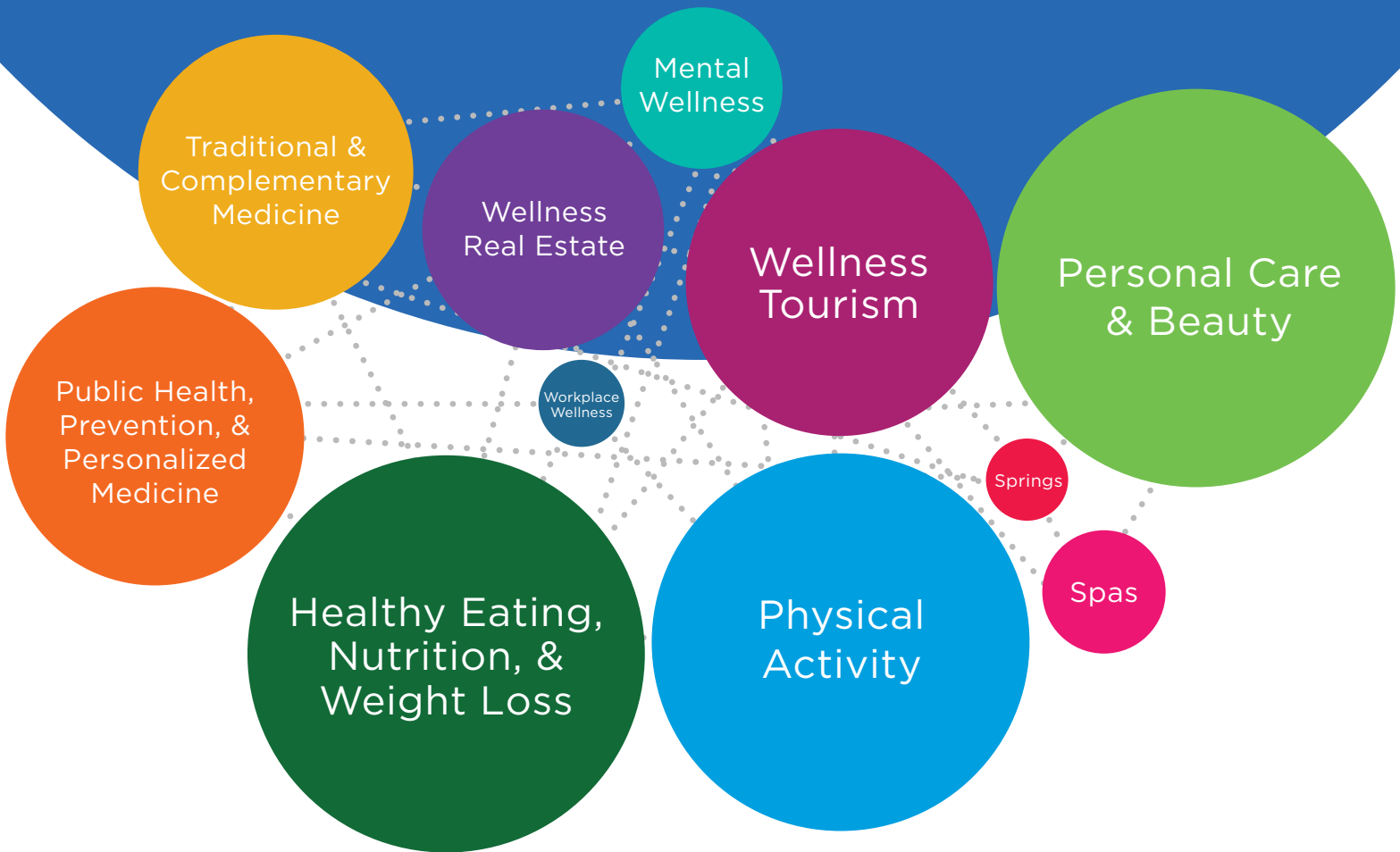




GLOBAL WELLNESS
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Global Wellness Economy Monitor 2023



Global Wellness Economy Monitor 2023

NOVEMBER 2023



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About the Global Wellness Institute

The Global Wellness Institute (GWI), a 501(c)(3) non-profit organization, is considered the leading global research and educational resource for the global wellness industry and is known for introducing major industry initiatives and regional events that bring together leaders and visionaries to chart the future. GWI positively impacts global health and wellness by advocating for both public institutions and businesses that are working to help prevent disease, reduce stress, and enhance overall quality of life. Its mission is to empower wellness worldwide.

www.globalwellnessinstitute.org

About the Authors

Global Wellness Economy Monitor 2023 was prepared by Katherine Johnston, Ophelia Yeung, and Tonia Callender. As GWI's principal researchers, they are the team that has defined and measured the size of the global wellness economy and its sectors over the last fifteen years. Their academic and professional background is in economic analysis, international development, and public policy. Ms. Johnston, Ms. Yeung, and Ms. Callender received post-graduate degrees from Georgetown, Princeton, and Harvard Universities, respectively. Together, they bring many decades of experience conducting research, impact assessments, and strategy development for countries, regions, industry consortia, companies, and nonprofit institutions around the world.

PREFACE

What Is Wellness?

Wellness is a modern word with ancient roots. The key tenets of wellness as both preventive and holistic can be traced back to ancient civilizations from the East (India, China) to the West (Greece, Rome). In 19th century Europe and the United States, a variety of intellectual, religious, and medical movements developed in parallel with conventional medicine. With their focus on holistic and natural approaches, self-healing, and preventive care, these movements have provided a firm foundation for wellness today. Wellness-focused and holistic modalities have gained more visibility since the 1960s/1970s under the writings and thought leadership of an informal network of U.S. physicians and thinkers (such as Halbert Dunn, Jack Travis, Don Ardell, Bill Hettler, and others). As these have evolved, proliferated, and gone mainstream, they have informed the healthy-living, self-help, self-care, fitness, nutrition, diet, and spirituality practices that have become a flourishing wellness movement in the 21st century.

The Global Wellness Institute (GWI) defines wellness as: ***the active pursuit of activities, choices, and lifestyles that lead to a state of holistic health.***

There are two important aspects to this definition. First, wellness is not a passive or static state, but rather an “active pursuit” that is associated with intentions, choices, and actions as we work toward an optimal state of health and well-being. Second, wellness is linked to holistic health – that is, it extends beyond physical health and incorporates many different dimensions that should work in harmony (see figure).

Wellness is an individual pursuit – we have self-responsibility for our own choices, behaviors, and lifestyles – but it is also significantly influenced by the physical, social, and cultural environments in which we live. Research on the determinants of health indicates that environmental, socioeconomic, and lifestyle factors can account for 80-90% of our disease risks and health outcomes.

Wellness is often confused with terms like health, well-being, and happiness. While there are common elements among them, wellness is distinguished by not referring to a static state of being (i.e., being happy, in good health, or a state of well-being). Rather, wellness is associated with an active process of being aware and making choices that lead toward an outcome of optimal holistic health and well-being.

Wellness Is Multidimensional



PREFACE

What Is the Wellness Economy?

The Global Wellness Institute (GWI) defines the wellness economy as **industries that enable consumers to incorporate wellness activities and lifestyles into their daily lives**. In our definition, the wellness economy encompasses eleven varied and diverse sectors.

GWI first pioneered this concept and measured the wellness economy in the 2014 *Global Wellness Economy Monitor*, when we estimated wellness as a \$3.4 trillion industry in 2013. To our knowledge, this was the first time that wellness was defined and measured as a global industry, with underlying sector-level and country-level data. Since then, we have published updated figures on the wellness economy for 2015, 2017, 2019, and 2020. The overall wellness economy definition, framework, and measurement methodology have not changed over the last decade, but we have made a few key expansions:

- In our 2013 dataset, we only provided regional and country-level data for three sectors (wellness tourism, spas, and thermal/mineral springs). Over time, we have expanded the depth and breadth of our research, and we have provided detailed regional- and country-level data for additional sectors every time we have published the *Global Wellness Economy Monitor*.
- In our 2020 dataset, we added mental wellness as an eleventh sector in the wellness economy (previously our figures had included ten sectors). We also significantly expanded our definition and measurement of the physical activity sector (previously this sector was defined more narrowly as “fitness & mind-body” only).
- In our 2020 dataset, we expanded our regional- and country-level data collection to cover all eleven sectors. For the first time, this allowed us to release aggregated wellness economy figures for every country and region (rather than just at the global level).

Our wellness economy framework and data are grounded in our numerous in-depth sector-level studies, starting with our first study on the global spa industry in 2008. Since then, we have conducted pioneering research on the following seven wellness sectors: **spas, thermal/mineral springs, wellness tourism, workplace wellness, wellness real estate, physical activity, and mental wellness**. For each of these sectors, we have created a conceptual framework to define the sector and its boundaries, and we conduct original, country-level research to estimate the market size and arrive at globally aggregated figures. To our knowledge, these are the only studies that have estimated the size of these sectors across all countries in the world, using a consistent framework.

In addition to the seven wellness sectors where we have done in-depth study, we also produce original country-level and global estimates for four other sectors: **personal care & beauty; healthy eating, nutrition, & weight loss; public health, prevention, & personalized medicine; and traditional & complementary medicine**.

For more information and GWI's most recent data and analysis for the global wellness economy, see: <https://globalwellnessinstitute.org/industry-research/>.

PREFACE

Research Methodology and Scope

The global wellness economy and sector data presented in this report are for the years 2019, 2020, 2021, and 2022. The definitions, conceptual frameworks, and estimation models for each of the wellness sectors are developed by the authors under the auspices of the Global Wellness Institute (GWI), consistent with the data and methodologies used in prior GWI studies over the last fifteen years.

Our dataset covers the entire world (218 countries, territories, and markets). The authors have developed original, country-level data estimates for nine wellness economy sectors (spas; thermal/mineral springs; wellness tourism; workplace wellness; wellness real estate; physical activity; mental wellness; traditional & complementary medicine; and public health, prevention, & personalized medicine), based on GWI's proprietary models and databases and drawing on a wide variety of primary and secondary data sources. Figures for the other two wellness sectors (personal care & beauty, and healthy eating, nutrition, & weight loss) follow GWI's customized definitions and conceptual framework, but they are aggregated primarily from Euromonitor and other secondary sources.

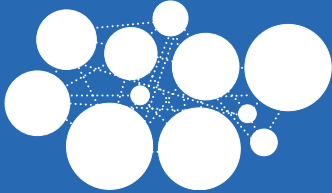
The analysis is based on extensive primary and secondary research conducted from January to September 2023, including literature reviews, data research, and expert interviews. Key public and private sources consulted include: Euromonitor International, World Bank, International Monetary Fund (IMF), World Health Organization (WHO), International Labour Organization (ILO), World Travel & Tourism Council (WTTC), World Tourism Organization (UNWTO), Statista, Eurostat, U.S. Bureau of Labor Statistics, U.S. National Institutes of Health, International Spa Association (ISPA), International Health, Racquet, & Sportsclub Association (IHRSA), International Coaching Federation (ICF), and many other organizations. Other sources include global travel promotion and booking websites; numerous industry-specific organizations, databases, publications, and media sources (e.g., the Global Wellness Trends Reports by the Global Wellness Summit, Spa Business Handbook, Spa Business Magazine, Club Industry, Health Club Management, etc.); and dozens of government ministries and statistical agencies in countries around the world.

The authors have also benefited from the industry insights and technical inputs from several Global Wellness Institute Initiatives, including: Hot Springs Initiative, Mental Wellness Initiative, Wellness Tourism Initiative, Wellness Communities & Real Estate Initiative, and Workplace Wellbeing Initiative.

Additional details about our definitions and measurement methodologies are provided in the individual chapters for each of the eleven wellness economy sectors.

CHAPTER 1

The Global Wellness Economy



Definition

The eleven industry sectors that enable consumers to incorporate wellness activities and lifestyles into their daily lives.

