

ASIA: BHUTAN

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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