests. By 2000, luxury spa developments emerged — both day and stay spas — to match consumers' escalating market demands for wellness-focussed treatments, leading-edge skincare therapies and multiple day spa/wellness experiences.*

## **1. What is the latest spa and wellness news in your country?**

Demand for spa treatments currently exceeds the industry's capacity to deliver consistent excellence due to shortages of skilled labour in both massage therapy and aesthetics in quality-assured spas for their sophisticated clientele. This precludes many quality or "real" spas from operating seven days a week. The term "spa" is much abused and has become a tag line for a huge proliferation of inferior hair and nail studios providing cut-rate services, untrained personnel, and pirated product lines. Sanitation issues surface periodically, get media-exposé coverage, and then the issue dies a natural death until the next slow news cycle prompts an investigative news story once again.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Increased use of technology is inevitable in areas not presently conceived; however, that may not be a good thing for clients, therapists or spa owners. Spas' successes are predicated on therapists' tactile skills and their clients' responses. Good therapists routinely contribute to their clients' well-being through the power of intuitive and responsive human touch that they provide with empathy and a positive attitude. If the power of human

touch is reduced in the delivery of services, the very foundation of wellness therapies is undermined.

### **3. What is happening in your country in terms of wellness tourism?**

The Canadian Tourism Commission “abandoned spa industry support in 2010,” according to Frank Verschuren, product specialist for the Canadian Tourism Commission. However, localized pockets are currently thriving in Ontario, Quebec and British Columbia. The sector is largely fueled by domestic tourism as it’s not a draw for inbound tourism — largely because Canada’s major foreign market is the United States and the dollar exchange-rate has not been attractive to Americans for several years. Canada’s medical tourism continues to be largely an outbound activity.

### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

Wellness tourism in Canada is dependent on the domestic market (See #3) and there is no appreciable recent investment in hotel spas, destination spas, or hot springs spas to expand the wellness spa product offering.

**Wellness living communities:** In Ontario, key resorts and hotels with golf courses are incorporating spas and wellness programs into amenity attraction packages and activity programs. They target resort/hotel guests of course but investment is designed to lure potential purchasers for the surrounding real estate.

**Corporate employee wellness programs** thrive only in fast-paced corporate sectors, and often only in short bursts (such as in the finance sector during tax time, by providing chair massages) and/or by subsidizing employee annual memberships at health clubs. Sadly, employee wellness programs are not a priority in Canada — yet.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like:**

Overall, the industry will stabilize with smaller day and stay spa operations. Suppliers will continue to work with employers to train initially, and to teach upgraded treatment protocols as required. However, the integrity of the spa industry is at risk unless there are concerted interventions in key categories:

### **1) Labour market**

Recent graduates' practical skill sets do not equip them to be industry-ready. They lack professionalism and technical skills to perform basic services. They lack communications/interpersonal skills to relate to clientele. They lack important elements of respect, caring and feeling for clients' needs. Their lack of work ethic is accompanied with bad attitude and unrealistic expectations. Their self-absorption spawns chatter about themselves rather than engaging clients in dialogue, and as a result they don't touch clients physically or emotionally.

### **2) Training institutions, Public and Private**

Educators and trainers resist responding to the industry's overall needs, issues and expectations. They focus on selling admissions, not on graduating highly skilled, industry-ready professionals. They resist engaging in dialogue with industry to establish baseline standards. They don't provide enough practical experience for delivery of quality services for today's demanding clientele.

### **3) Market demand is complex**

Today's clients demand top-quality treatments that work while they experience, inter alia: instant stress-reduction to combat escalating anger and intolerance; immediate and obvious physical and emotional benefits; uncompromised and engaging rapport with empathetic therapists, and meaningful dialogue with therapists to talk about their (the clients') needs and issues.

### **4) Standards or lack thereof**

Clients are confronted with numerous options for their spa/wellness services. While some may be tempted to access mass discount coupon promotions (like, for instance, Groupon),

the lack of standards for service and treatment delivery is glaring. Canada's two provinces with the highest population and the most spa offerings are Quebec and Ontario. Years ago, both established inspection protocols against qualifying criteria to acquire accreditation status and more recently, 5-Star Spas of Canada has launched an alliance with the most stringent criteria and inspection protocol anywhere. If the foregoing issues are not addressed by spa operators, clients' physical and emotional needs will be negatively impacted, and will result in decreased demand for services.