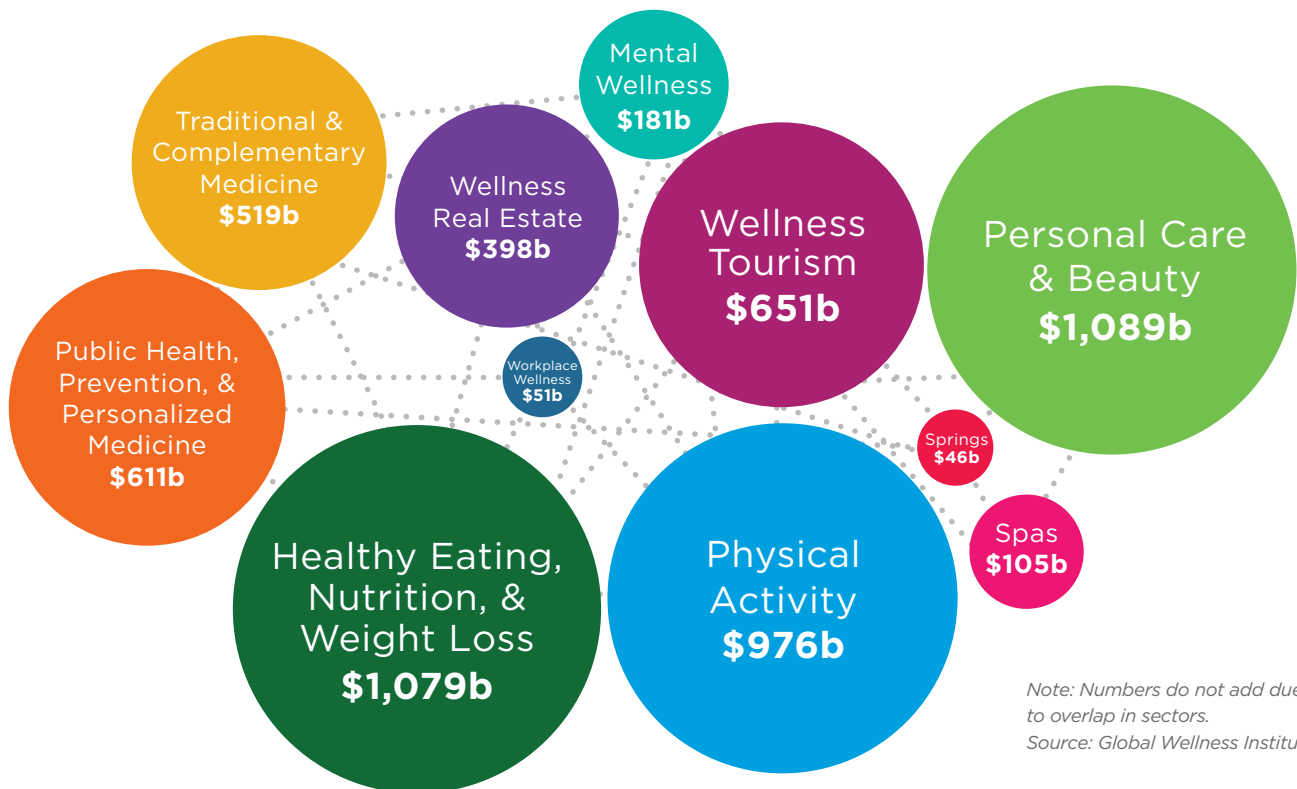
\$5.6 trillion

Global Market
In 2022

12.1%

CAGR
2020-2022

GLOBAL WELLNESS ECONOMY: \$5.6 trillion in 2022



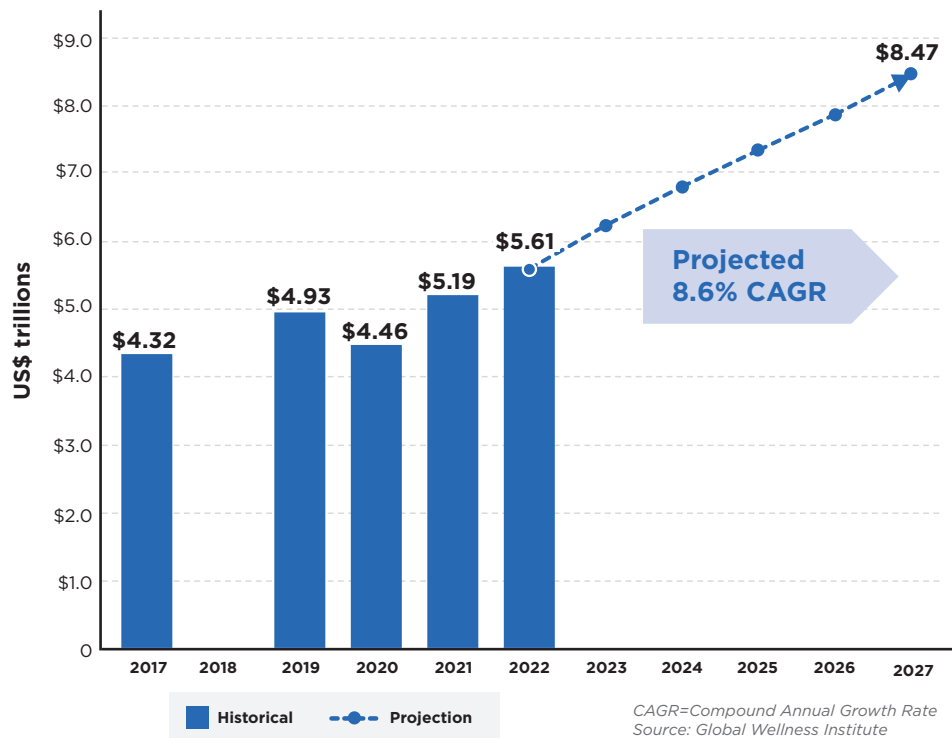
*Note: Numbers do not add due to overlap in sectors.
Source: Global Wellness Institute*

The global wellness economy is recovering strongly from the pandemic and reached \$5.6 trillion in 2022.

Like most industries, the global wellness economy has experienced major shifts and disruptions over the last few years in the wake of the COVID-19 pandemic. Prior to 2020, the wellness economy was growing strongly, and faster than overall economic growth, for many years. In 2019, the wellness economy reached \$4.9 trillion. In 2020, it fell by 9.5% to \$4.46 trillion, due to the pandemic.¹ By comparison, global GDP fell by only 2.7% in 2020.² The year 2020 has become a watershed year that will forever divide history (and the wellness economy) into “before” and “after” COVID-19.

The good news is that the wellness economy has recovered quickly from the massive economic shock of 2020. Most (but not all) of the eleven wellness economy sectors have recovered and now surpass their pre-pandemic levels. **In 2022, the global wellness economy stands at \$5.6 trillion dollars, nearly 14% higher than its size in 2019.** The wellness economy grew robustly by 16.5% in 2021 in its initial phase of recovery from the pandemic, and then growth tapered off to 8.1% in 2022. By comparison, global GDP grew by 13.5% in 2021 and 4.1% in 2022. The global wellness economy and all of the wellness sectors are poised for strong ongoing recovery and growth in the coming years, fueled by a long-term trend of rising consumer interest in and need for wellness, which has only accelerated since the pandemic.

Global Wellness Economy Market Size and Growth Projections, 2017-2027



¹ Note that the 2019 and 2020 wellness economy figures have been revised and are slightly different from the figures presented in the 2021 *Wellness Economy Monitor*. See box on Page 10 for more details.

² Global GDP data from: IMF, *World Economic Outlook Database*, April 2023 Edition, <https://www.imf.org/en/Publications/WEO/weo-database/2023/April>.

All regions have recovered from the pandemic, but North America, Europe, and Middle East-North Africa have shown the strongest resilience and growth from 2019-2022.

In 2022, North America has surpassed Asia-Pacific to become the largest regional wellness economy, a shift that has occurred due to relatively slower growth and recovery in some major Asian markets (see further discussion below). North America (\$1.9 trillion), Asia-Pacific (\$1.7 trillion), and Europe (\$1.5 trillion) together account for 90% of the entire global wellness economy. Per capita spending on wellness is significantly higher in North America (\$5,108) and Europe (\$1,596) than in other regions of the world.

It is important to keep in mind that some of the wellness sectors are “export industries” (i.e., selling services to people who are not residents of the country in which the business is located). For example, about 26% of all wellness tourism expenditures are from international travel; likewise, a significant portion of revenues in thermal/mineral springs and some types of spas come from international visitors. Therefore, not all of the wellness spending shown in the table below for each region is made by residents of that region.

Wellness Economy by Region 2019-2022

	Wellness Economy					Average Annual Growth Rate	
	(US\$ billions)				Per Capita 2022	2019-2020	2020-2022
	2019*	2020*	2021	2022			
North America	\$1,551.1	\$1,463.1	\$1,692.3	\$1,901.4	\$5,108	-5.7%	14.0%
Asia-Pacific	\$1,589.8	\$1,468.5	\$1,653.7	\$1,698.1	\$399	-7.6%	7.5%
Europe	\$1,293.9	\$1,133.4	\$1,383.7	\$1,469.7	\$1,596	-12.4%	13.9%
Latin America-Caribbean	\$297.3	\$219.0	\$263.7	\$314.4	\$476	-26.3%	19.8%
Middle East-North Africa	\$122.2	\$110.5	\$126.0	\$145.4	\$273	-9.6%	14.7%
Sub-Saharan Africa	\$77.6	\$69.0	\$73.9	\$82.6	\$68	-11.0%	9.4%
WORLD	\$4,931.7	\$4,463.5	\$5,193.3	\$5,611.6	\$706	-9.5%	12.1%

* 2019 and 2020 figures have been revised since GWI released the previous version of the Wellness Economy Monitor (see box on Page 10 for more details).

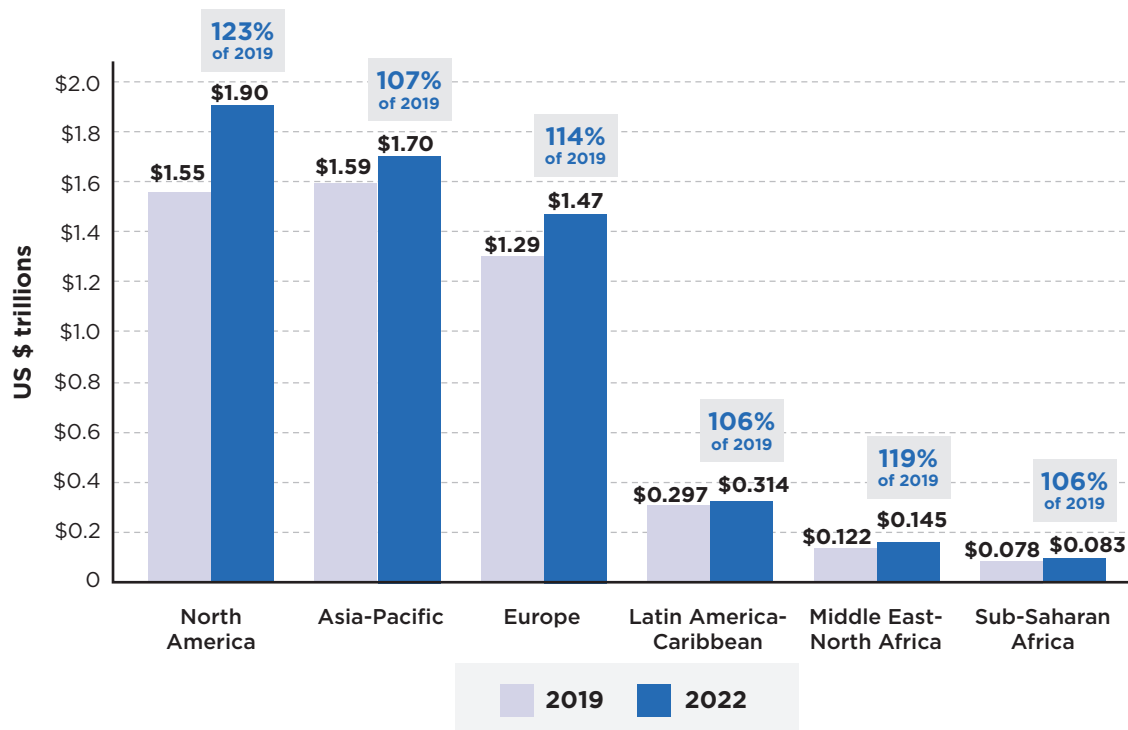
Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based extensive primary research and secondary data sources.

