



Senior Tourism Leaders Roundtable

November 2, 2015

At the World Travel Market hosted by the Global Wellness Institute

Chaired by Richard Sermon MBE

Supported and facilitated by Anni Hood

This forum brought together senior figures of tourism who are proactively exploring or actively incorporating a wellness culture into both their strategies and forward planning discussions. The diverse benefits of wellness tourism were debated and the growing reality of wellness as an essential and even (becoming) compulsory element to a tourism and cultural strategy. The challenges, the opportunities and the potential of embracing this high growth tourism sector was explored and discussed.

ATTENDEES:

1. Katia Carvalho - Regional Director of Tourism, Madeira
2. Liisa Renfors - Product Specialist - Visit Finland
3. Richard Sermon MBE
4. HE Michael Nazzal - Senator for the Hashemite Kingdom of Jordan and Director of tourism
5. Mia Kyricos - Founder and CEO Kyricos and Associates
6. Yazmin Azman - Head of strategy and communications for Malaysia Healthcare Travel Council
7. Stella Photi - Founder and Director - Wellbeing Escapes
8. Dr. Eleni Michopoulou - Asst Professor - Tourism and Wellness Derby University
9. Anni Hood - Founder and CEO Wellness Business Consultancy

CONTEXT AND OUTPUT:

Education

The table participants identified education as the vehicle to capitalise on positive trends. Governments, consumers and the travel industry need to be educated about the people focused and commercial benefits of wellness tourism.



The need remains and was further identified by all table participants who stressed the need to distinguish between medical tourism and wellness tourism.

HE Michael Nazzal, Senator for the Hashemite Kingdom of Jordan and Director of Tourism, pointed out that medical tourism should be defined as something which requires a hospital visit while wellness tourism is less defined. "Any hotel could become a wellness resort," he said.

"But there is a flow-through between the two," he added.

"Medical tourists will need somewhere to recuperate after their procedure, which is where wellness comes in. And the returns on a hotel which offers wellness is higher than for other type of guests."

Data and data aggregation

The benefits of wellness for a nation are well-known, in that a healthy population will reduce health-care costs. However, it is difficult to produce a cost-benefit analysis on this for governments, and a lack of data has similarly been a headwind for the wellness tourism sector.

However, that situation is changing. Mia Kyricos, Founder and CEO Kyricos Associates remarked that The Global Wellness Summit, first produced data on the wellness tourism sector in 2013 and we have seen the level of interest grow over the past few years. "For example, we can show that a wellness tourist is a high-yielding tourist - they are worth 130% more than a standard tourist while 83% of consumers will spend more on wellness travel".

Elsewhere, Dr Eleni Michopoulo, assistant professor of tourism and wellness at Derby University in the UK revealed that her department is about to produce an academic journal. "There are pockets of brilliance out there but they are disjointed so we will bring them all together. Wellness has been around a long time but has not had the respect of the academic world." One result of this increase in available data is that investors will be able to make more informed decisions about the extent of their financial commitments to the sector.



Benefits to countries and destinations

Richard Sermon, a tourism advisor and investor, noted that "investors are interested in the sector because of the high margins and the fact that there is a new generation of people who are doing everything with wellness in mind."

The problem with allowing investors to drive the sector is that, generally, they are interested in short-term gains. Stella Photi launched Wellness Escapes in the UK ten years ago. "We were ahead of the curve and did not try to dumb down the idea of wellness. As a result, we struggled in the first couple of years but we grew 40% last year because people are now understanding wellness and wanting it. But as a business you have to have a long-term vision, it's not a quick cash cow."

She also suggested that the big opportunity for investors was for "affordable and accessible wellness, because there is a lot of interest but concerns over the cost."

Challenges

Destinations were represented at the round table with Katia Carvalho, regional director of tourism for Madeira, saying that the island had a wealth of opportunities for nature-based wellness tourism but the sector was held back by hoteliers' reticence. "Hoteliers in Madeira will react to the emergence of any wellness hotels, but will not be pro-active, but we'd only need two or three partners to commit for the momentum to build."

Finland is another destination where nature-based wellness is a potential driver of tourism. Liisa Renfors, a product specialist for Visit Finland, said that the country "has done well from Russians wanting spas and wellbeing, as well as medical options, but the Russian demand has dropped and we need to think of new ways of doing things."

Elsewhere, Yazmin Azman, head of strategy and communications for Malaysia Healthcare Travel Council, said that medical tourism fell under the remit of the health department while wellness was part of tourism. "But we're too focussed on orangutans, jungles and beaches. Wellness doesn't get a look in even though its relatively cheap in Malaysia but then we're sandwiched between Singapore and Thailand."



The wellness sector is at the sweetspot of a number of socio-demographic trends, driven by an aging population who have more interest in wellness, a younger generation whose interest in wellness co-incides with fitness apps and a baby-boomer generation in the middle who need relief from the stress of everyday life.

As Stella Photi said: "People are starting to be proactive about health and wellness rather than reactive. Wellness tourism can be part of this. it's not just for hippies in an ashram, it's for everyone."

KEY TAKE AWAYS:

1. Education in both the public and private sector must not be underestimated in its need and most importantly its essential role in enabling strategic progress both economically and socially.
2. The aggregation of data, case studies and monitored impact must be gathered and disseminated to better effect for regional and global advantage.
3. Investors are interested because of high margins and multi demographics wishing to approach everything with wellness at the forefront of their decision making process.
4. Challenges remain where more 'traditional' tourist attractions still trump the wellness opportunity - this mirrors back to the importance of education and driving data collection and evidential case studies.