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# THE AMERICAS: CANADA

## 1. What is the latest spa and wellness news in your country?

The Canadian economy has performed solidly for the past several years, providing some liquidity for households and an increase in spa visits domestically. Further, there is a vibrant market in spa visits within the \$81.9 billion Canadian tourism industry . Estimations of the total spa market size and growth have been hindered because of a lack of formal research on the sector, the last focused report having been released back in 2006. The last published estimate stated that Canada has roughly 2,300 spa businesses and the sector is growing 17 percent per annum .

The continued integration of workplace wellness programs is a current newsmaker. In a recent survey, 97 percent of Canadian companies agreed that employee health is directly related to corporate success — a strong case for workplace wellness programs. Recent research by the Conference Board of Canada shows that employee absenteeism is at its highest level in 20 years, averaging about 6-7 days a year per employee. In an organization with 500 employees, this number can average about 3330 absent days per year, equivalent to paying wages for nine employees per year who did not show up for work at all. On a national average, absenteeism is costing Canadians an estimated \$7.4 billion dollars a year in lost wages. A global survey of health promotion and workplace wellness strategies research, which surveyed more than 1,000 employers in 37 countries, found that 65 percent of respondents believe that wellbeing programmes are extremely or very important to attract and retain employees. Continued integration of wellness services as part of a larger employee benefits package is widely acknowledged to provide a stronger foundation for employee health and to stem the tide of workplace absenteeism. Doing its part, the Noel Asmar Group of BC, Canada, has offered employee wellness programs centered on nutrition and fitness, with a trainer paid to come in twice a week to exercise with the employees. “Mental and physical wellbeing are critical to a healthy workplace,” states CEO Noel Asmar.

## 2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?

Canadian spa and wellness establishments, along with the general public, have been early adopters of wellness technologies.

Examples:

**Personalization (apps, devices):** Wellness apps and wearable devices are quickly being absorbed into the culture of Canada, with apps to monitor sodium intake, daily fitness routines and eating habits. For instance, a Canadian site called sodium101.ca offers an app for iPhone and iPad that tells you how much sodium is in foods and tracks your consumption. Also of note, Canadian company ResortSuite offers software for running a spa including a personalization module that tracks your clients' preferences, offering a one-to-one experience between the spa and the client.

**New therapies:** We see the melding together of wellness treatments with both medical and non-medical, non-invasive treatments, particularly for weight loss, skin abnormalities (skin tags, varicose veins) and detox. A leading Canadian company Eminence, for example, is addressing many aging and sun-related issues of the skin.

**Spa treatments:** Canada offers the same cutting-edge treatments as the rest of the world, including hot stone therapy, lymphatic drainage massage and Thalgo.

**New products:** These range from skincare products (lotions/creams) to new equipment (massage chairs, pedicure stations) to high-tech evaluations (ultrasound body fat and muscle analyzers).

### **3. When it comes to wellness tourism, what is happening in your country?**

There is a marked increase in tourism in Canada, and per past reports, that tourism creates ancillary demand for spa and wellness services. Canada competes for global tourism dollars and must keep up with the amenities that global travellers demand. Canadian tourism continues to be dominated by domestic visitors, but with solid increases in international visitors. Canada offers world-class resorts and wellness facilities which are anchored by recreation and scenery. Tourism in Canada is a mix of breathtaking coastlines, unspoiled inland lakes, forests and mountains, and a booming aboriginal tourism industry including Native American tours and casino entertainment, with all sectors who wish to remain relevant adding wellness to their packages. A recent study put the global wellness tourism market at two trillion dollars with \$60 billion of that coming from spa, fitness and outdoor recreation. These figures are also quite recent, considering that wellness tourism in its current form didn't exist a decade ago. Canada stays competitive with this trend by anchor-

ing wellness to the gifts of nature within its borders. Hiking retreats, luxury ranches, hot springs retreats, back-country fishing, all with a spa/wellness component, make Canada a tough competitor in wellness tourism.

To support the growth of wellness tourism, Canada has multiple trade-shows per year, most notably Esthetique Spa International, with multiple regional shows and two national shows.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** The continued penetration of spa amenities in Canadian hotels is incredible, with spas services now showing up in every type of lodging from budget accommodations to luxury ranches.

