



Central Asia Regional Economic Cooperation Program



ASIAN DEVELOPMENT BANK



Tourism market segments: adventure, health & wellness, medical, MICE

Presentation

Bishkek, 21.02. 2019

Health Tourism (HT) – Definition, treatments, market drivers, decision criteria and supply models

Definition health tourism

- **Health tourism** as —the **organized travel outside one’s local environment for the maintenance, enhancement or restoration of an individual’s well-being** in mind and body

Who are wellness travelers?

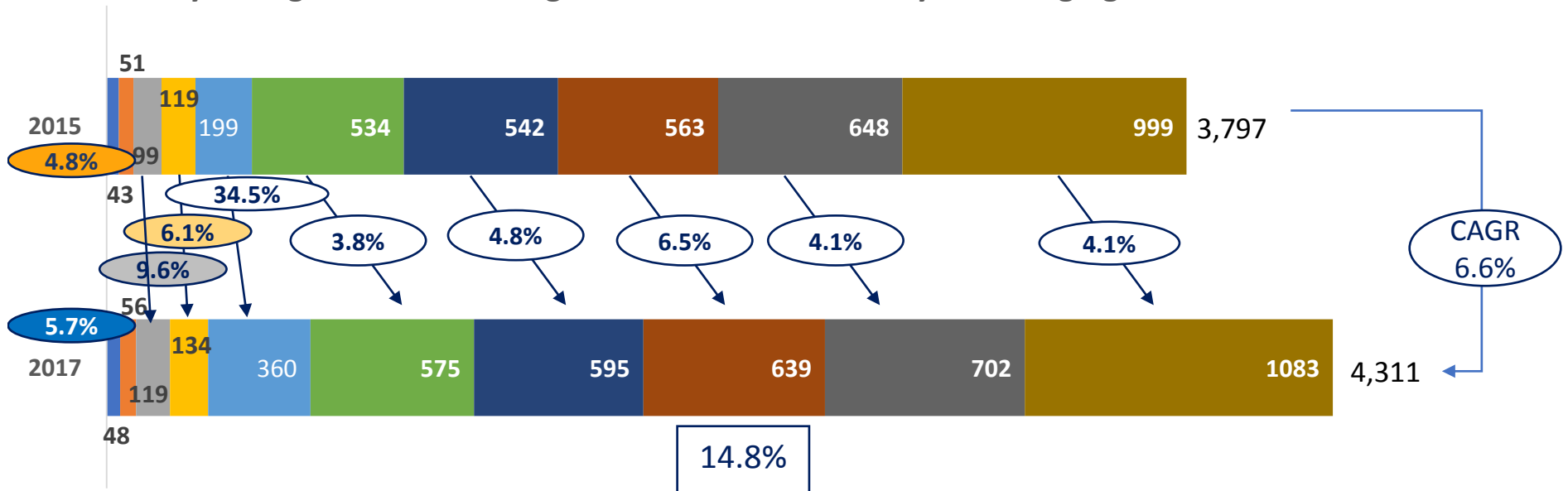
- Primary wellness traveler:** whose trip or destination choice is primarily motivated by wellness.
- Visiting a destination spa or spa-resort for rejuvenation and stress reduction
 - Vacationing at a hot springs resort for a long weekend
 - Staying at an ashram for a meditation retreat
 - Traveling to a wellness center for a full-scale executive health checkup
 - Taking a wellness cruise
 - Yoga retreat that includes healthy food and meditation in a natural setting
- Secondary wellness traveler:** who seeks to maintain wellness while traveling or who participates in wellness experiences while taking any type of trip for leisure or business.
- Demand for healthy accommodations, food, and fitness options
 - Visit to a hot springs bathing establishment as part of a trip
 - Visit to a spa, fitness center, beauty center, massage or reflexology treatment, or a hammam, during a trip.

Health Tourism: a \$0,6 bln market in a 4.3 bln industry

Health Tourism represents 14.8% of the global wellness industry growing at a CAGR of 6.5% in recent years.

People who travel tend to demand a health and health lifestyle when away from their environments, which is fueling the health tourism.

- Workplace wellness
- Thermal and mineral springs
- Spa industry
- Wellness lifestyle real estate
- Complementary and alternative medicine
- Preventative and personalized medicine and public health
- Fitness and mind-body
- Wellness tourism
- Healthy eating, nutrition & weight loss
- Beauty & anti-aging



Source: GWI Global Wellness Tourism Economy – November 2018; analysis JCF Strategy Consulting

HT market has had a strong growth (6.6% CAGR), and is expected to grow even faster during 2017-2022 at a 7.5% CAGR

North America has surpassed Europe as largest HT market, but not in number of trips, led by Europe followed by Asia Pacific which has enjoyed rapid growth.

Growth has been fueled by a rapid growth of number of trips (9.6% CAGR) and a decrease in expenditure per trip (-2.8% CAGR) between 2015 and 2017. This trend is expected to continue.

Asia- Pacific and Latin America offer the lowest expenditure opportunities for travelers.

