

ASIA: THE FUTURE OF GLOBAL WELLNESS TOURISM

According to the latest Global Wellness Institute (GWI) report, wellness tourism is one of the fastest-growing segments in the wellness economy today.

Wellness trips now represent 6.5% of all tourism trips taken worldwide, growing a whopping 15.3% annually from 2015-2017 to reach 830 million trips each year. In the midst of this explosive growth, Asia-Pacific now ranks second – at 258 million wellness trips annually -- just behind Europe.

Wellness has become a dominant consumer value and lifestyle driver, and this is profoundly changing behaviour, choices and spending decisions.





Why Asia? Why now?

The stats are overwhelming: According to a World Tourism Organization (UNWTO) report, outbound Asia-Pacific travellers now represent 37% of the world's total with international travel spending doubling in the last decade (APAC). Add China to these figures: Outbound trips grew 20-fold since 2000; the Chinese are the world's biggest travel spenders (US\$258 billion annually, well ahead of the US at US\$135 billion); Chinese travellers will represent 30% of the entire international travel market by 2030; and China has been pegged to become the world's No.1 travel destination by 2030, dethroning France.

Asia-Pacific is also the fastest-growing wellness tourism market: Wellness trips jumped 33% in the last two years (China, India, Malaysia, the Philippines, Vietnam and Indonesia all clocked 20+% annual gains) and the market will essentially double from 2017–2022: from US\$137 billion to US\$252 billion.

In short, Asia is driving the global wellness tourism market.



The “Wellness Traveller”

In its recent report, GWI's valuation of wellness tourism takes into account two types of wellness travellers: the Primary and Secondary Wellness Travellers. For the former group, wellness is the main purpose for

the trip and for choosing a destination. They will be drawn to a destination resort for its detox programme or yoga retreat. The Secondary Wellness Travellers are those who go on a trip for a purpose other than wellness, but they're interested in maintaining wellness when they travel. For example, a business traveller who deliberately chooses a hotel that offers healthy food and a good gym and will try to squeeze in a massage. These two segments – primary and secondary – can be the same person taking different types of trips at different times.

It's no surprise then that a bulk of wellness tourism falls into the secondary wellness category. In fact, for every single primary wellness trip taken in Asia, there are 13 more secondary wellness trips.

Wellness travellers also spend much more than the average tourist. In Asia-Pacific, international wellness travellers spend

33% more while domestic wellness travellers spend about 120% more.



Asia's Soft Power

Not only is Asia dominating in inbound and outbound statistics, its “soft power” impact on the global wellness stage cannot be overstated. Asian traditions and healing philosophies – from yoga, Ayurveda to traditional Chinese medicine's concept of balance and energy – have influenced virtually every aspect of the wellness industry for several decades today. Review any spa menu or retreat package in the world and you will inevitably find Asia's influence.

Wellness Tourist Archetypes

To understand this fast-growing market, we conducted over 50 one-on-one interviews with travellers, luxury tour operators, spa consultants, travel journalists, wellness destination resorts and hospitality brands who are based in Asia Pacific to arrive at **three main consumer archetypes** who will be driving the future of wellness tourism in Asia.





FEMALE TRAVELLERS

They were going on juice fasts and yoga weekends in their '20s, moved on to integrated health retreats and are now challenging themselves in solo travel. Women – travelling with other women or alone – are a force unto themselves and will become the most important market segment driving the wellness tourism boom worldwide. When it comes to wellness tourism, the future is indeed female.

Although not exactly new, **women-only vacations** have soared in popularity in the last decade, with some tour companies reporting over 200% growth in the last few years alone. In Bali, many women-only retreats have popped up in recent years. In Nepal, special tours for women-only treks are on the rise. Women in China, Hong Kong, Singapore, Philippines, Korea and Japan are making girlfriend getaways a regular part of their lifestyles, where wellness activities are at the heart of the experience.



What's Driving This Female-Centric Boom?



Wealth = Wellness

Women's spending power is surging: From 2013-2023, the global incomes of women will grow from US\$13 trillion to US\$18 trillion in travel, and that US\$5 trillion represents more than twice the expected growth in GDP from both China and India. With the women's empowerment movement, marriage and fertility rates are declining in many of Asia's developed countries. Instead, women are investing in their own personal and professional growth and wealth portfolio.



Best Life Cycle Investment

As a market segment, female travellers present the highest customer lifetime value because they engage in wellness travel the longest. Because women are more social by nature, women-only trips often start in their early '20s and continue for the rest of their lives. They travel to escape, rekindle friendships, celebrate milestones, and reward themselves.



The New Luxury

When it comes to wellness, luxury has less to do with the conventional trappings of indulgence and more to do with the ephemeral quality of an experience. Women who'll turn their nose up at anything less than 500 thread-count sheets, suddenly won't mind sleeping in yurts under the stars if it means a completely life-transforming experience. Austerity is equated with authenticity.