Asia-Pacific was one of the regions least negatively impacted by the pandemic (-5.7% in 2019-2020), but its wellness market has also seen the slowest growth and recovery over the last two years (12.6% growth from 2020-2021, which then fell to 2.7% growth in 2021-2022). In Asia, some wellness sectors are still far below their pre-pandemic levels (wellness tourism, spas, thermal/mineral springs), and several sectors have posted very slow or negative growth from 2021-2022 (personal care/beauty, healthy eating/nutrition/weight loss, physical activity, thermal/mineral springs, workplace wellness). Key issues hampering Asia's recovery include the prolonged pandemic and related restrictions in China (which have affected both domestic Chinese tourism and intra-Asia travel), weakened economic conditions in China in 2022 (which have kept the massive Chinese market from recovering in many sectors), and currency depreciation against the U.S. dollar in several major Asia markets in 2022 (Japan, South Korea, Australia). (Note: see individual sector chapters for more details on regional growth trends in each sector).

As of 2022, the wellness economies across all regions have recovered to and surpassed their pre-pandemic/2019 levels. It can be challenging to compare the regional growth rates in 2020-2022 as a metric for which markets have been growing fastest, because the growth trends during this period reflect recovery from the pandemic dip in 2020 – and so regions with the greatest declines in 2019-2020 are likely to have higher growth rates in 2020-2022. A better metric for growth is to examine the extent to which each region has surpassed its pre-pandemic level (see chart below). **As of 2022, North America, Europe, and Middle East-North Africa have shown the strongest resilience, recovery, and growth since before the start of the pandemic.**

Recovery of the Wellness Economy by Region 2019 versus 2022



Source: Global Wellness Institute. Labels indicate the % to which the region's 2022 wellness economy exceeds its 2019 (pre-pandemic) level.

Seven of the eleven wellness sectors have fully recovered from the pandemic, with a 2022 market size that exceeds their 2019 level.

The wellness economy comprises eleven sectors, and their sizes and growth rates are presented in the table below.³ Seven out of the eleven wellness sectors declined in 2020 due to the pandemic. *Wellness tourism, thermal/mineral springs, and spas* were the sectors most negatively impacted in 2020, and these three sectors have also been the slowest to recover after 2020. All eleven sectors have resumed a positive growth trajectory in 2021 and 2022, although only seven have fully recovered to their pre-pandemic levels (see further discussion below). *Personal care & beauty; healthy eating, nutrition, & weight loss; and physical activity* are the largest sectors in the wellness economy; together, these three sectors account for 56% of the entire global wellness market in 2022. *Wellness tourism and public health, prevention, & personalized medicine* comprise the rest of the top five largest sectors.

Wellness Economy by Sector 2019-2022

	Market Size (US\$ billions)				Average Annual Growth Rate	
	2019*	2020*	2021	2022	2019- 2020	2020- 2022
Personal Care & Beauty	\$1,066.3	\$924.2	\$1,048.2	\$1,088.7	-13.3%	8.5%
Healthy Eating, Nutrition, & Weight Loss	\$911.3	\$948.7	\$1,046.2	\$1,079.3	4.1%	6.7%
Physical Activity	\$875.9	\$746.8	\$927.1	\$976.3	-14.7%	14.3%
Wellness Tourism	\$720.4	\$350.6	\$466.8	\$650.7	-51.3%	36.2%
Public Health, Prevention, & Personalized Medicine	\$358.2	\$537.2	\$600.9	\$610.9	50.0%	6.6%
Traditional & Complementary Medicine	\$486.6	\$449.6	\$502.4	\$518.6	-7.6%	7.4%
Wellness Real Estate	\$225.2	\$274.0	\$341.2	\$397.7	21.6%	20.5%
Mental Wellness	\$130.2	\$142.6	\$165.5	\$180.5	9.5%	12.5%
Spas	\$113.8	\$69.9	\$82.1	\$104.5	-38.6%	22.3%
Workplace Wellness	\$52.2	\$47.9	\$49.6	\$50.6	-8.2%	2.8%
Thermal/Mineral Springs	\$65.7	\$39.9	\$45.4	\$46.3	-39.2%	7.7%
Wellness Economy	\$4,931.7	\$4,463.5	\$5,193.3	\$5,611.6	-9.5%	12.1%

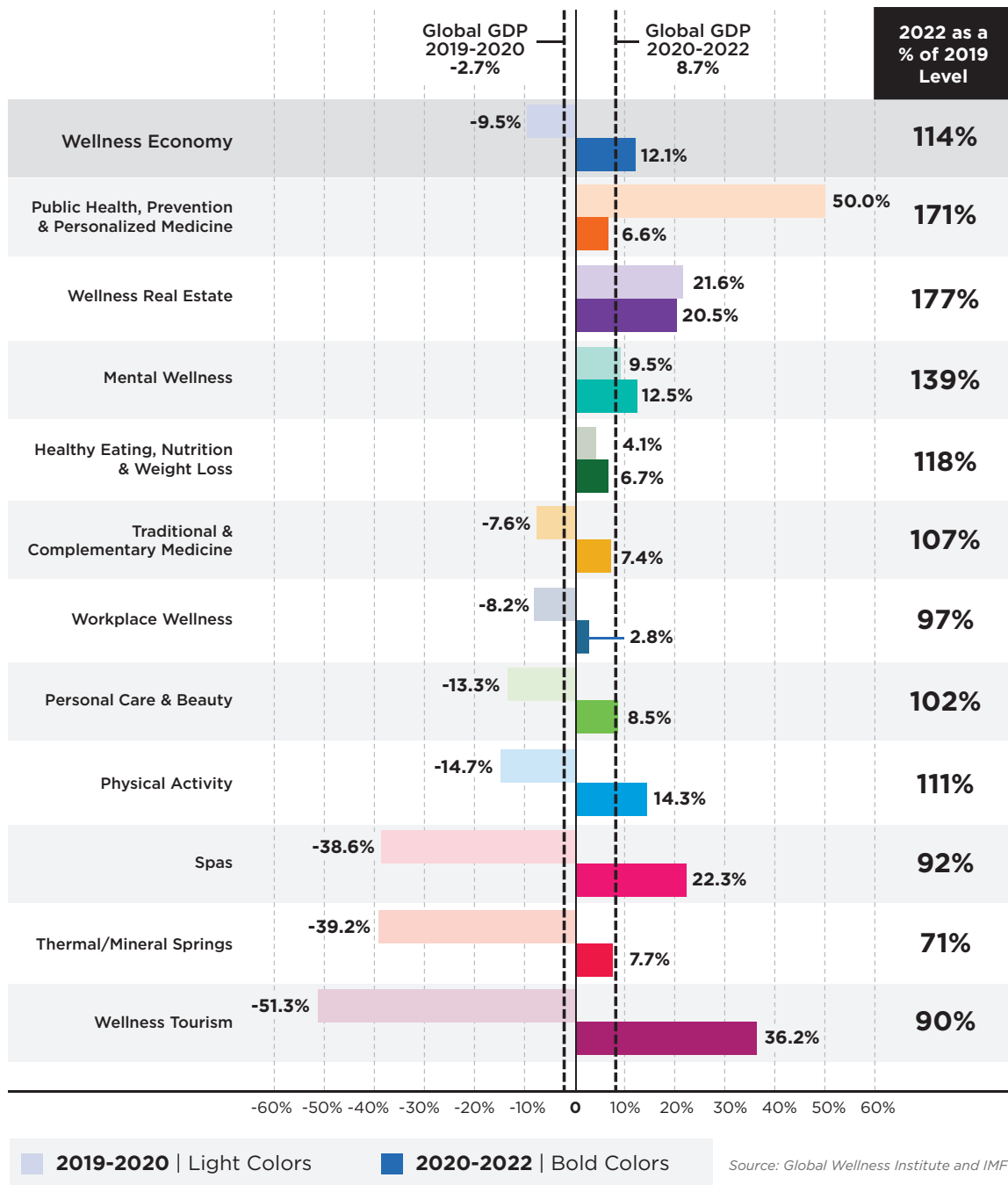
* 2019 and 2020 figures for most sectors have been revised since GWI released the previous version of the *Wellness Economy Monitor* (see box on Page 10 for more details).

Note: Figures do not sum to total due to overlap in segments.

Source: Global Wellness Institute, based on extensive primary research and secondary data sources.

³ Note that GWI's 2019 and 2020 figures for most of the wellness sectors have been revised, and they differ from the data presented in the 2021 *Global Wellness Economy Monitor* (see box on Page 10 for an explanation of the revisions).

Average Annual Market Growth and Recovery by Sector 2019-2020 and 2020-2022



Simply comparing the sector growth rates for 2020-2022 is not the best way to assess which sectors have been growing fastest, because the growth trends during this period reflect recovery from the pandemic dip in 2020 – and so the sectors with the greatest declines in 2019-2020 are likely to have higher growth rates in 2021-2022. A better metric for growth is to look at the extent to which each sector has surpassed its pre-pandemic level (see chart above), in addition to its growth rate. **The sectors that have shown the strongest resilience, recovery, and growth since the pandemic include: wellness real estate; public health, prevention, & personalized medicine; mental wellness; healthy eating, nutrition, & weight loss; and physical activity.**

Below is a summary analysis of how the eleven wellness economy sectors have fared during the pandemic (note that more detailed analysis is provided in the chapters for each specific sector).

Wellness sectors that have grown throughout the pandemic:

- **Wellness real estate** (+20.5% annual growth 2020-2022; now at 177% of its 2019 level) has been the fastest-growing sector in the wellness economy since before the pandemic, significantly outpacing projections and economic growth trends. COVID-19 has accelerated the growing understanding among consumers and the building industry about the critical role that external environments play in our physical and mental health and well-being.
- **Mental wellness** (+12.5% annual growth 2020-2022; now at 139% of its 2019 level) has grown strongly since 2019, as consumers desperately sought out products, services, and activities to help them cope with the immense stresses they faced during the pandemic. All types of products and services have posted strong growth in recent years: sleep solutions; sensory products and services; vitamins, supplements, and functional foods/beverages targeting brain health and energy; cannabis; self-improvement; coaching; and all kinds of meditation and mindfulness products and services. Many mental wellness activities are done at home or via tech platforms, and many products are inexpensive and/or easily purchased online, which helped to keep spending high amidst COVID disruptions.
- **Public health, prevention, & personalized medicine** (+6.6% annual growth 2020-2022; now at 171% of its 2019 level) grew by 50% in 2020, due to governments and healthcare systems accelerating their public health and prevention expenditures during the pandemic. Worldwide, public and private spending on public health/prevention has increased as a share of overall health expenditures (from 3.9% in 2019 to 5.8% in 2021 and 2022) and remains far above pre-pandemic levels.
- **Healthy eating, nutrition, & weight loss** (+6.7% annual growth 2020-2022; now at 118% of its 2019 level) has grown throughout the pandemic, as consumers sought out a variety of packaged foods and beverages, vitamins, and supplements that they believed would strengthen their immunity and help ward off disease. GWI cautions that the growth in this sector should not be interpreted as “consumers were eating healthier” during the pandemic, as there is scant scientific evidence and no consensus on how healthy these products actually are. In addition, the growth in some countries reflects food price inflation, rather than an actual increase in consumer purchases.

Wellness sectors that initially shrank but have recovered from the pandemic:

- **Physical activity** (+14.3% annual growth 2020-2022; now at 111% of its 2019 level) declined in the first year of the pandemic, but it has rebounded quickly in 2020-2022 as people started returning to their regular activities and exercise routines. Fitness was the most negatively impacted segment and has not yet returned to pre-pandemic levels, due to many factors (gym members not returning or shifting to online platforms, permanent gym closures, etc.). Mindful movement (yoga, Pilates, etc.) saw a major boost in popularity during the pandemic and has continued to grow rapidly, not only as at-home exercise, but also for stress and mental wellness purposes. Consumer spending on sports and active recreation has also grown rapidly, although participation rates are still below their pre-pandemic levels. Supporting sectors (fitness tech, apparel/footwear, and equipment) have all been growing strongly and exceed their pre-pandemic levels.
- **Traditional & complementary medicine (T&CM)** (+7.4% annual growth 2020-2022; now at 107% of its 2019 level) initially declined in 2020 due to business shutdowns disrupting visits to service providers and product manufacturing/sales. The market has rebounded in 2021-2022, and the pandemic has boosted demand for T&CM, as consumers increasingly seek out ways to strengthen their immunity, and fend off sickness, and manage chronic conditions. The rapid rise of the cannabis and CBD market, as regulatory regimes have been loosening in many countries, has especially boosted the growth of this sector.
- **Personal care & beauty** (+8.5% annual growth 2020-2022; now at 102% of its 2019 level) initially shrank in 2020, due to pandemic-related disruptions and an overall decline in consumer spending. This sector has recovered quickly in 2021-2022, returning to slightly above its pre-pandemic level. The recovery and growth of personal care & beauty from 2020-2022 (8.5% annual growth) has mirrored the growth of overall consumer expenditures during this time period (8.6% annual growth).