**Destination spas:** Canada's vibrant cityscapes and beautiful topography continue to make it a favorite wellness travel destination for both domestic and international visitors, offering all manner of spa, wellness and fitness services, a great example being Ste. Anne's Spa in Ontario, which has been voted Favourite Spa in Canada for eight consecutive years by SpaFinder Readers' Choice.

**Hot springs spas:** Canada has been a historical destination for hot springs therapy, with world-class natural hot springs like Banff, Harrison and Fairmont, but lately the incorporation of first-rate lodging and spa treatments has made these destinations even more popular.

**Wellness living communities:** In keeping with Canada's constant eye on a high quality of living, the province of Alberta has created a handbook for all provincial communities that addresses every aspect of wellness from standard issues such as fitness and mental well-being to underlying causes of community disharmony such as food safety, social support, early childhood development and housing.

**Corporate or employee wellness programs:** Recognizing that 62 percent of Canadians are overweight, and that its population is often overworked and stressed, Canada is now on the leading edge of employee wellness with programs that have reduced the average Canadian work-week to under 40 hours. The proof of wellness program investment can be measured financially; the Canadian government's corporate wellness programs reportedly returned \$1.95-\$3.75 in value per employee per dollar spent.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Within the context of a strong Canadian economy buoyed by its significant mineral wealth, we anticipate the spa and wellness industry will continue to maintain a strong growth trajectory. Also, the stringent licensing requirements to work in fields of massage and cosmetology mean that this workforce will be well qualified to perform services. However, demand will, for now, likely outpace the supply of qualified workers. For wellness tourism, Canada's scenery, safety and stability will continue to make it a favorable tourist destination, opening a window for more global visitors to see the country, with a percentage of them attaching a spa/wellness visit onto their trip. Anchored by a large amount of unspoiled wilderness, Canada will continue to draw visitors seeking to escape the hectic pace of city living. Attached to all these recreation and scenic tourist locations will be opportunities to offer wellness services to visitors. We see that for spas to be competitive in this new arena, they will have to offer a broad-based set of services from traditional treatments like massage to advanced clinical services (in concert with certified medical providers) such as Botox, weight-loss and non-invasive rejuvenation procedures. For domestic spa visits, according to ISPA research, Canadian spa visitors are price-sensitive to spa services, favor massage treatments, and the leading motivator for a spa visit is stress-relief. Canada's increased prosperity should help to loosen this price sensitivity and the industry should continue to educate the average stressed-out North American employee to take in more treatments from Canadian spas .

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**NOEL ASMAR**  
UNIFORMS

# THE AMERICAS: UNITED STATES

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## **1. What is the latest spa and wellness news in your country?**

Small hot springs resorts are an emerging market, especially when coupled with outdoor recreational activities; we are fortunate to have both in the Rocky Mountain Region.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Wellness technologies will be used in smaller scale operations in intimate settings, blending in with nature.

## **3. What is happening in your country in terms of wellness tourism?**

The Rocky Mountain Region has been known as a “wellness region” and Colorado in itself is in the top percentile of “healthy habits and healthy people.” Our great outdoors fosters that type of lifestyle, and it could be greatly enhanced with the addition of small spas and hot springs resorts.

## **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** The ones I know of are all fairly high-end and only cater to the wealthier segment

**Hot springs spas:** This is a market area that is growing in popularity and I think hot springs will become a year round attraction where the landscape/design plays an important part. Just tubs or pools alone are no longer the attraction, but the overall design and layout, bridges, waterfalls, coves and privacy are playing a more important role.

**Corporate or employee wellness programs:** Our new health insurance regulations have made employers start considering supporting a healthier lifestyle for their employees, and I see signs of support for the employee's general well being and stress level reduction.

**5. Fast forward five years and tell us what you think the spa and wellness industry in your country will look like.**

I would love to see a larger offering of wellness and fitness centers that cater to the less wealthy populace but offer the same services, amenities and beauty- at a more affordable price.