It's all about the Guru!

While state-of-the-art spas, luxurious accommodations, and breath-taking locations are all important to luxury travellers, it comes down to one undeniable fact: it's the guru that matters the most. Increasingly, wellness retreats are built around the cult following of fitness and yoga celebrity instructors and life coaches.

Solo-ish

More women are putting solo trips on their bucket list. Solo, but in the company of others. With safety an overriding concern, female solo travellers are finding safe haven in healing resorts like Kamalaya in Koh Samui, where 65% of guests are solo travellers, of which 65% are female. All-inclusive health resorts like Six Senses, Vana in northern India, and Como Shambala in Bali, give solo guests the best of all worlds – a mix of solitude, social interaction and safety.

Body, Mind & Ovaries

While yoga and detox are mainstays, new programs like The Farm at San Benito's "Female Revitalization" is tackling hormonal imbalance and cellular aging. Mental health is also on the rise, according to a Compare Retreats survey that cited this as the most important priority for women (see sidebar).

Walk on the Wild Side

Women are increasingly walking (and talking) their way to wellness. There's been a boom in women's-only walking clubs in Australia and tours like Walk Japan as well as self-imposed hiking trail challenges.

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Let's face it, for many Asian women, the winning trifecta for a girlfriend getaway is still shopping, sightseeing and spas, with "retail therapy" as the primary driver for travelling. Hotels and tour packages that make an extra effort-- whether in providing adjoining rooms, shopping sherpas and exclusive access to special outlets or 'therapists on demand' – can expect a loyal following. In terms of destinations, Tokyo, Seoul and Bangkok's popular shopping havens have become de rigueur for three-night/four-day getaways for women.

Eat, Play, Create

Yes, "experiences" matter but it's "transformation" that's the holy grail. Women who feel they've had to defer self-care and personal interests are now drawn to retreats that promise creative awakenings and self-improvement. Unleashing one's creative goddess – whether through photography, writing, art, cooking – has become essential to well-being. Many come away from these journeys so transformed that they abandon their professions to pursue an alternative path in...well, wellness.

What Women Want According to Compare Retreats' 2018 survey:

Top destinations:

Bali
Maldives
Thailand
Philippines
Sri Lanka

Most Important retreat features:

Yoga & Meditation classes	63%
Detox programmes	50%
Private nutrition consultation	43%
Medical check-ups	31%
Sleep therapies	34%
Personal trainer sessions	31%
Cooking classes	34%
Adventure sports	35%
Cultural excursions	32%
Women would rather travel with female friends	33%
Solo	20%

45% women surveyed go on a wellness retreat once a year.



AFFLUENT NEW AGERS

Consider this: Hong Kong and Japan have the highest life expectancies according to the World Economic Forum. The United States didn't even make it to the top 30. And according to Wealth-X, a global ultra-high network intelligence company, the fastest growth in wealth creation is in Asia, which posted an increase of ultra-wealth (defined as individuals with a net worth of US\$30 million or more) of 27% in 2018 and is forecast to have the strongest growth by 2022. Hong Kong has also overtaken New York to become the world's largest ultra-high net worth city.

What does this mean? **There's never been a better time to grow old in Asia.** With the combined factors of longer life expectancy and having the means to pursue wellness at a younger age, Asians who are approaching mid-life are recontextualising aging as **aspirational**.

They're not postponing living well after retirement, but are **embracing a life-well-lived mindset in their '40s** because they can afford it.

These Affluent New Agers are younger and changing the **notion of age from a chronological construct to biological and mental mindset – "65 is the new 45."** They want to achieve and maintain quality of not only life but lifestyle.



Who are these Affluent New Agers?

Based on our interviews, they are Instagram or Wechat (if they are Chinese) addicts, pursue wellness for self-care and improving health and are travel experts. They live very differently from previous generations and consider 'middle age' as the prime of their lives. It is the period when they have the resources and time to take on new adventures and explore the world. They are willing to spend on travel and wellness with the goal of indulging in bucket-list activities while they can. That is not to say that they are not value conscious. When pursuing luxury travel, these Affluent New Agers are more demanding in ensuring they get the very best for their money, from accommodations to exclusivity of experiences.

We spoke to several luxury tour operators and they

agree that this segment is now more adventurous in location choices and towards self-care activities. At Lightfoot Travel, Affluent New Agers are spending upwards of US\$200,000 per trip and there's been an increase year on year of 20%

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in these bucket list activities. A typical itinerary? Hop on a helicopter and fly around Everest before enjoying breakfast at 14,000 ft. Walk up an appetite by hiking to see gorillas in Rwanda. Affluent New Agers' idea of wellness isn't just spa treatments but physical

activity such as hiking and trekking. So much so that Scott Dunn have designed a number of 'Gourmet Hiking' tours to destinations such as Slovenia, the Spanish Pyrenees, Provence and the Kumano Kodo Trail in Japan.