Wellness sectors that shrank significantly during the pandemic and have not fully recovered:

- **Workplace wellness** (+2.8% annual growth 2020-2022; now at 97% of its 2019 level) contracted in 2020, as many of the traditional workplace wellness activities were curtailed during the pandemic amid business shutdowns and shift to remote work. The sector has rebounded in 2020-2022 but is not yet back to its pre-pandemic level. The market for workplace wellness is primarily driven by underlying labor characteristics across countries, including the share of workers in permanent or wage/salary jobs versus temporary, contract, and gig jobs. As the structure of the global workforce changes, fewer workers are in jobs that have access to workplace wellness benefits. In addition, as employers shift toward more holistic approaches for employee well-being, spending on employee wellness becomes more difficult to quantify.

- **Wellness tourism, spas, and thermal/mineral springs** are the wellness sectors that were most adversely affected by COVID-19, due to travel restrictions and business shutdowns. Virtual offerings are a poor substitute for a physical presence and full immersion in these experiences. All three sectors have been growing rapidly in 2021-2022, but they have not yet recovered to their pre-pandemic levels (spas and wellness tourism remain at about 90% of their 2019 level, while springs are at 71%). A key factor in the recovery and growth of these sectors is the ongoing recovery of the global tourism market – as of 2022, international trips were still at 62% of their pre-pandemic level, and domestic trips were at 73% (according to Euromonitor data). In addition, the Asia-Pacific region has especially lagged in its post-pandemic recovery, due to the prolonged pandemic restrictions and border closures in China, the dearth of Chinese tourists throughout the region, weakening economic conditions in China and Japan, currency depreciation, and other factors. European springs, spa, and tourism businesses have also been negatively impacted by the Ukraine war, energy prices, and staffing shortages.

Revisions and Updates to the Wellness Economy Sector Data

The 2019 and 2020 wellness economy figures that are presented in this report (for each of the eleven sectors, and for the overall wellness economy) have been revised and are slightly different from the figures presented in the previous edition of the *Global Wellness Economy Monitor* (released in 2021). These adjustments were made for a number of reasons, including changes in sector definitions and measurements to reflect the evolution of the wellness market, as well as revisions in the underlying data sources that are used for making GWI's estimates for certain sectors.

International organizations that aggregate large, cross-country datasets (e.g., World Bank, World Health Organization, Euromonitor, etc.) gather their data from individual country sources across dozens of countries. Since every country has its own release schedule for different streams of data, the data aggregators will retroactively revise their cross-country datasets and estimates, as new, updated data become available in individual countries. This is a common and expected practice among data aggregators, and GWI's updates reflect this process, as well as our own revisions as better data become available in some of the countries and segments that we analyze. During the pandemic, public sector data collection efforts were temporarily stalled or delayed in most countries, and so data availability for the years 2020 and 2021 has continued to improve, and the retroactive revisions have been more substantial for some sectors than they typically would be (e.g., for country-level health expenditures, public health spending, and construction spending, among others).

In this report, we present figures for 2019, 2020, 2021, and 2022. All data revisions and adjustments have been made across all four years as necessary, in order to provide a consistent time series for all sectors. Specific changes for each sector are as follows:

- **Personal Care & Beauty; Healthy Eating, Nutrition, & Weight Loss; Physical Activity; Wellness Tourism; and Mental Wellness:** These sectors' figures for 2019 and 2020 have changed due to revisions in underlying datasets from Euromonitor, which are used as a basis for GWI's estimates for certain components of each sector. Revisions to country-level tourism data were especially substantial, due to the challenges and delays in public sector data collection efforts during the pandemic.
- **Traditional & Complementary Medicine:** 2019 and 2020 figures were adjusted due to revisions in underlying data from Euromonitor and IBISWorld, as well as improved data availability for several key countries. In addition, we have revised our measurement methodology for this sector to include cannabis and CBD products (for countries where cannabis has been legalized or at least deregulated/decriminalized).
- **Public Health, Prevention, & Personalized Medicine:** 2019 and 2020 figures were adjusted due to substantial revisions in underlying country-level health expenditures data from the World Health Organization's *Global Health Expenditures Database*.
- **Wellness Real Estate:** 2020 figures were adjusted due to revisions in underlying construction output data from the United Nations.
- **Workplace Wellness:** 2020 figures were adjusted due to delayed data availability and revisions in underlying datasets from the International Labour Organization, which are used as a basis for GWI's estimates.
- **Spas:** 2019 and 2020 figures were adjusted due to delayed and improved data availability in several countries. These changes primarily affect the hotel/resort spa and thermal/mineral springs spa categories.
- **Thermal/Mineral Springs:** 2019 and 2020 figures were adjusted due to delayed and improved data availability in several countries.

What are the macro factors underlying the recovery of the wellness economy?

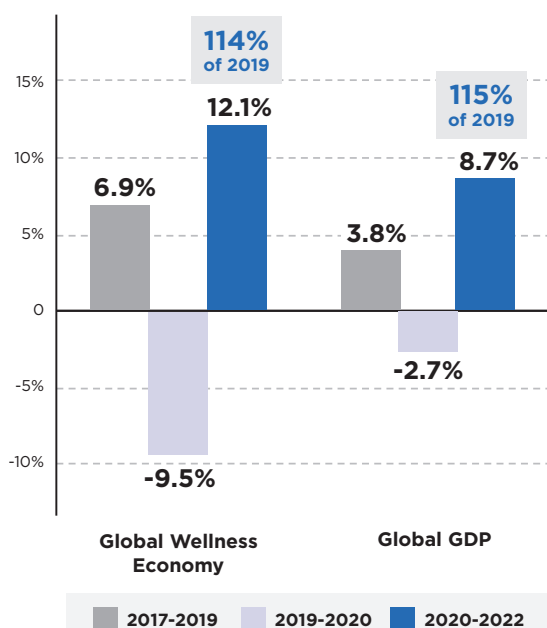
The post-COVID recovery of the wellness economy reflects broader global economic trends as well as underlying macro factors and regional developments. Through 2019, the global wellness economy (and most wellness sectors) had been growing faster than global GDP for several years. From 2019-2020, the wellness economy contracted by more than three times as much as global GDP, due to the widespread disruptions of the pandemic. Many wellness sectors were affected more negatively than other industries during the pandemic because of their heavy reliance on tourism and in-person services. Also, many consumers see their wellness-related purchases as “discretionary” or as “luxuries,” and these kinds of expenditures are the first to be cut in times of crisis or downturn.

From 2020-2022, the wellness economy has again been growing at a faster rate than the overall global economy. Part of this high growth reflects the fact that wellness contracted by a lot in 2020, and therefore needed more growth in the subsequent years to recover back to its pre-pandemic level. Not all sectors in the wellness economy have fully recovered, and as a result, wellness has fallen slightly as a share of global GDP. In 2019, wellness spending represented 5.65% of global GDP, and in 2022 it represented only 5.60%.

Looking at year-by-year growth trends, the wellness economy grew by 16.4% in 2021 and then growth tapered off to 8.1% in 2022. This reflects the global economic trend of faster growth in 2021 during the initial post-pandemic reopening (13.5% GDP growth in 2021), and then more modest growth in 2022 (4.1% GDP growth) due to a number of regional, macroeconomic, and sociopolitical factors around the world.

- Different regions around the world witnessed divergent economic growth trends in 2022. While the global economy grew by 4.1% from 2021-2022 (in US\$), the Middle East and Central Asia expanded by 20.2%, Latin America-Caribbean grew by 14.1%, emerging and developing Asia rose by 3.5%, and the European Union contracted by -3.2%. These differences are reflected in the growth rates of various wellness economy sectors across these regions.
- Europe has been widely affected by the Russia-Ukraine war and the lingering effects of Brexit. In addition to disrupting tourism flows - and hence, the wellness tourism, spa, and thermal springs sectors - the Ukraine conflict has also exacerbated regional and global inflation and raised energy prices. At the same time, the rise in energy prices has boosted growth in oil producing nations such as those in the Middle East, lifting up their consumer spending and wellness economies.

**Average Annual Growth:
Wellness Economy versus Global GDP**



Source: Global Wellness Institute and IMF. Labels indicate the % to which the 2022 wellness economy and global economy exceed their 2019 (pre-pandemic) level.