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# THE AMERICAS: UNITED STATES

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## **1. What is the latest spa and wellness news in your country?**

We can easily point to a number of issues around spa and wellness making news this year in the United States. Certain emerging trends are showing strength these days, including: wearable technologies that track performance and metabolics; a growing acceptance of certain medical approaches and therapies in a spa setting; corporate wellness programs; an explosion in wellness tourism marketing; an increased focus on healthy eating and sustainable living, and customized wellness with programs such as Vera Via, which operates out of The Park Hyatt.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

We have not yet really begun to see the in-spa applications of wellness technologies beyond enhanced appointment scheduling software, the use of iPads in treatment rooms to help therapists explain products to clients and, of course, adapted medical technology that uses light and laser or other pulses for beauty treatments. But a time will soon come when we will use wrist or ankle bands to give deeper metabolic readouts than are commonly available now. Even the use of Google Glass will become common in some fitness practices. Personal fitness apps are proliferating all over the world to help health-minded individuals stay on track. While they may not feed directly into onsite treatments, they will certainly help put spa-oriented thinking into the minds of more people, many of whom may not have considered visiting a spa. Meanwhile, the US is such a wired-up environment at all hours of the day that spas are now promoting themselves as technology-free zones in which to unplug and reboot.

## **3. What is happening in your country in terms of wellness tourism?**

Wellness tourism has become a \$438.6 billion global market. The USA remains well positioned for growth given the new emphasis on spas in various areas of tourism.

In the meetings and incentives market we see growing interest in “spa meetings” that give employees bond-worthy downtime. The MGM Grand in Las Vegas is partnering with Delos wellness environments to show just how healthy and energizing large meetings and conferences can be. MGM already offers “wellness rooms.” In a city whose tourism numbers top 40 million a year, wellness environments are clearly a thing of the future, and are already in demand as a tourism commodity.

We are also seeing a greater focus on spa and wellness travel among travel agents who embrace this industry as a niche. Travel Market Report, the online travel industry wire-service — part of the TravelSavers network of global independent travel agencies — offers spa and wellness as one of eight niche vertical categories covered by its dedicated staff journalists. Selling spa and wellness travel is now a regular topic for panel discussions at travel agent conferences like the annual Los Angeles Times Travel Show.

Studies released last year by SRI International, an industry research firm, show that 525 million trips were made by wellness travelers in 2013, and while these numbers represented only six percent of all tourism trips, they accounted for 14 percent of all tourism spending. We also know that wellness travelers tend to be wealthier and more highly educated than other travelers, and that they spend more per trip on average. For example, where an international tourist will spend, on average, \$1,000 per trip (not including air travel), an international wellness tourist spends 65 percent more. The differential between an average domestic traveler in the USA and a wellness traveler is even greater, with the wellness travelers spending 2.5 times what the average domestic tourist spends per trip.

These findings put pressure on the supply side to increase hotels’ interest in adding a spa or wellness component, or spicing up the spa they already have with more interesting offerings that can often prove to be attractions or magnets in their own right. Hotels are able to package these offerings or stir up interest through social media and attract guests — often high paying guests — who might have slipped through the cracks.

And we are seeing well-known international business hotel chains, such as InterContinental Hotel Group, get into the wellness lifestyle line with the debut this summer of EVEN Hotels, created to help wellness-minded travelers keep their balance while on the road, with components that include eating well, resting easy, keeping active and accomplishing more.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel Spas:** A split approach: these are either going over the top into unusual, new-fangled and fashionable offerings, or heading back to basics.

**Destination Spas:** Emphasis is on technological, scientific, medical, sometimes gimmicky approaches to attract the stressed-out, unfit guest who has more money than time and wants to put quick fixes on chronic problems. There are also more customized services, such as cholesterol checks, at The Ranch at Live Oak Malibu, both before the programs and after, often with dramatic results.

**Hot Springs Spas:** These are usually located in more rural areas and do not possess the pizzazz we expect, so smart spas in this sector are either sprucing up their real estate or banding with other area hot springs spas for marketing power and a magnified presence on the wellness map.

**Medical Spas:** We are finding that savvy doctors and medical therapists in the US are teaming up with day spas, hotels and resorts to offer serious cosmetic treatments to guests in the context of a wellness vacation.

**Wellness Living Communities:** The demand here is mostly among younger people; we are seeing colleges and universities around the country answer their call with LiveWell dorms and micro residential communities for students.

**Corporate Wellness Programs:** Companies with worksite wellness programs have seen an eight percent boost in productivity. With the Affordable Care Act increasing allowances for such programs, we now expect to see an increase in corporate wellness programs in the workplace.

#### **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

With personal technology on the upswing, it's likely that in future many clients will be wearing or seeking smart clothing that will measure their performance during work-outs or training sessions. They will want professional advice on what apps to use in daily life and how to use them effectively.

