Global Wellness Institute: Thermal/Mineral Springs Economy 2013

HOTSPRINGS  ASIA LEADS BY SIZE

Asia is the fastest growing market
China and Japan represent 51% of global industry revenues.
HOTSPRINGS IN ASIA

- China
- India
- Indonesia
- Japan
- Korea
- Malaysia
- Myanmar
- Philippines
- Singapore
- Taiwan
- Thailand
- Vietnam

Very little data available on most countries: data is incomplete, inconsistent and/or unreliable.
JAPAN  ONSEN AS PART OF CULTURE

Nippon Onsen Research Institute latest statistics:
- 3,088 hot spring districts
- 27,367 springs and
- 21,161 facilities.

No. guests staying at hot spring lodges per year is around **128 million**.

hot spring ceremony in Kyushu
JAPAN HOT SPRING DEVELOPMENT

Prehistoric Era
Rejuvenation after hard physical work

Nara Era
Buddhist Activities

Kamakura Era
From buddhist to recreation

Edo Period
Flourishing for medical effects

Heisei Period
Industry suffered due to economy. Regulation

Products:

- Natural Onsen for relaxation
- Natural Onsen for general health
- Natural Onsen for specific health conditions

Natural hotspring has always been core to Japanese hot spring industry.
JAPAN THREE MAIN TYPES OF ONSEN

**Day Onsen:** mainly in big cities with spa service, like Day spa operation. Ave. spend ~15-20 USD

**Local Public Onsen:** often settled in onsen district serving the local residents, small and cheap. Typically 3-5 USD. Some are free.

**Onsen Ryokan:** Traditional lodges, often far away from cities, providing food and accommodation. Family and lovers are main guest types. Ave. spend per person per day is ~200 USD.
Every hot spring has its own “Onsen ID Card”, including information such as:

- Origin of the hotspring water
- Mineral composition
- Curative effects, e.g., **Oosado onsen** - chronic eye diseases
- pH, indicating different therapeutic effects
  - E.g., **Kusatsu-onsen** pH 2.6: very helpful for skin disease, chronic gynaecopathia and hypertension;
- **Hirugami-onsen** pH 9.5: popular among girls for skin care.
- Temperature of the head spring: higher temperature can dissolve more active ions (?)
- Osmotic pressure: indicating mineral absorption.
- Contraindication and cautions
HOTSPRING ONLY MARKET IS LIMITED

Nippon Onsen Research Institute statistics:

- No. hot spring facilities & hotels declining
- No. of hot spring hotel guests declining

GWI Thermal/Mineral Springs Economy Study reveals: Hotspring businesses offering spa services can earn almost twice as much as springs without spa services.

*Plus*: not every country in Asia has Japan’s the extraordinary hot spring resources.

So what is the rest of the market doing?…
CHINA HOTSPRING OVERVIEW

More than 4,000 hot springs around China

Hot spring tourism revenue is over 12 billion USD p.a..

No. of hot spring tourists increasing 20% p.a..

Map of Hot Springs in China

Source: Chinese consulting firm
JAPAN

Predominantly natural hot springs; making full use of the water itself. ‘Pure’ and professional.

CHINA

China is proliferating many types of hot springs with accommodation, spa services, food and entertainment. Multi-function and diverse.
CHINA HOTSPRING DEVELOPMENT

Feudal China
For a long period of time, hot spring is royalty-related
Project: Huaqing Hot Spring

Before Opening-up policy
Coal miners or government officials use as sanatorium
Project: Liao Ning An Shan Tang Gang Zi Hot Spring

1980s to late 20th century
Embrace masses recreation oriented
Project: Zhuhai Yu Hot Spring Resort

early 21st century
More elaborate and private soft wellness oriented with Spa
Project: Brilliant Chongqing and Banyan tree Li Jiang

Recently
Flourishing with entertainment and multi-function hot springs
Project: Mission Hills Haikou; Xi'an Lehua Water Park
ASIA TENTYPES OF HOTSPRING

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TYPE ONE NATURAL HOT SPRING

Self-flowing hot spring within its original landscape, including: seaside, forest, mountains, canyons, wet lands, bamboo forest, volcanoes. Emphasis on the relaxing and restorative benefits of nature.
Relaxation and leisure tourism for the mass market. TCM-related services added as a selling points: herb bath, wellness tea, ‘seasonal wellness buffet’, etc. Seldom any TCM expertise onsite.
TYPE TWO LEISURE HOT SPRING + TCM

Wellness hot spring with rose essential oil?
TYPE THREE SPA HOT SPRING

Spa resorts for high-end market. Tranquil ambience, 5-star service, and professional Spa service. Sometimes TCM added. e.g. Brilliant Resorts, Banyan Tree, Sheenjoy
TYPE THREE SPA HOT SPRING

The Banjaran, Malaysia
TYPE FOUR REHABILITATION HOT SPRING

More affordable, Asian-style sanatorium. Now targeted mainly to seniors. Basic body check, medical (usually traditional), recovery, physiotherapy and fitness.
TYPE FIVE **SAUNA HOT SPRING**

Urban model for business and family use. Traditional sauna centers adding more elaborate hot spring features. Also foot massage relaxation (with TVs).
Type Six Entertainment Hot Spring

Hot Spring combine with entertainment facilities - to fill full the off peak season to increase resort revenue and business. Targeting families and groups.
TYPE SIX ENTERTAINMENT HOT SPRING

Now developing as full-on Theme Parks...
Hotspring resorts often have large conference & corporate entertainment facilities (eg: KTV), to balance the peak and low seasons in hot spring operation.
Destinations that combine hot spring resources with eco-tourism – farms for fresh produce. (Land and water is often mineral-rich, resulting in better tasting produce).
Wellness real estate is a popular trend in a struggling real estate market. Hot springs greatly add credibility and value to these developments.
Geological Survey of India identified 350 hot springs in India. Many hot springs are valued for their religious significance. During religious occasions devotees come from far and wide to touch the waters as part of their rituals.
ASIA TEN TYPES OF HOTSPRING

- Spiritual Hotpring
- Natural Hotspring
- Agriculture Hotspring
- Spa Hotspring
- Leisure Hotspring + Some Traditional Chinese Wellness Service
- Conference & Exhibition Hotspring
- Real Estate Hotspring
- Entertainment Hotspring
- Theme Park Hotspring
- Sauna Hotspring
- Rehabilitation Hotspring
ASIA TEN TYPES OF HOTSPRING

- Leisure, Entertainment
- Leisure HotSpring + Some Traditional Chinese Wellness Service
- Conference & Exhibition HotSpring
- Real Estate HotSpring
- Entertainment HotSpring
- Theme Park HotSpring
- Sauna HotSpring
- Rehabilitation HotSpring
- Spa HotSpring
- Natural HotSpring
- Agriculture HotSpring

Spiritual HotSpring
ASIA TEN TYPES OF HOTSPRING

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(DSM Wellness Management)