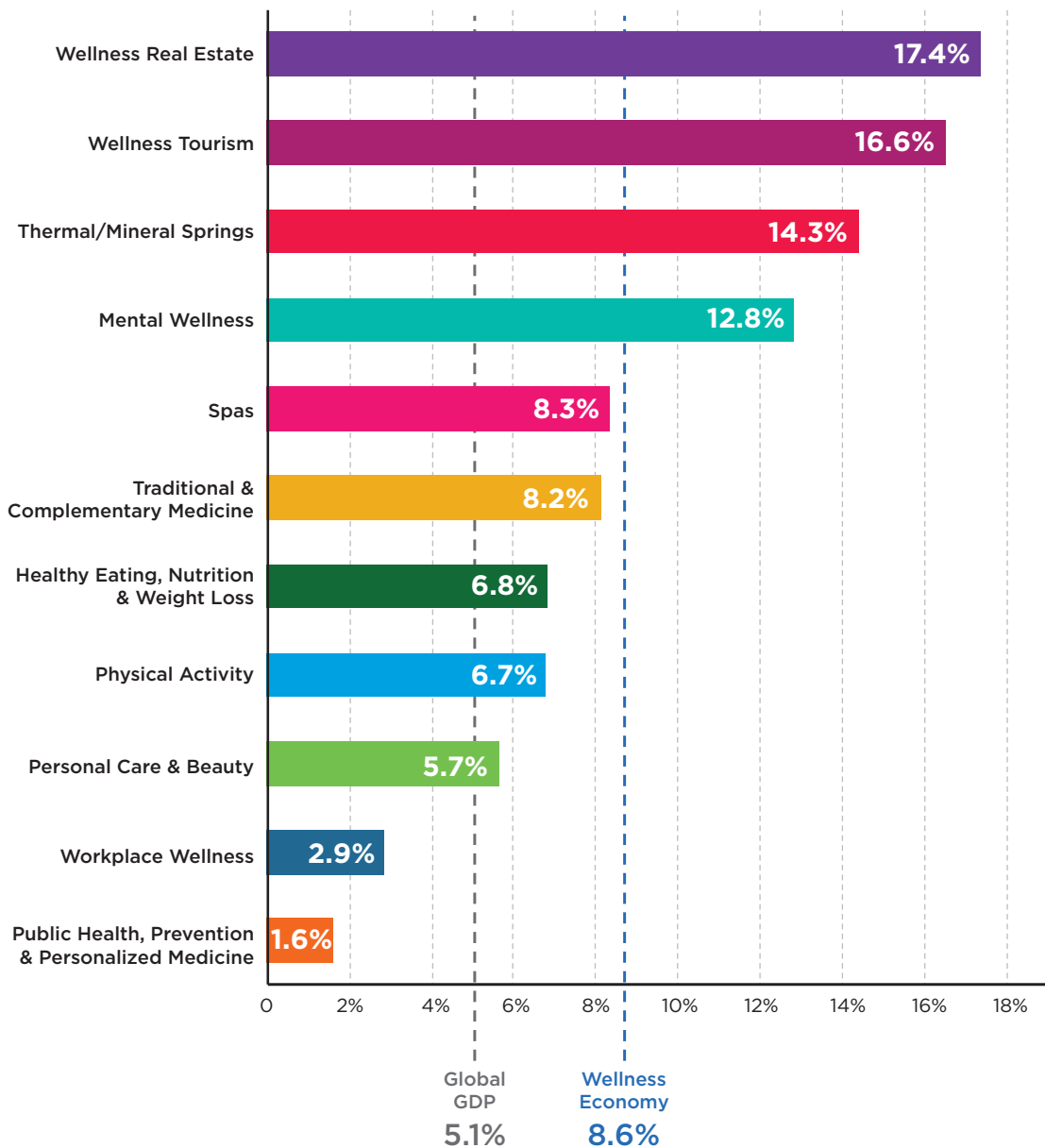
- In 2022, a cautious economic outlook – reflecting an environment of rising interest rates, persistent inflation, and fear of recession – has served to rein in consumer spending, including on wellness. After a -4.8% drop in 2020, global consumer spending increased by 12.8% in 2021, but then grew by only 4.6% in 2022 (according to Euromonitor data).
- China, the world's second largest economy (and second largest wellness economy), did not lift its pandemic restrictions or open up in sync with the rest of the world in 2021 and 2022. The prolongment of the pandemic in China, along with weakening economic conditions and an impending real estate crash, have severely dampened the growth of its overall economy and its wellness economy in 2022, and this trend is likely to continue in the foreseeable future. China's GDP growth rate fell to 1.9% in 2022, as compared to 19.5% in 2021 (according to IMF data).
- In the pre-pandemic era, Chinese outbound tourists were a global tourism force, with outbound trips (many of which were made in Asia) reaching 155 million in 2019 (according to UNWTO data). The 87% plunge in outbound trips from China in 2020, and the further decline in 2021 and 2022, had a huge impact on the global wellness tourism industry (as well the adjacent spa and thermal/mineral springs sectors). The ripple effects are evident in the major decline of these sectors within the China market, as well as in neighboring Asian countries that depend on Chinese tourists. Chinese tourists began traveling again in 2023, and although outbound trips may not recover to their pre-pandemic levels for several years, the wellness tourism industry and the spa and springs sectors in Asia are already experiencing a significant boost.
- During the pandemic-related business shutdowns, capacity restrictions, and border closures in 2020 and 2021, millions of workers in hospitality, tourism, and other service sectors were furloughed or temporarily laid off. Many of these workers sought jobs in other industries (or left the labor force entirely) and have not returned to their previous employment. As a result, tourism, wellness, and other service-based businesses throughout the world are facing massive staffing shortages. These shortages are forcing businesses to restructure their operations and may hamper ongoing recovery and growth in the coming years.⁴
- In the past two years, inflation rates around the world have been significantly higher than in the pre-pandemic period (global inflation of 4.7% in 2021 and 8.7% in 2022, according to the IMF). The Middle East and Central Asia, Sub-Saharan Africa, and Latin America-Caribbean regions have experienced particularly high inflation rates, in the range of 14% in 2022. Higher inflation rates have boosted the wellness economy figures in most markets across the world, which means that consumers may just be spending more money on their wellness-related purchases because prices are higher, rather than actually buying more wellness products and services.
- Finally, we need to note that global currency fluctuations are dampening the global wellness economy growth (which is measured in U.S. dollars) in some countries and regions. Partly due to the hike in interest rates by the U.S. Federal Reserve Bank, many currencies depreciated against the U.S. dollar in 2022 (e.g., the Euro declined by 12.3%, and the Japanese Yen dropped by 19.8%). The wellness economies in these countries would have posted a higher growth rate in 2022 if they were measured in their local currencies. For example, Japan's thermal/mineral springs sector grew by 19.7% from 2021-2022 when measured in Yen, but it declined by 0.1% when measured in U.S. dollars.

⁴ For more information on the labor shortages in tourism and hospitality, see: Jus, N., et al (2022). *Staff Shortages*. London: WTTC. <https://wtcc.org/Portals/O/Documents/Reports/2022/WTTC-Staff%20Shortages-August22.pdf>.

What is the future of the wellness economy?

As noted above, wellness has become a dominant consumer value worldwide. While the COVID-19 pandemic has disrupted the momentum of the wellness economy in the short term, it has simultaneously created a major shift in the long-term opportunities and trajectory for wellness. Now that the wellness economy has exceeded its pre-pandemic levels and reached new heights, what is the outlook going forward?

Projected Average Annual Growth Rate by Sector 2022-2027



Source: Global Wellness Institute and IMF

GWII predicts that the wellness economy will continue its robust growth and expand its share of consumer spending and the global economy over the next several years. In spite of the temporary setbacks from the COVID-19 pandemic, the underlying forces that propel the growth of wellness remain as compelling as ever, including: population aging, the rise of chronic disease, the unsustainable costs of the sick-care model, widespread mental unwellness, and expanding awareness of healthy lifestyles and wellness modalities. There is no question that consumer interest in all things related to wellness has been rising rapidly, and in many ways, interest accelerated during the pandemic (even as consumer spending on wellness declined). There is also a growing awareness of the environmental determinants of health, whether we are at home, at work, in our community, or traveling. Wellness has expanded to encompass many more stakeholder groups beyond hospitality and recreation; it is being embraced by employers, schools, public health, urban planning, and more – and these stakeholders will increasingly take wellness to the masses.

For the next five years, we project that the global wellness economy will grow at a robust rate of 8.6% annually, a growth rate substantially higher than the projected global GDP growth (5.1% according to current IMF forecasts). As all of the eleven sectors recover from the pandemic, the wellness economy is expected to reach nearly \$6.3 trillion in 2023, and march toward \$8.5 trillion in 2027.

Most of the individual wellness sectors are projected to exceed global GDP growth in the next five years. Some of the sectors with the highest growth projections (e.g., *wellness tourism, thermal/mineral springs*) are those that took the greatest hit in 2020. The growth rates for these sectors may seem abnormally high because they reflect a continued period of recovery from 2023-2025, and they are then expected to taper off to a growth trajectory similar to their pre-pandemic levels. Both the *wellness tourism* and *spa* sectors are projected to recover and exceed their pre-pandemic levels in 2023. The global *thermal/mineral springs* sector will take a little longer, until 2024, for a full recovery. Other sectors that maintained positive growth during the 2020 pandemic, including *wellness real estate* and *mental wellness*, are projected to continue their robust growth trends in the coming years.

In our forecasts, four wellness sectors – *personal care & beauty; healthy eating, nutrition, & weight loss; physical activity; and wellness tourism* – will exceed \$1 trillion in market size in 2024. We also project that three sectors will exceed half a trillion dollars in 2024: *wellness real estate; traditional & complementary medicine; and public health, prevention, & personalized medicine*. We project that *healthy eating, nutrition, & weight loss* will become the largest segment in the wellness economy by 2025, and with its ongoing strong growth rate, *wellness real estate* will enter the top five sectors in the same year.

By 2027, we project that the global wellness economy will represent 6.6% of global GDP, as compared to 5.6% in 2022.

Wellness Economy Growth Projections 2022-2027

	Market Size (US\$ billions)		Projected Market Size (US\$ billions)					Projected Average Annual Growth Rate
	2019	2022	2023	2024	2025	2026	2027	2022- 2027
Healthy Eating, Nutrition, & Weight Loss	\$911.3	\$1,079.3	\$1,161.7	\$1,240.4	\$1,325.6	\$1,411.0	\$1,500.7	6.8%
Personal Care & Beauty	\$1,066.3	\$1,088.7	\$1,183.2	\$1,246.5	\$1,310.7	\$1,373.0	\$1,437.7	5.7%
Wellness Tourism	\$720.4	\$650.7	\$867.9	\$1,029.5	\$1,152.6	\$1,275.1	\$1,399.6	16.6%
Physical Activity	\$875.9	\$976.3	\$1,058.5	\$1,126.3	\$1,202.3	\$1,275.7	\$1,352.4	6.7%
Wellness Real Estate	\$225.2	\$397.7	\$472.7	\$566.6	\$667.0	\$770.1	\$887.5	17.4%
Traditional & Complementary Medicine	\$486.6	\$518.6	\$569.5	\$615.1	\$662.1	\$713.1	\$768.2	8.2%
Public Health, Prevention, & Personalized Medicine	\$358.2	\$610.9	\$613.1	\$625.6	\$637.9	\$646.2	\$661.4	1.6%
Mental Wellness	\$130.2	\$180.5	\$201.8	\$229.6	\$258.8	\$292.0	\$330.2	12.8%
Spas	\$113.8	\$104.5	\$122.0	\$133.3	\$141.3	\$148.8	\$156.1	8.3%
Thermal/Mineral Springs	\$65.7	\$46.3	\$57.9	\$66.6	\$74.5	\$82.4	\$90.5	14.3%
Workplace Wellness	\$52.2	\$50.6	\$52.0	\$53.3	\$54.8	\$56.5	\$58.4	2.9%
Wellness Economy	\$4,931.7	\$5,611.6	\$6,262.6	\$6,818.1	\$7,356.3	\$7,893.9	\$8,470.6	8.6%

Note: Figures do not sum to total due to overlap in segments.

Source: Global Wellness Institute estimates, based upon economic and industry sector projections from the IMF, ILO, Euromonitor, and GWI's data and projection model.

Why is it important to measure the wellness economy?

Wellness has become a dominant lifestyle value, embedded in the consumer psyche and our everyday lives. It is easy to forget that just a decade ago, there was no broadly agreed definition of what “wellness” is, let alone the “wellness industry.” Like other big industries that have emerged in the last 50 years – such as the IT industry, and the sustainability or “green” industry – the wellness industry is not measured in any standard industry datasets compiled by governments and multinational organizations. The Global Wellness Institute (GWI) began measuring the size of the global wellness economy in 2014, when we published the first *Global Spa & Wellness Economy Monitor*.⁵ The definition and quantification of wellness as a major global industry has had many important impacts:

- The wellness economy figures are an important resource for investors and businesses within the wellness industry and in adjacent spaces, in order to understand the size, future trajectory, and opportunities within this incredibly diverse sector that intersects with many other industries.
- By defining wellness and the industry sectors that are part of the wellness economy, we help businesses and entrepreneurs recognize wellness as a cohesive industry, understand how different pieces are connected, and identify opportunities for collaboration and integration.
- Definitions are critical for the wellness economy and all its sectors, requiring discipline and a thorough understanding of wellness both as a concept and as an economic activity. If the definition is too narrow, it would limit imagination and innovation. If it is too broad, then everything could be considered “wellness,” rendering the measurement meaningless. If the definition is too vague or opaque, then the user would not know what the data are measuring. Our definitions require us to delineate a boundary around specific activities, services, and products in each wellness sector, in order to measure the market size. By articulating “new” wellness sectors that were not well understood before (e.g., wellness tourism, wellness real estate, mental wellness), we bring attention to these emerging sectors and help them to attract investors and partners, and eventually take off.
- Measuring the wellness economy helps to raise the industry’s profile among consumers, entrepreneurs, investors, governments, and the research community. Having global data on the size and growth of the industry creates greater awareness of the consumer demand in the wellness space, stimulates new business ideas, and invites innovation. It also attracts more scientific and clinical research on ancient and emerging wellness modalities.

The wellness economy as we define it encompasses a diverse set of eleven industry sectors. We acknowledge that other researchers, economists, and industry analysts may have differing opinions on what constitutes the global wellness industry. The data presented in this report are based on the GWI research team’s fifteen years of work in this space, as well as our collaborations with industry stakeholders worldwide, to understand the history and concept of wellness, how it is translated into economic activities, and how these activities can be defined and quantified. Business and investors can benefit from many sources of data and measurements, and we welcome other industry and research organizations to join the effort. **However wellness may be defined or measured, it is critical that any measurements of the global wellness industry are based on concise definitions, as well as transparency on what is being measured and the methodologies employed.**

⁵ Yeung, O., and Johnston, K. (2014). *Global Spa & Wellness Economy Monitor 2014*. Miami, FL.: Global Wellness Institute. <https://globalwellnessinstitute.org/industry-research/global-spa-wellness-economy-monitor-2014/>.

How to interpret the wellness economy numbers.