With med-spa approaches becoming more mainstream, we will see many more proce-

dures once performed only in medical offices crossing over into the leisure spa space. Conversely, expect to see the medical field embrace casual wellness offerings more robustly as hospitals begin to add a spa component.

With economic as well as generational downshifts, spa may tilt from individual to group activity — a place for social wellbeing and group bonding as much as physical wellbeing — and thus facilities will reach out to groups in the Gen Y and Gen X demographics to offer value that might not be available for individuals.

Luxury hotels will become increasingly more vested in offering wellness-intensive experiences that border on medi-cosmetic treatments. This kind of option is already well under way at hotels outside of the USA, especially in Asia and Mexico, and we expect that demand will clear the way for more such spas, and that accessible cosmetic medical treatments will find their way into the mainstream US hospitality sector.

We will also see an increased proliferation of Spa Envy-type businesses and street-corner massage salons to bifurcate the spa concept so that spa and wellness will mean much more than massage. Meanwhile, there will still be a place for budget massage seekers to go, possibly bringing more people into an activity and consciousness that was once out of reach and, at the same time, clearing the way for day spas to truly differentiate themselves from street and strip mall businesses.

Finally, sustainable spas or eco spas will become more of a force. From organic products and potions to farm-to-table approaches in the whole spa experience, spas will truly take on the mantle of peaceful health (if not detoxification) hubs and dig in with increasing importance as must-have venues in cities, towns and communities across the country.

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# THE AMERICAS: UNITED STATES

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## **1. What is currently making news in your country when it comes to spa and wellness?**

Wellness is becoming a priority for an increasing number of Americans. Wellness and balance are not only viewed as spa, fitness or beauty goals, but also as factors contributing to overall health. This mindset is gradually moving into our public education system, but not quickly enough. Years of cuts to education budgets have led to the elimination of physical education and sports programs. Lack of education has resulted in poor health habits. The importance of physical education, as well as nutritional and healthy eating coaching, is being increasingly recognized, but only in some regions of the USA. As we bring physical movement and health education back into our schools, it will be easier to educate tomorrow's consumers, as well as our industry's newest leaders, on the true meaning of wellness. This is where we, as a collective segment of the hospitality industry, can contribute extensively at a local level.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Professionally administered non-invasive wellness technologies, such as microdermabrasion and therapies using hydration machines, will continue to be in demand for spa treatments.

Self-administered technologies available in spa retail boutiques as take-home devices (light stimulation, microcurrent, deep-cleansing brushes) will remain popular, and guests will continue to enhance their spa services with their home devices.

Spas and fitness facilities can keep connected with guests and members for motivation and tailor-made fitness experiences. Amazing advances in technology via new cardio platforms like mywellness cloud by Technogym allow users to access their own programs from anywhere for tracking, monitoring and adjusting programming, with the help of staff members who have access to guest profiles.

Personal fitness and nutritional guidance devices and gadgets will continue to grow in popularity, and continue to improve in both technology and appearance.

Electric massage tables provide better use of body mechanics for staff, and greater ease in getting guests on and off the table, and the capability for treatment multi-functionality.

Sonic relaxation chairs with music and sound capabilities that provide deep relaxation and sleep education will continue to gain interest, especially as sleep deprivation grows as a concern for many Americans.

### **3. What is happening in your country in terms of wellness tourism?**

We are seeing a greater interest in wellness in general in the U.S., although there are no industry standards that define wellness services — yet! Destination spas provide wellness services that truly benefit body, mind and spirit. Many day spas promote wellness through traditional spa treatments, such as massage, that have neither been upgraded nor updated from past therapies, but merely relabeled as “wellness” experiences. In some regions of the country, consumers know that hot springs contribute to wellness, and are seeking them out. The consumer approach to wellness is gaining momentum and its growth will continue as we further develop great new ways to be healthy and happy.

### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** Hotels can no longer remain competitive without spas, so many are adding fitness and spa facilities that support their specific guest demographics/psychographics in order to increase occupancy rates, RevPar, ADR, and length of stay.

**Destination spas:** Destination spas maintain their reputation for being true wellness opportunities; however, they are only available to guests who have both the discretionary income and the time to devote to a program, so this kind of spa is now offering more shorter stay opportunities with yield-managed pricing.