Between 2017-2022 the highest growth will be in Asia-Pacific (13% CAGR), MENA (12% CAGR) and Africa (11% CAGR)

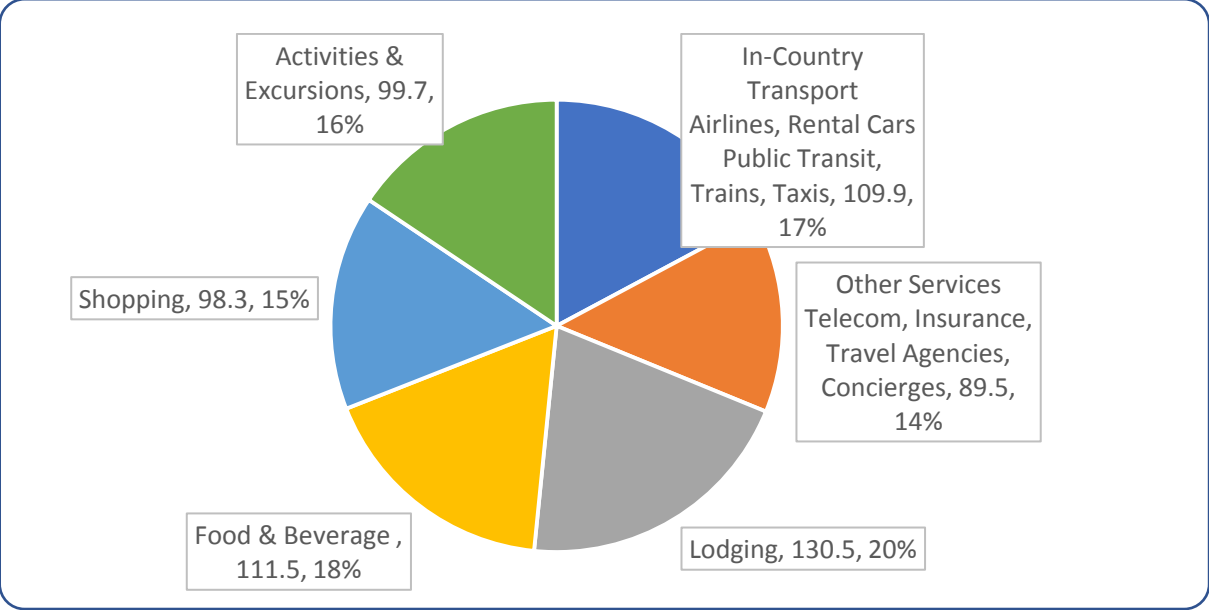
Wellness Tourism Trips and Expenditures by Region, 2015 and 2017	# trips		Expenditure (US\$ billions)			Expenditure per trip	
	2015	2017	2015	2017	2022	2015	2017
North America	186,5	204,1	215,7	241,7	311,3	\$1 157	\$1 184
Europe	249,9	291,8	193,4	210,8	275,0	\$774	\$722
Asia-Pacific	193,9	257,6	111,2	136,7	251,6	\$573	\$531
Latin America-Caribbean	46,8	59,1	30,4	34,8	54,7	\$650	\$589
Middle East-North Africa	8,5	11,0	8,3	10,7	18,7	\$976	\$973
Africa	5,4	6,5	4,2	4,8	8,1	\$778	\$738
Total	691,0	830,1	563,2	639,5	919,4	\$815	\$770



Source: GWI Global Wellness Tourism Economy – November 2018; analysis JCF Strategy Consulting

The HT expenditure categories are balanced in relevance

Breakdown of expenditure by category; 2017



Breakdown of trips expenditure by type; 2017

Type of wellness travel (2017)	Arrivals/ trips		Expenditure	
	# mln	%	USD bln	%
Secondary	739	89,0%	551	86,2%
Primary	91	11,0%	88	13,8%
Type of trip				
Domestic	684	82,4%	417	65,2%
International	146	17,6%	223	34,8%

- HT expenditure, without the international airfare component, is lead by lodging (20%), followed by F&B (18%), in-country transport (17%), activities and excursions (16%), sopping (15%), and other services (14%);
- **Secondary travel** dominates the market with 89% of trips and 86% of expenditures;
- **Domestic trips** represent 82% of the trips and 65% or expenditures;
- **Primary travel and international trips generate higher expenses per trip.**

Health and wellness tourism represents an opportunity for ABEC region in some geographically international markets

- alarming rise of air pollution in major metropolitan cities in China, India, and other Asian countries, some travelers are even traveling in search of healthier air, planning “lung-cleansing” and “smog-escape” wellness trips.
- Russia with its close ties to the ABEC region offers immediate opportunities.

Some wellness relevant Tourism Markets 2017	Number of Arrivals/Trips (000)			Receipts/ Expenditures	Avg. spending per trip International		Avg. spending per Trip domestic	
	Inbound/ International	Domestic	Total	(US\$ million)	Wellness	Other	Wellness	Other
China	7 724	62 442	70 167	31 706	\$2 226	\$1 417	\$232	\$146
Japan	1 586	38 900	40 486	22 466	\$2 192	\$1 436	\$488	\$307
India	4 542	51 426	55 969	16 300	\$2 937	\$1 941	\$58	\$36
Thailand	5 692	6 764	12 456	12 018	\$1 885	\$1 206	\$191	\$120
South Korea	1 710	17 909	19 618	7 187	\$2 054	\$1 307	\$205	\$126
Indonesia	5 184	3 152	8 335	6 929	\$1 184	\$793	\$251	\$115
Malaysia	3 332	4 956	8 288	5 019	\$1 109	\$717	\$251	\$102
Vietnam	3 150	6 466	9 615	4 001	\$959	\$634	\$152	\$97
Russia	2 094	13 733	15 827	3 997	\$384	\$201	\$233	\$123