- **When we compare the 2022 wellness economy figures with previous years, we need to keep in mind that our data are nominal figures – i.e., they are not adjusted for inflation or purchasing power.** As noted previously, global inflation rates have been significantly higher in the last two years than in the pre-pandemic period. At the same time, many major currencies have depreciated against the U.S. dollar in 2022. These factors have both upward and downward effects on the wellness economy figures across various countries, and the combination of impacts is different in every market. Therefore, the positive or negative growth rates for wellness sectors in many countries may reflect these underlying macroeconomic forces, and not necessarily major changes in consumer behavior or purchases.
- **What we measure as the wellness economy only includes the goods and services that are being marketed and sold as “wellness” in the consumer marketplace. We are not measuring the wellness activities of the population in each country, and we are not measuring people’s health or well-being.**
- **By including particular sectors, services, or products in our wellness economy data, we are not endorsing these things as being essential to wellness, and we are not implying that they are beneficial, or scientifically proven to improve health and well-being.** Our measurement methodology does not apply a value judgement on what should or should not be considered “wellness.” Rather, we objectively include products and services that are proactively labeled and positioned by businesses as “wellness” and are most closely identified by consumers as such.
- **The growth of the wellness economy indicates rising overall spending on wellness activities, products, and solutions; however, it does not necessarily mean that more consumers are accessing these opportunities.** In fact, with the widening wealth/income gap across the world, there is a growing trend of high-end wellness offerings becoming ever more luxurious, exclusive, personalized, and expensive. The premiumization of the wellness economy can be observed in many sectors, including wellness tourism, wellness real estate, fitness, personal care and beauty products, and personalized medicine. It is possible that the growth of the wellness economy is being driven by ever more spending by small segments of consumers in certain sectors and markets, and that the pool of wellness consumers is not expanding as quickly as the data suggests.
- **Wellness does not require spending money. The wellness economy does not capture the many important wellness-enhancing activities and behaviors that cannot be monetized.** These include: enjoyment of nature; a diet of local, fresh, whole foods; friendship and community; altruism; religion and spirituality; movement embedded in daily activities (e.g., working outdoors, gardening, or cycling/walking to work or school); and much more. For example, in the places identified as Blue Zones, the wellness economy is likely to be very small because wellness is already embedded in the culture and the natural/built environment.⁶ Also, greater public investment in wellness infrastructure that is accessible to everyone (e.g., walkable cities, cycling/walking trails, outdoor gyms) may reduce the need for consumer spending on services and products in the marketplace.
- **The practice of holistic wellness is blurring boundaries and accelerating the convergence of many sectors within the wellness economy.** For example, the three sectors that represent the environments where we live, work, and play (wellness real estate, workplace wellness,

⁶ See: Buettner, D. (2016, November 10). *Power 9®: Reverse Engineering Longevity*. <https://bluezones.com/2016/11/power-9/>.

and wellness tourism) are incorporating activities from many other wellness sectors, such as physical activity, healthy eating, mental wellness, and even public health. Now, fitness businesses are not only forging into hospitality and traditional/complementary medicine, but they are also crossing into sectors such as healthy eating and personal care/beauty. Even global tech and entertainment giants are entering the wellness arena (e.g., Apple Fitness, Nike collaborating with Netflix). As much as we try to segment the wellness economy into eleven discrete sectors, the growing convergence is making this effort increasingly challenging.

- **The wellness economy is dynamic and rapidly evolving. New practices, modalities, and discoveries are constantly emerging to meet the people's changing needs.** In recent years, many new possible wellness sectors and categories have been coined by journalists, analysts, and entrepreneurs - for example, sexual wellness, hormonal wellness, children's wellness, financial wellness, end-of-life wellness, etc. The absence of these subsectors in our wellness economy construct does not mean that they are not important or significant. Some of the fast-growing opportunities are occurring mostly in the medical and pharmaceutical arenas (e.g., most of the recent developments with psychedelics, or the newly exploding market for weight loss drugs), and therefore they are not considered part of the wellness economy in our definition. Some major developments are embedded across every wellness sector (e.g., artificial intelligence and other new technologies), making them difficult to define and measure in meaningful ways. In 2020, we added mental wellness as the eleventh sector in the wellness economy, in response to the massive growth and expansion of the consumer market in this space. Looking forward, the GWI research team will continue to monitor and evaluate developments in the wellness economy, and we will align our definitions and measurements with emerging needs and developing business segments.

The following chapters of this report present detailed data and analysis for each of the eleven wellness economy sectors, with discussions on the broad shifts brought by the COVID-19 pandemic that are profoundly changing the landscape for consumers and businesses in each sector.

CHAPTER 2

Wellness Real Estate



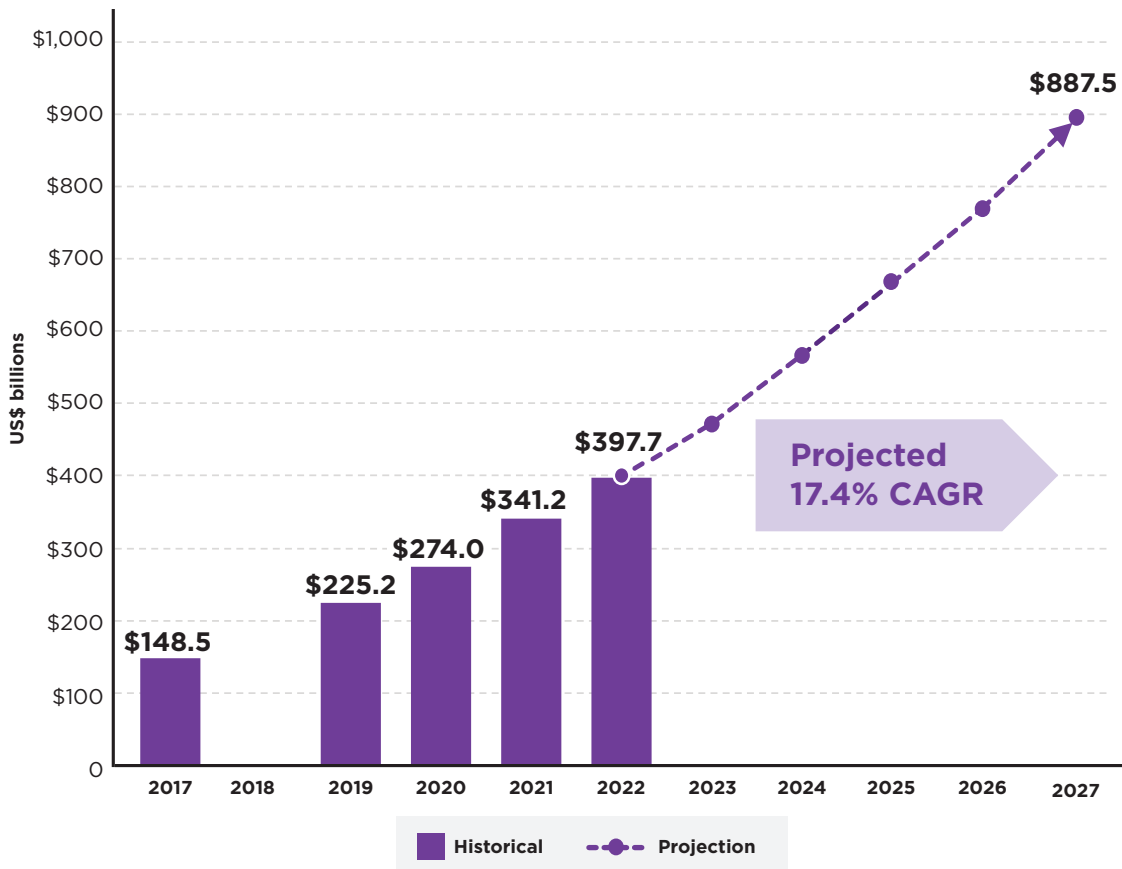
Sector Definition

Expenditures on the construction of residential and commercial/institutional properties (including office, hospitality, mixed-use/multi-family, medical, and leisure) that incorporate intentional wellness elements in their design, materials, and building, as well as their amenities, services, and/or programming.

\$397.7b
Global Market
In 2022

20.5%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Wellness Real Estate

Market size and growth

Wellness real estate has been the fastest-growing sector in the wellness economy since before the COVID-19 pandemic, significantly outpacing predictions and overall economic growth trends. While wellness real estate was already rising rapidly prior to 2019, the pandemic has accelerated a major shift in the construction and real estate industry toward wellness. During the pandemic year (2019-2020), wellness real estate grew by 21.6%, even as overall construction output shrank by 3.9%. Since 2020, the sector has maintained a robust average annual growth rate of 20.5%, rising to \$397.7 billion in 2022. GWI estimates that wellness real estate now represents about 3.0% of global annual construction output.

Wellness Real Estate Market by Region 2019-2022

	Wellness Real Estate Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019	2020*	2021	2022			
North America	\$100.19	\$118.82	\$146.89	\$187.85	\$504.68	18.6%	25.7%
Asia-Pacific	\$77.51	\$97.70	\$119.36	\$127.25	\$29.91	26.0%	14.1%
Europe	\$46.03	\$55.84	\$72.85	\$80.08	\$86.97	21.3%	19.8%
Middle East-North Africa	\$0.71	\$0.78	\$0.96	\$1.20	\$2.26	9.5%	24.6%
Latin America-Caribbean	\$0.55	\$0.61	\$0.80	\$0.92	\$1.40	12.0%	23.0%
Sub-Saharan Africa	\$0.24	\$0.25	\$0.30	\$0.34	\$0.28	5.3%	17.1%
WORLD	\$225.23	\$273.99	\$341.16	\$397.65	\$50.00	21.6%	20.5%

* 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor; due to data revisions and updates made by key underlying data sources such as the United Nations.

Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on construction output data from the United Nations.

The wellness real estate market is heavily concentrated in North America, Asia-Pacific, and Europe. North America remains the largest and fastest-growing regional market in 2022. Growth rates have picked up significantly in both Middle East-North Africa and Latin America-Caribbean since 2020, partly bolstered by high growth in the overall construction market in both regions. Growth rates in Asia-Pacific and Europe have remained strong but tapered off quite a bit in 2021-2022, due to slow (Europe) and negative (Asia-Pacific) growth in overall construction spending in both regions. As with other wellness economy sectors, the slightly slower growth in both regions is partly due to currency depreciation in some major markets in 2022 (Euro zone, Japan, Australia), along with the weakening of the construction market and overall economic trends that hit China starting in 2022.

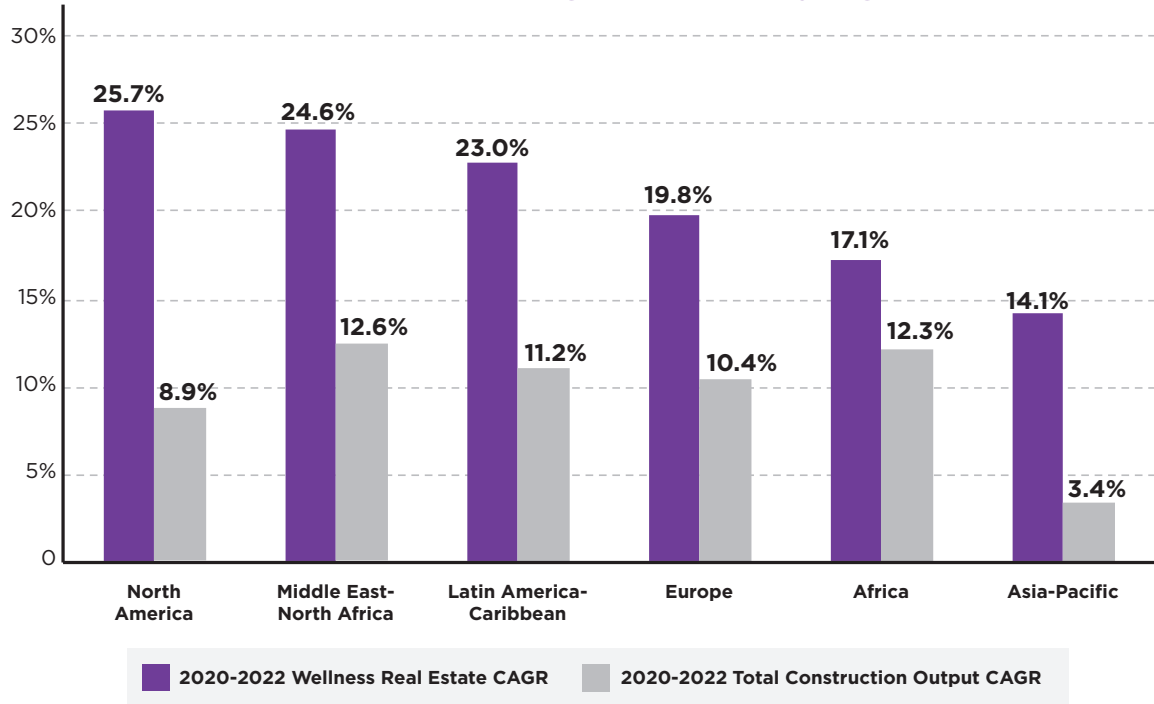
The list of the top twenty country markets (below) further illustrates how heavily concentrated the wellness real estate sector is in the United States (accounting for 44% of the global market in 2022). The United States and Canada, plus a few key countries in Asia (China, Australia, Japan) and Europe (United Kingdom, France, Germany), account for 86% of the global market. Growth rates have remained strong across all of the largest country markets, with slightly dampened growth in 2021-2022 in China, Japan, and some European countries (due to the currency depreciation discussed above, which affects market growth rates when expressed in U.S. dollar terms).