**Hot springs spas:** Consumers are becoming more aware of the therapeutic benefits of hot springs, mineral springs and thermal spa facilities, and are seeking out these experiences, even when they are in out-of-the-way places.

**Wellness living communities:** Wellness living communities are available to only a small segment of the market due to their current high costs of development.

**Corporate or employee wellness programs:** Companies are beginning to seek ways to keep employees healthy by providing fitness programming, motivational contests, nutritional classes, and quality F&B offerings in their cafeterias.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

Our industry will provide better overall education about wellness for all ages, leading to an increased understanding of the concept among spa consumers. Spas will use wellness terminology only if they are truly offering wellness services. Spa management will be better trained in building, operating, and growing a true business, and in using technology. Consumers will continue to seek ways to stay healthy, including monitoring their own health with technological gadgets that will continue to improve.

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# THE AMERICAS: UNITED STATES

## 1. What is currently making news in your country in spa and wellness?

According to SRI International, the USA is the largest spa, wellness and wellness tourism market. While there are several trends making headlines, some social and health realities are first needed for context:

America famously suffers from a healthcare crisis: More than a third of adults are obese — forecast to rise to half by 2030 — and half live with at least one chronic health condition (CDC data, 2014). We spend more on healthcare than any nation, but our healthcare outcomes are consistently ranked among the lowest worldwide. Americans are stressed out: working more hours than any country, but taking some of the least time off at just 10 days per year (International Labor Organization, 2014 and Expedia data, 2013).

These realities portend opportunity and growth for the spa and wellness industries. Consumers' appetites for the latest fitness, yoga and healthful lifestyle trends seem to be growing in multiple directions, particularly in urban centers, where everything from juicing to locally sourced foods, meditation to Pilates, and even fashion, is being driven by a multi-faceted wellness revolution.

And with the US economy strengthening, innovation and expansion are clearly afoot. Top highlights include:

**Spas:** One spa industry headline is growth: ISPA/PwC's new data shows US revenues hit a record \$14.7 billion, spa visits a record 164 million and spa locations a record 20,183 in 2013. As spa-going has become mainstream, a key trend is ongoing growth for affordable spas — from big chains like Massage Envy (1,000-plus locations) to an explosion in ethnic (Thai, Korean, etc.) spas. And a hybrid “day wellness” model is rising: spas offering more yoga/fitness classes, and fitness studios adding spa treatments.

**Healthy Hotels:** Traditional hotels are working hard to secure “healthy” stamps, with most big brands (Fairmont, Marriott, Sheraton, Trump and more) attempting to deliver new lifestyle programming (healthy food, fitness, yoga, sleep, free bike use, etc.) and design elements to attract

a growing, wellness-minded consumer base. Westin Hotels and Resorts has announced plans to invest \$15 million to help guests lead healthier lives. And new on the scene is IHG's EVEN Hotels — a fully integrated wellness concept, which just opened in two US cities, with more locations in the pipeline.

**Branded Fitness Boom:** Fitness brands are exploding — from “label-conscious” boutique brands to mainstream ones, including CrossFit, aerial yoga, SoulCycle, TRX suspension training and many others. There are also multiple hybrids of group classes surfacing well beyond the studios or gyms of New York and Los Angeles, often with the goal of being more fun, engaging and social.

**The Yoga Lifestyle:** Yoga and Pilates adoption is extraordinary: The number of Americans doing yoga has skyrocketed from 4.3 million in 2001, to over 22 million today, creating a \$27 billion market. The yoga and Pilates industry is one of the top 10 fastest-growing industries in the US overall, and this is spawning offshoots in the fashion and apparel industries, travel and entertainment, and more.

**Mindfulness Top of Mind:** Given most Americans' 24/7 work lives, and the increasing challenge to “unplug,” an interest in mindfulness and meditation is surging from classrooms to boardrooms. And in many markets, the historical “pampering” image of spas and “hippie” reputation of yoga — both long-time pioneers of mindfulness — have evolved to be more widely accepted, thanks in part to more medical validation of the effectiveness of spa and wellness therapies. We're now seeing yoga and meditation taught in American schools, prisons, the military, hospitals and workplaces, fueling and legitimizing both the effectiveness and business of wellness.