"We see a lot of enquiries where the emphasis of 'adventure' is on the destination itself, such as Central Asia, Bhutan or Israel," says Theng Hwee Chang, CEO of Scott Dunn Asia, where 70% of their Asian market comprises silver set travellers.



Another area of enormous potential is the LGBTQ+ segment of Affluent New Agers. Acceptance for LGBTQ+ travellers have been growing in Asia with recent changes in legislation in India, Australia, Thailand and Taiwan. Hong Kong is also hosting the 2022 Gay Games for the first time. According to a 2018 report by LGBT Capital, the estimated LGBTQ+ purchasing power per annum for Asia is US\$1.3 trillion. And Affluent New Agers are less likely to have children and would have a higher disposable income to pursue luxury travel. The tourism market is taking note with the UNWTO commissioning a global report on LGBTQ+ Tourism. The Tourism Authority of Thailand also launch #GoThaiBeFree in Jan 2019 to target these travellers. Why? Tourism revenue from the LGBTQ+ community contributes 1.15% to Thailand's economy, the highest in the countries or regions surveyed by LGBT Capital, followed closely by Hong Kong at 1.11%.

On the flip side of lengthening lifespans: Affluent New Agers have also become one of the key drivers of medical tourism and Asian countries are also top destinations (see map). They are going overseas for medical treatments from health check-ups, dental work to cosmetic surgery. The reasons are multi-fold; receiving premium medical expertise at a lower cost; convenience of avoiding waitlists as well as geographic proximity to these countries. This aligns with the latest data from Market Data Forecast that stated the Asia-Pacific Medical Tourism Market was worth US\$7.79 billion in 2018 and estimated to be growing at a CAGR of 22.4%, to reach US\$19.87 billion by 2023.



Top “Bucket List” Destinations*

- A. Uzbekistan
- B. Kazakhstan
- C. Turkmenistan
- D. Kyrgyzstan
- E. Egypt
- F. Israel
- G. Jordan
- H. Camino de Santiago
- I. Antarctica
- J. Africa

*Sources: Luxury tour operators, interview responses



Medical Tourism Hotspots and Popular Treatments*

- A. China**
Acupuncture, Cupping, Tuina Massage, and Herbal Medicine
- B. Hong Kong**
Fertility
- C. India**
Cardiac, Transplants, Orthopaedics, Cosmetic, and Cancer
- D. Korea**
Cosmetic
- E. Malaysia**
End-to-End Solutions and Fertility
- F. Singapore**
Oncology, Neurology, Cardiology, and Stem Cell Therapy
- G. Taiwan**
Cardiac and Orthopedic
- H. Thailand**
End-to-End Solutions

*Sources: International Medical Travel Journal, interview responses, Medical Tourism Magazine



CHINESE MILLENNIAL MILLIONAIRES

It is difficult to overstate the sheer force of this market segment given that China's outbound travel market is expected to swell to over 400 million by 2030. As the middle class grows and incomes rise, producing more millionaires and billionaires at an exponential rate, so too does their appetite for travel and wellness experiences. This market is an important one for everyone in tourism. To practitioners in luxury travel, the most prized catch are the millennial millionaires.

Chinese millennials are generally stereotyped as “Buddhist minded” (佛系 fo xi) for their laissez-faire approach to life and obsession with health and wellness. Yet they are also known for their “punk wellness” (朋克养生 peng ke yang sheng) practices, remedying the effects of their health-compromising lifestyle with (mostly skin-deep) body-nourishing rituals. This is seen when they add cancer-fighting goji berries to beer or having reflexology after partying all night. Their efforts to stay healthy while leading an unhealthy lifestyle is a reflection of this generation's live-for-the-moment, yet pragmatic, attitude and it also underscores the fact that **wellness is the new status symbol among the 400-million-strong Chinese millennials.**

A recent survey by China Youth Daily showed that 80% of the 1,800 millennials interviewed from first to fourth-tier cities place personal health in high priority, while London-based lifestyle concierge service Quintessentially has also seen an unprecedented interest amongst their Chinese members in striking a balance between wellness and health. Health-

conscious behaviours that were once associated with the older generations are now embraced by millennials.

The growing importance of health in the lives of Chinese millennials is reflected in wellness tourism. To them, wellness has taken a broader and deeper meaning that goes beyond physical fitness and pampering spa treatments. Mental health is a high priority, so is intellectual and social wellness, which are expressed through challenging oneself, developing self-confidence and empathy or making positive changes to become a “better me”.