Wellness Real Estate: Top Twenty Markets in 2022

	Wellness Real Estate Market				Rank in 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019	2020*	2021	2022			
United States	\$94.32	\$110.99	\$136.85	\$176.08	1	17.7%	26.0%
China	\$36.96	\$50.90	\$62.13	\$63.37	2	37.7%	11.6%
United Kingdom	\$10.77	\$14.76	\$21.40	\$23.37	3	37.0%	25.8%
Australia	\$15.58	\$16.54	\$21.12	\$22.52	4	6.1%	16.7%
France	\$9.55	\$11.24	\$15.47	\$16.91	5	17.6%	22.7%
Japan	\$7.60	\$11.47	\$13.21	\$14.99	6	51.1%	14.3%
Germany	\$8.67	\$9.71	\$11.10	\$12.16	7	12.0%	11.9%
Canada	\$5.87	\$7.83	\$10.04	\$11.77	8	33.3%	22.6%
South Korea	\$5.67	\$6.17	\$7.16	\$8.37	9	8.8%	16.5%
India	\$5.01	\$5.25	\$7.00	\$8.12	10	4.8%	24.3%
Netherlands	\$2.88	\$4.00	\$5.50	\$6.29	11	38.9%	25.4%
Norway	\$2.04	\$2.30	\$2.80	\$3.22	12	12.5%	18.3%
Switzerland	\$2.27	\$2.51	\$2.88	\$3.08	13	10.4%	10.9%
Sweden	\$1.63	\$1.80	\$2.12	\$2.29	14	10.5%	12.7%
Austria	\$1.50	\$1.73	\$2.06	\$2.22	15	15.6%	13.2%
Italy	\$1.29	\$1.46	\$1.88	\$2.17	16	13.2%	21.9%
Singapore	\$1.14	\$1.25	\$1.71	\$2.07	17	9.6%	28.7%
New Zealand	\$1.47	\$1.55	\$1.91	\$2.06	18	6.0%	15.2%
Denmark	\$1.32	\$1.52	\$1.81	\$1.95	19	15.0%	13.4%
Finland	\$1.02	\$1.19	\$1.40	\$1.55	20	16.8%	14.0%

* 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as the United Nations.
Source: Global Wellness Institute, based on construction output data from the United Nations.

Wellness real estate market growth outpaces overall construction growth in every region

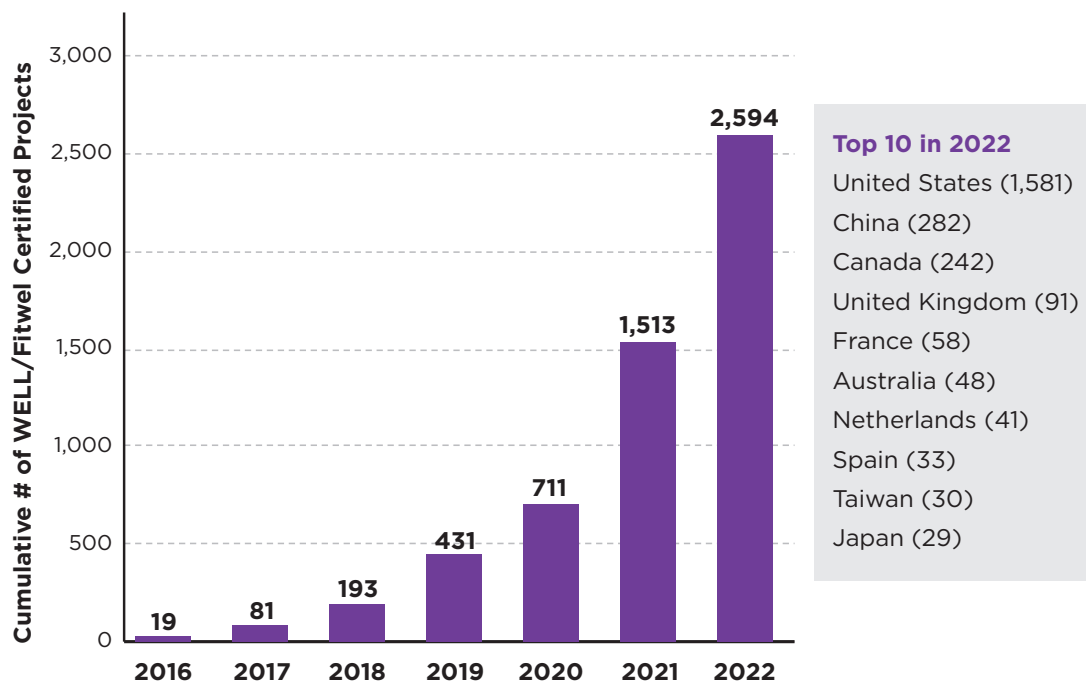


CAGR = Compound Annual Growth Rate

Source: Global Wellness Institute, based on construction output data from the United Nations

One good way to understand the rapid growth trajectory of wellness real estate is to look at the number of projects earning wellness building certifications in recent years. The WELL Building Standard (WELL) and Fitwel are the two major third-party rating systems that focus specifically on health and wellness of building occupants and that operate in multiple countries. WELL awarded its first certifications in 2014, while Fitwel certified its first projects in 2016. As evident in the chart below, interest in wellness certifications has risen rapidly since that time, with the total number of wellness-certified building projects increasing by more than thirty-fold from 2017 to 2022. At the end 2022, there were nearly 2,600 WELL and Fitwel certified projects globally (and an additional 400 projects certified from January-August 2023). Over 60% of the certifications are located in the United States. The majority of the certifications are for office/commercial, hospitality, and retail properties, with about 22% in residential projects. As of August 2023, an additional 1,600 projects were in progress for certification (Fitwel) or pre-certified (WELL), with the majority of these located in the United States, Canada, China, United Kingdom, and Australia.

Wellness building certifications (WELL and Fitwel) are growing rapidly



*These figures measure fully certified projects, and they are cumulative (showing the increase in the total number of certified projects over time). Data compiled by GWI using publicly-available online project databases from WELL and Fitwel. Note that the data have been revised slightly since the previous version of the Wellness Economy Monitor, due to changes in these underlying project databases.
Source: Global Wellness Institute*

It is important to keep in mind that WELL and Fitwel certifications represent only a small fraction of the wellness real estate market as defined by GWI. For one, the impact of these rating systems extends far beyond the simple number of certifications awarded. For example, large, multi-location companies are increasingly consulting with these rating systems to enhance healthy features across their entire portfolio of buildings, even though they may only officially certify their headquarters. Although WELL and Fitwel are the most well-known and most global programs, a wide range of other wellness-related certifications and toolkits are available in the market, many of which focus more broadly on sustainability or regenerative living rather than just wellness (e.g., Living Building

Challenge, One Planet Living).⁷ In recent years, well-established green building certifications like LEED and BREEAM have been shifting toward a more holistic emphasis on human health and have added criteria related to indoor environments and occupant health and well-being.⁸ Early in the pandemic, the U.S. Green Building Council announced a new vision and strategy – “Healthy people in healthy places equals a healthy economy” – aiming to position LEED as a platform for post-COVID recovery and healthier communities.⁹ In Japan, the government has worked with the Institute for Building Environment and Energy Conservation (IBEC) to develop a health and wellness certification for offices as part of the country’s CASBEE certification system. The first project evaluations took place in 2019, and 107 properties have been certified as of August 2023.¹⁰

Without a doubt, the COVID-19 pandemic has forced us to reckon with how much our built environment and our homes influence our health outcomes. Before the pandemic, people often associated wellness real estate with amenity-filled resort properties and retirement communities, but now they see it in a more holistic light – incorporating a diverse range of features, such as robust air filtration, good sound proofing, supporting physical activity outdoors, encouraging socializing with neighbors, and facilitating contact with nature. Numerous trends during the pandemic have bolstered this shift in mindset, including: a renewed recognition of the role that buildings and indoor air play in spreading communicable disease; the heightened dependence on outdoor recreation amenities, parks, and green space; and a new appreciation for the role of a safe public realm in building strong communities. We predict this growth trajectory will continue, as healthy building features increasingly shift from being a luxury, or “nice to have,” toward becoming an expectation or even a minimum standard, especially in the commercial/office real estate space.

⁷ For a more comprehensive list of wellness-related certifications, toolkits, and design principles, see: GWI (2018), *Build Well to Live Well*, <https://globalwellnessinstitute.org/industry-research/wellness-real-estate-communities-research/>.

⁸ For more information, see: <https://tools.breeam.com/filelibrary/Briefing%20Papers/99427-BREEAM-Health---Wellbeing-Briefing.pdf> and <https://www.usgbc.org/articles/human-health-and-wellbeing-through-leed>.

⁹ See: Stanley, S. (2020, May 13). USGBC outlines path for how healthy places and LEED will support recovery efforts as businesses, governments and communities prepare for a post-pandemic world. *U.S. Green Building Council*. <https://www.usgbc.org/articles/usgbc-launches-global-economic-recovery-strategy>.

¹⁰ See: 1) Japan readies certification for healthier office buildings. *Nikkei Asian Review*. 16 Aug. 2017. <https://asia.nikkei.com/Politics/Japan-readies-certification-for-healthier-office-buildings2>. 2) CASBEE Wellness Office Evaluation Certification. *IBEC*. http://www.ibec.or.jp/CASBEE/certification/WO_certification.html.

Definitions: What we measure and what we do not

We define wellness real estate as ***buildings, neighborhoods, and communities that are proactively designed and built to support the holistic health of their residents, occupants, and visitors.***¹¹

Following this definition, we measure the wellness real estate market by estimating ***expenditures on the construction of residential and commercial/institutional properties (including office, hospitality, mixed-use/multi-family, medical, and leisure) that incorporate intentional wellness elements in their design, materials, and building, as well as their amenities, services, and/or programming.***

Certifications and rating systems, such as the ones noted above, are becoming increasingly popular as developers are looking for templates and guidance for incorporating wellness design into their projects. Certifications are also a useful signal to tenants about what wellness features a building offers. Beyond these certifications, there is a vast and ever-growing array of wellness-focused buildings and real estate projects around the world, in both new developments and the redesign of existing properties. The diversity of the market is especially apparent in the residential space, where for over two decades, developers and builders have been experimenting with different ways to protect and enhance residents' health and well-being through the built environment. Many different types of wellness living concepts are being developed across all types of residential projects, including master-planned communities; multifamily projects (apartments and condominiums); urban districts and mixed-use projects; resort/spa/hospitality-based wellness real estate; affordable/subsidized housing; and other wellness concepts based on eco-communities, co-living, senior living, and more.