## **2. With the buzz about wellness technologies, how do you see spa and wellness establishments using wellness technologies in your country in the future?**

The biggest buzz is wearable wellness technology, and the USA appears to be leading the charge. According to Nielsen, about 15 percent of Americans use some form of wearable health technology, whether FitBits, Nike FuelBands or the thousands of mobile apps tracking the number of steps we walk, the calories we burn and the quality of our sleep.

The concept may not appeal to all Americans (almost half of whom don't exercise), but estimates suggest the market could be as large as 100 million people, and it's clear that all this wired wellness should be a big opportunity for creating stronger client connections for the spa and fitness industries. Like it or not, 48 percent of American wearable users are under 34 years old, a telltale sign of what's to come. Additional signs of both demand and potential include:

**Corporate/Employee Wellness:** Employers are increasingly interested in tracking the success of employee wellness programs, which have had mixed results in the past. The integration of newer gaming and social aspects are also being trialed to drive greater employee engagement, and also to connect people with similar interests.

**Staying Connected:** There is a clear desire for owners of both spas and fitness establishments, as well as patrons, who have become friends, to stay connected outside the four walls of these kinds of properties. American gyms are out in front of spas in exploiting wearable devices to create stronger client connections. For example, the Equinox chain just rolled out an app that captures members' wearable device data to give people a simple picture of all their daily activity and progress, and then provides them with custom tips, content and class recommendations, along with the ability to share with others members.

**Spas Need to Catch Up:** Spas are too often experienced as sporadic “special events,” yet there's great potential in using wearable devices, apps and online classes to make the client bond, and to help his or her respective lifestyle changes to stick. At the same time, spas and wellness centers are increasingly safe havens from our digital-intensive world, which will breed opportunity for those able to help us to unplug and detox from the silicon in our lives.

### **3. When it comes to wellness tourism, what is happening in your country?**

According to SRI International, the USA is by far the largest national wellness tourism market (\$167 billion in spending, international and domestic) — roughly four times bigger than number-two Germany. The vast majority of US wellness tourism trips are taken domestically, and the country ranks number two for outbound wellness travel. Thus the wellness tourism market is well established, and while the USA will take more wellness trips than any other nation through 2017 (46 million), the annual rate of growth (5.8 percent) will be slower than the global average (9.9 percent).

Nationally, this segment of the tourism market is not yet promoted, but there are interesting developments surfacing at the regional or city/state level. For instance, casino-focused Las Vegas (which also has some of the country's largest, most comprehensive high-end resort spas) has been aggressively marketing itself as a top wellness travel destination. And the state of Colorado has a multi-pronged campaign to brand itself as “the wellness state,” including public-private partnerships between the University of Colorado's Anschutz Health and Wellness Center and resorts like The Peaks and the Stanley Hotel, with the goal to create comprehensive, medical/wellness destinations.

In addition, every segment of the wellness tourism space appears to be growing: spas, yoga and fitness retreats, adventure/nature (hiking, camping) and hot springs. And wellness travel — whether for business or leisure — seems to be in greater demand, as are indigenous, authentic, “deeper” experiences that give more meaning to our otherwise fast-paced lives.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel Spas:** With increased competition from day spas, a continued surge in branded spa concepts (both in-house and third-party), rising demand from the wellness-minded consumer and the growing evidence behind spa and wellness modalities, there is opportunity for innovation and better marketing to both hotel and local spa guests.

**Destination Spas:** For the first time in over a decade, there have been new openings (Salamanca Resort and Spa outside Washington, DC), multi-unit expansion (Mirbeau) on and offshore (Canyon Ranch is now operating its Celebrity Cruise ship spa) and reinvention in this sector of the marketplace, as well as a distinct rise in “urban-close” destinations just outside city centers (Miraval at Natirar, one hour outside of New York City in New Jersey).

**Hot springs Spas:** In the USA, hot springs destinations have long been associated with the “funky” and “hippie-ish,” but now they are trendier and higher-end; examples include historic spots like Two Bunch Palms (Desert Hot Springs) or The Homestead (Hot Springs, Virginia) and new builds like Royal Teton Ranch Hot Springs at Yellowstone Park.

**Wellness Living Communities:** This concept has expanded beyond what was historically referred to as “spa real estate” and is now a hot trend, fueled by the desire to live well all year round. A wide variety of projects include everything from DELOS Living’s NYC apartments to mixed-use resort/residences to whole towns built around comprehensive, sustainable, community-based wellness (Serenbe, outside of Atlanta, Georgia).