Through our research and in-depth interviews with millennial millionaires in China, we have identified five aspirations among China's young and affluent class, as well as insights in their ideal of wellness travel –



1

Aspiration - Fulfilment, a sense of achievement, self-improvement

Pursuits - Adventure, sports, educational courses

Wellness travel means stepping out of a comfort zone and pushing boundaries. It is perceived as a life-enriching experience. They seek out destinations not for the types of experiences they can gain, but for new knowledge or skills they can learn, new challenges they can take on. This means holidays in which they can explore new cultures, engage in adventure sports, such as rock climbing and skydiving, immerse in the wonders of wildlife, and sign up for a healthy cooking class or mindful living workshop.

2

Aspiration - Escape, moment of peace, restoration

Pursuits - Weekend anti-stress getaways for rest and relaxation, all-inclusive resort experience in a hidden location

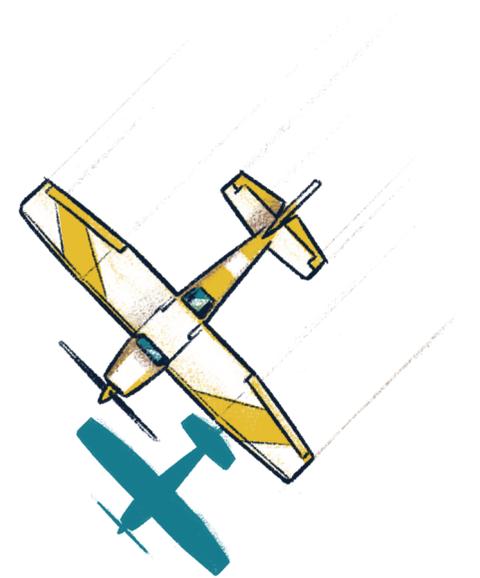
With increasing life stresses, urban pollution, information overload, and changing perceptions on relationship and marriage, the younger Chinese population seek isolation to unplug and detox. They are always ready to go on mini vacations that are convenient to plan in a secluded resort, as frequent as every two months. Ultimate luxury is time spent in solitude and the joy of doing things for themselves. However, since social media-addicted users have difficulty removing themselves from their mobile devices, digital detoxes are not high on their list. Hassle-free, all-inclusive packages that cover accommodation, meals, activities and treatments are preferred. Environmentally-friendly resorts with dual emphasis on sustainability and wellness are also a big draw.

3

Aspiration - Find meaning and purpose in life, transformation

Pursuits - Retreats for spiritual pursuit and self-realisation

With soaring national pride, more affluent millennials now take a keen interest in returning to their roots, prompting a growing demand for traditional arts, cultural practices and philosophy in a bid to relieve stress and achieve emotional wellness. Temple getaways have been attracting an increasing number of pilgrims, who seek a short stay to cleanse their mind, body and soul by consuming vegetarian food, performing meditation, practicing the ancient art of calligraphy (a form of meditation in Buddhist culture) and engaging in philosophical exchanges with spiritual gurus.



4

Aspiration - Making the most out of life and time

Pursuits - Action-packed itineraries with variety and diversity

It is no secret that high-end Chinese travellers never take single-purpose trips. The same applies to wellness travel. A full, action-packed itinerary with a variety of activities requiring different energy levels is appealing. Instead of a purist approach, it is sometimes done in the classic “wellness punk” style – a yoga retreat itinerary that also includes outdoor adventure, sight-seeing, shopping, fine dining and a beach party. Why? It is important for them to be perceived as “interesting” rather than wealthy and prosperous. They are on a constant quest for new ideas and inspiration.

5

Aspiration - Discovery and authenticity

Pursuits - Off-the-beaten-track destinations, local immersions

Keen to detach from the daily grind of living in crowded, polluted and stressful cities, the Chinese millennial millionaires are going to places they have never been. Although they love the Maldives and Bali, the lesser-known islands in the Philippines, Sri Lanka and small, mountain villages in Japan are capturing their hearts. Since they want to be the insiders and know the best local addresses, social media recommendations from friends and digital media play an important role in helping them curate personalised and authentic experiences.



This report is a result of over 50 one-on-one interviews conducted with seasoned luxury travellers, tour operators, spa consultants, travel journalists, wellness destination resorts and hospitality brands.

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About ILTM

ILTM is a global collection of invitation-only events that bring together leading international buyers to meet and discover the most luxurious travel experiences. Each event introduces an unrivalled selection of luxury travel brands to ILTM's extensive network of hand-picked luxury travel advisors, through bespoke appointment programmes and networking sessions. Alongside the global flagship events in Cannes and Asia Pacific, ILTM has four core local events; ILTM Arabia, ILTM China, ILTM Latin America and ILTM North America, as well as one specialist event; ILTM Africa.

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