



Industry Briefing Papers 2016

ASIA: INDIA

1. What is currently making news in your country when it comes to spa, wellness, wellness travel or well-being?

In India, Spa has emerged as one of the fastest growing industry after America and Europe with the quarter of the last decade having seen a growth of 14 -16 per cent; the reason being their substantial expansion in travel and tourism industry as well as a rise in income which has made them more aware about the quality of life. Health is Wealth is the new catchphrase, and nothing can be more beneficial for unwinding and healing strained nerves than natural therapy of a spa. Hence, the health conscious class is consuming spa like never before.

Growth of Spa

Region wise, north India is doing well with its stable rate of economic growth in comparison to other regions. In west, Mumbai being a land of Bollywood and corporates and an established land of tourism is contributing a big chunk to the economic prosperity.

In south, Tamil Nadu, Kerala and Karnataka complete the picture. Moreover, Kerala has put India on the World economic map as a mecca for tourists and locals alike because of its Ayurvedic flavour. It recently won Asia's best travel destination award.

Interestingly, the booming industry is also attracting branded spa operators to India. According to a recent piece of news from Red Door, the American spa major, "The rate at which the hospitality industry, specially the five-star hotels are growing, and increasing demand for tourism, thousands of years of culture of well-being (Ayurveda), right demographics, younger population (highly educated and affluent)—all contributed to our decision of entering India".

Medispas are the newest thing attracting people. Some spas have yoga centres and gyms while others are doing Botox and Laser treatment for weight reduction with qualified doctors.

Accreditation of Spas

Since, the sector is still largely unorganized, hygiene and quality is a matter of big concern. Therefore, accreditation becomes important so that wheat can be

separated from chaff and people can know the category of the spa they are visiting. National Accreditation Board for Hospitals and Health care providers (NABH) has launched a programme for accreditation of wellness centres like gyms, spas, cosmetic and skin treatment centres in the country.

Future investment

According to ASSOCHAM, the Indian spa industry which is offering a mix of traditional Ayurvedic as well as Chinese, Thai and Swedish healing techniques is expected to receive investment of US\$ 35 billion in the next 3-4 years.

Franchise opportunity

In India spa franchise is becoming hot market with profit margins in the industry as high as 60-65 per cent. With an increasing number of people becoming aware of the advantages of spas, there is an increase in the number of franchised outlets as well. In India people today patronize branded spa outlets rather than availing spa treatments from unorganized salons and spa centres as the franchised spa salons offer highly specialised professional services and treatments through advanced technology to its customers. Therefore, the various branded salons and spa centres in India adopting the franchise route to expand their businesses for high growth rate. Due to high profit margin and existing customer base of established brand its being a trend for Indian investors to take franchisee of famous Indian brands like - VLCC, Vibes, Strands Salons, Habibs, Ora - Regenesi spas,AURA - Thai spas,Four - fountain spas, Orient spas, Serena spas, Lavana spas. Ananta spas, Blossom Kochhar aroma salons, Shahnaz herbal salon etc.

Parallel beneficiary markets

The Industry has given impetus to a glut of markets of light fittings, music equipment, furnishings, furniture, bathing tubs, electrical equipment like steam, cosmetic, fragrances, sanitation, toiletries etc. Also, the architects are seeing boom in their creativity like never before.

Medical tourism is a growing sector in India. India's medical tourism sector was estimated to be worth US\$3 billion. It is projected to grow to \$7-8 billion by 2020. According to the Confederation of Indian Industries (CII), the primary reason that attracts medical value travel to India is cost-effectiveness, and treatment from accredited facilities at par with developed countries at much lower cost.

Traditionally, the United States and the United Kingdom have been the largest source countries for medical tourism to India. However, according to a CII-Grant Thornton report, Bangladeshis and Afghans accounted for 34% of foreign patients, the maximum share, primarily due to their close proximity with India and poor healthcare infrastructure in those countries.. Russia and the Commonwealth of Independent States (CIS) accounted for 30% share of foreign medical tourist arrivals. Other major sources of patients include Africa and the Middle East, particularly the Persian Gulf countries. In 2015, India became the top destination for Russians seeking medical.

2. Please provide one sentence that describes what you think is the most important development in your country for each of the following wellness sectors:

Spas:

Becoming wellness centre, joining hands with hospitals (Apollo joined hands with Sangvi spa brand), Apollo has launched White dental spa clinic.

Beauty:

More medical approach

Fitness:

Middle & elderly people are more involving into fitness.

Nutrition:

Moving towards organic.

Wellness Tourism:

Best emerging market in Asia.

Wellness Communities or Real Estate:

Real estate & wellness coming under one roof to provide healthy lifestyle. Like Jaypee real estate group has joined hands with Six Senses Spas.

3. Our theme this year is “Back to the Future.” What do you feel is your country’s most significant contribution to what is now a global wellness economy?

Indian Head massage (champi) , Holistic ayurvedic therapies(Abhyanga / shirodhara many more..)

4. What do you feel is the biggest challenge in your country when it comes to growing the wellness economy?

Mind set of male to male & female to female therapy. Proper awareness among middle class people. Passive approach of investors.

5. While no answers are right or wrong, we would like to know what you feel is the difference - if any - between the terms/concepts of “wellness” and “well-being” in your country.

Wellness:

Wellness is an active process of becoming aware of and making choices toward a healthy and fulfilling life. Wellness is more than being free from illness.

Well-being:

Well-being is a term for the condition of an individual or group, for example their social, economic, psychological, spiritual or medical state.

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