**Corporate or Employee Wellness Programs:** Healthcare costs are devouring American corporate profits, so 79 percent of businesses have adopted some form of employee wellness program (far higher than any other country), with a new wave of programming focused on employees’ overall wellbeing (not just the narrow focus of yesterday’s smoking cessation, weight-loss and fitness-based programs).

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

In five years, I think that there will be much more focus on the business of wellness. With the Affordable Care Act — now mandating that insurers cover numerous preventative services and therapies already offered at today's spas and wellness centers — you will also see a greater number of doctors and physicians prescribing evidence-based modalities (such as acupuncture, yoga and massage) for the treatment of chronic lifestyle conditions. And with all this will come questions.

Additionally, the consumer's thirst for all things "well" will not dissipate any time soon and spans multiple generations in varying and growing degrees. This phenomenon should spawn a great deal of innovation and entrepreneurship, further pushing the spa and wellness industry to "fast forward."

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# OCEANIA: NEW ZEALAND

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## **1. What is the latest spa and wellness news in your country?**

New hot pool facilities are being planned for Rotorua and Queenstown, New Zealand's premier tourist destinations. Media coverage and interest in spas as health, wellness and luxury 'must do's' has been increasing. This exposure has profiled spa businesses as well as New Zealand's free public experiences such as Hot Water Beach and naturally occurring thermal hot pools in national parks and wilderness locations.

The national tourism organisation, Tourism New Zealand, is placing more focus on aspects such as indigenous Maori culture, geothermal resources, and spa and hot springs experiences in addition to the country's stunning scenic and adventure experiences.

Rotorua's Maori people have lived amongst active geothermal fields, and used natural mineral hot pools for bathing, heating and cooking for many centuries.

Rotorua was historically recognised as a spa destination more than a hundred years ago and has been visited by international visitors, including royalty, ever since.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

In our city of Rotorua we are very excited about spa and wellness becoming much more of a mainstream cultural activity for health maintenance, general wellbeing, rehabilitation and of executive stress relief. We view this as a key focus area for Rotorua as the city is close to New Zealand's large metropolitan centres and east coast Australia which offer a ready market. We see promising signs of the government being prepared to consider spa and hot springs treatments to support the wellbeing of the increasingly ageing population and the resultant growth in healthcare costs.

### 3. What is happening in your country in terms of wellness tourism?

Wellness tourism is not currently a prime driver of tourism in New Zealand but is growing. The key reasons people come to New Zealand includes outdoor adventure experiences, the country's stunning landscapes, friendly people and safe environments that simply make people feel great. However there is growth and investment at both local and national levels into what is termed 'special interest' tourism. This includes golf, food and wine, mountain biking, education and increasingly, luxury experiences and pampering. It is intended to link spa and wellness tourism strategies to those more established primary tourism drivers.

### 4. Please provide one sentence that best describes the latest developments in your country for each of these categories: hotel spas, destination spas, hot springs spas, medical spas, wellness living communities and corporate or employee wellness programs:

**Hotel spas:** These are seen as essential facilities for higher rated hotels although not always regarded as a major profit generators.

**Destination spas:** There are relatively few destination spas but there is considerable potential for developments in this area.

**Hot springs spas:** Interest and developments in this area are gaining momentum and this is seen as having considerable potential in New Zealand. In the next few years a number of new high quality developments are expected.

**Wellness living communities:** This is a new area for New Zealand that is seeing some development, mainly driven by the larger listed retirement lifestyle village companies offering an 'active retirement' business model.

**Corporate or employee wellness programs:** These are increasingly part of employment arrangements for company personnel. Insurance companies are starting to offer premium discounts for people engaging in fitness and wellness programs, and many major employers are looking at 'rest & recreation,' and health and wellness programmes for their staff members.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

New Zealand will certainly see some new major world-class spa and wellness complexes being developed – and Rotorua is a prime location for these. We expect to see a movement toward spa and wellness as a much more mainstream culture, driven by general health and wellness awareness. We will see more programmes for executive stress relief and rehabilitation driven by corporates and healthcare organisations. There will be growing interest at a government level in spa and wellness programmes to reduce health care costs and keep the ageing population actively contributing to society well into their latter years. We expect all of these developments to be mainly driven out of Rotorua as New Zealand's premier destination for health and wellness in the South Pacific region.

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