Our measurement of the wellness real estate market tries to capture these developments, and it is important to note that **wellness real estate is not limited to those developments that have obtained certifications.** Wellness real estate is extremely diverse, and it is not possible to create a checklist of what we do and do not count as “wellness real estate” when we estimate the size of this market. Wellness real estate concepts can encompass many different elements that address different aspects of our health and well-being, including some or all of the following:

- **Physical wellness:** Both passive and active design features enhance occupants' physical health and encourage physical activity. Materials, fixtures, and furnishings are non-toxic and health-enhancing, ensure clean air and water, and support good sleep. Design, amenities, and services encourage exercise, active recreation, active transportation (walking, cycling, etc.) and other healthy behaviors. Residents have easy access to healthy foods as well as preventive health/wellness services. *Examples: fitness/wellness facilities; walking trails; parks and playgrounds; car share; bike racks; circadian lighting; thermal comfort; air circulation; etc.*

¹¹ GWI defined and measured wellness real estate for the first time in the 2018 research report, *Build Well to Live Well*. In that report, we focused more narrowly on “wellness lifestyle real estate” or the residential portion of the market. In this report, we use a broader definition to measure the sector, encompassing both residential and commercial/institutional properties. See: Global Wellness Institute (2018). *Build Well to Live Well: Wellness Lifestyle Real Estate and Communities*. <https://globalwellnessinstitute.org/industry-research/wellness-real-estate-communities-research/>.

- **Social wellness:** Social connections are facilitated through the design of living spaces, public/common spaces, and amenities/services/programming. Residents are encouraged to get to know their neighbors. Location, transportation, and convenience features in the project design may provide residents with more time to spend on social activities. *Examples: layout and circulation of floor plans; multigenerational units; common/public spaces; community events/programs; etc.*
- **Mental/emotional/spiritual wellness:** Project, design, amenities, and services facilitate residents' mental, emotional, and spiritual wellness by encouraging connection with nature and animals (biophilia), connection to culture and traditions, connection to beauty, and connection to a greater purpose. The design may provide space and support for contemplation, rest, and solace; encourage residents to pursue personal hobbies, interests, and spiritual practices; and support residents in managing technology and work/life balance. An emerging understanding of how our minds respond to multiple senses (sight, sound, scent, and feel) will increasingly inform mental wellness design in the future. *Examples: natural, biophilic, or aesthetic design and materials; green space and water features; public art; meditation spaces; etc.*
- **Environmental wellness:** Materials, design, and construction are non-toxic, renewable, waste-reducing, energy efficient, natural/organic, and/or locally sourced. The design encourages residents to adopt a lifestyle that is sustainable and regenerative, supporting behaviors such as use of public and alternative transit (less driving), reduce/reuse/recycle, community gardening and local food production, conservation of natural resources, and preservation of green space and animal habitats. With the rise of extreme weather, climate-adaptive features that enhance resilience will emerge in future wellness real estate design. *Examples: preserved open space/wetlands; clean/green energy and energy-independent communities; green roofs and heat-reflecting materials; recycling and composting programs; native or edible landscaping; community garden or community supported agriculture (CSA); etc.*
- **Community wellness:** By design, the project or community supports and embraces diversity (e.g., mixed-use, mixed incomes, mixed ages, and diverse races and cultures). Residents are encouraged to engage with and care about the wider community and people outside their immediate social spheres. Design of living spaces, public/common spaces, and amenities/services facilitates strong social capital, trust, and civic engagement. *Examples: scale and situation of homes relative to others; connectivity and flow of streets; diverse housing types/prices; public plaza/parks; community center; community events and programs; etc.*
- **Economic/financial wellness:** The community enables residents to conduct their daily activities, such as work, school, shopping, recreation, etc. within a short distance and with different transportation options. Housing in the community is affordable at a variety of income levels, and residents have an opportunity for upward mobility over time. *Examples: mixed-use planning/zoning; walkable "town center" and schools; live-work units; co-working facilities; affordable housing policy; public transit planning; etc.*

It is important to recognize that healthy communities and health/wellness in the built environment do not always require purpose-built wellness real estate. “Wellness communities” can and do exist independently from wellness real estate in many places around the world. For example, the “Blue Zones” are communities identified around the world that exemplify the critical habits, values, and lifestyles leading to a long, healthy, and happy life.¹² In Japan, dozens of cities participate in a Smart Wellness City initiative, where local governments support healthy aging in the community by improving parks, sidewalks, and city aesthetics; developing community fitness programs; making more digital health tools available; and investing in public transit and walkability to promote active transportation and socialization.¹³ The Wellness Valley in Romagna, Italy, is a self-branded wellness district that links thousands of local businesses, organizations, and individuals together to provide services, programming, and events that encourage exercise, sports, mind-body health, slow food, and connections to nature and culture.¹⁴ **All these communities provide a collective culture and lifestyle of wellness for their residents, bringing many similar benefits to wellness real estate, without having to invest in intentional, purpose-built developments.**

When governments invest more in health-enhancing and environment-protecting infrastructure at the neighborhood, community, city, and regional levels, purpose built/privately developed wellness real estate may become less necessary. These kinds of public investments can include active design, public transit, public parks, trails, sports and recreation facilities, community centers, community events, and much more. However, until populations around the world have direct access to these kinds of healthy built environments, wellness real estate will continue to see rising demand and adoption in the foreseeable future.

¹² See: Buettner, D. (2016, November 10). *Power 9®: Reverse Engineering Longevity*. <https://bluezones.com/2016/11/power-9/>.

¹³ See: <http://www.swc.jp/>

¹⁴ See: <https://www.wellnessfoundation.it/wellness-valley/>

CHAPTER 3

Physical Activity



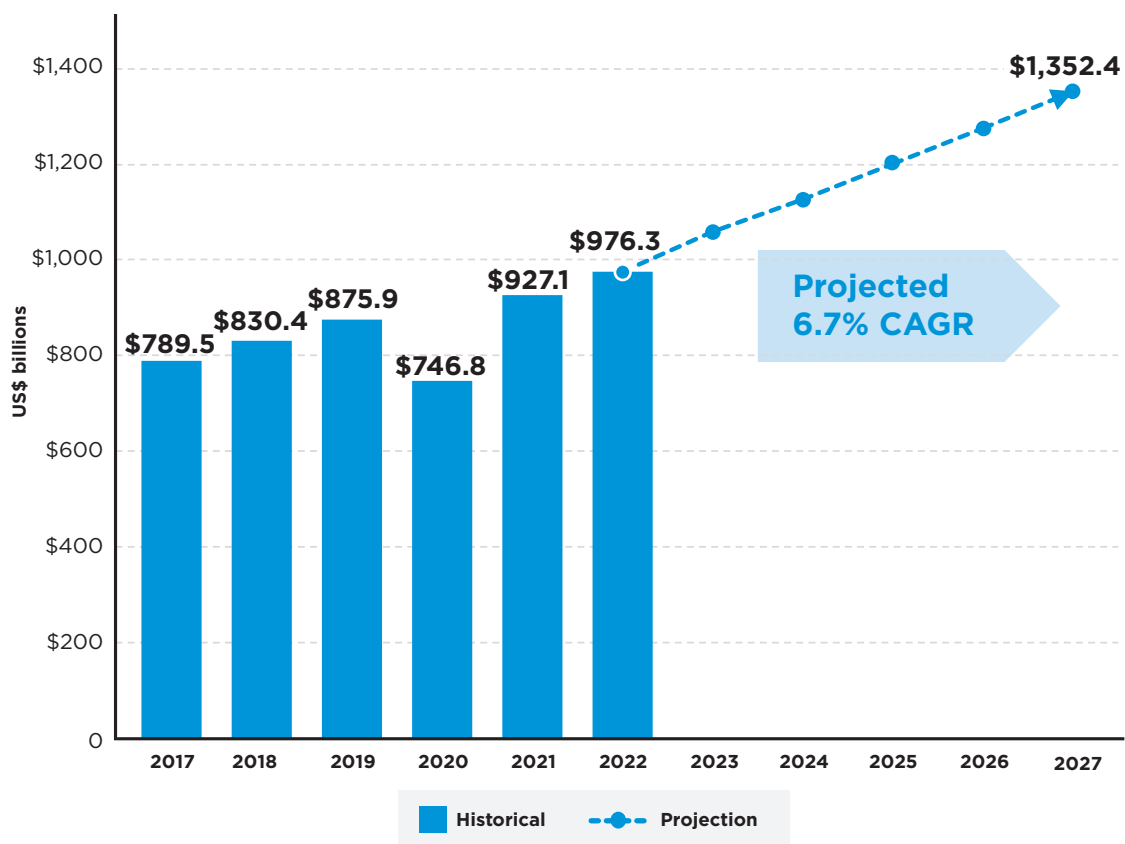
Sector Definition

Consumer spending associated with intentional physical activities performed during leisure and recreation.

\$976.3b
Global Market
In 2022

14.3%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Physical Activity

Market size and growth

We estimate the global market for physical activity at \$976.3 billion in 2022. Among the 11 sectors that we track as part of the wellness economy, physical activity is one of the largest, ranking third in size (after personal care/beauty and healthy eating/nutrition). Physical activity accounted for 17.4% of all wellness economy spending worldwide in 2022.

In 2019-2020, physical activity spending declined by 14.7%, due to the pandemic. The sector then rebounded quickly with a 24.1% growth rate in 2021, as business shutdowns and stay-at-home orders relaxed in many countries, and as people started returning to their regular activities. By 2021, the overall physical activity sector had recovered and exceeded its pre-pandemic level (although some subsectors have not yet recovered fully, as discussed below). Physical activity market growth has continued but tapered off in 2022, with a 5.3% increase over the previous year.

Physical Activity Market by Region, 2019-2022

	Physical Activity Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019*	2020*	2021	2022			
North America	\$305.6	\$239.7	\$328.9	\$361.2	\$970.41	-21.6%	22.7%
Asia-Pacific	\$258.0	\$240.3	\$281.1	\$283.7	\$66.70	-6.8%	8.7%
Europe	\$234.4	\$205.5	\$244.3	\$245.8	\$266.93	-12.3%	9.4%
Latin America-Caribbean	\$40.0	\$29.1	\$35.5	\$43.5	\$65.85	-27.2%	22.3%
Middle East-North Africa	\$23.2	\$20.1	\$24.2	\$27.5	\$51.66	-13.4%	17.1%
Sub-Saharan Africa	\$14.8	\$12.0	\$13.1	\$14.5	\$11.97	-18.7%	9.9%
WORLD	\$875.9	\$746.8	\$927.1	\$976.3	\$122.75	-14.7%	14.3%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as Euromonitor.

Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute.

More than 91% of the world's spending on physical activity takes place in North America, Asia-Pacific, and Europe. In North America, physical activity spending declined severely during the pandemic, but the region has bounced back to lead the world as the largest regional market in 2021 and 2022. North America also has by far the highest per capita level of expenditures on physical activity (at \$970 in 2022). The regional markets in Asia-Pacific and Europe were less negatively impacted by the pandemic in 2020 (-6.8% and -12.3% growth rates, respectively), but these two regions have also seen relatively slower growth rates in the subsequent years (average annual growth of 8.7% in Asia-Pacific and 9.4% in Europe over 2020-2022). In 2022, growth rates in both Asia-Pacific and Europe were somewhat muted due to the depreciation of major currencies against the U.S. dollar in several large markets across those regions (including Japan and the Euro zone countries).

The United States and China are by far the world's largest markets for physical activity, together accounting for 49% of all spending in this sector. The top twenty markets are primarily concentrated in North America, Asia-Pacific, and Europe, although Mexico, Brazil, South Africa, and Argentina also rank among the world's largest markets. As of 2022, most of the top twenty markets have recovered to or exceeded their pre-pandemic (2019) levels of physical activity spending, with the exception of Japan, Italy, Brazil, Netherlands, and South Africa. These markets have not fully "recovered" due to a number of factors, including a downturn in spending, lower participation rates, and/or slower recovery of the fitness and sports/recreation segments (Netherlands, Italy, South Africa, Japan), as well as lower spending on sports apparel/footwear (Brazil and Japan). As mentioned above, currency depreciation against the U.S. dollar in 2022 also accounts for the relatively slower growth in these and a number of other European and Asian countries.

Physical Activity: Top Twenty Markets in 2022

	Physical Activity Market				Rank in 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019*	2020*	2021	2022			
United States	\$286.1	\$224.2	\$309.1	\$338.6	1	-21.6%	22.9%
China	\$119.9	\$114.6	\$145.2	\$141.1	2	-4.4%	11.0%
United Kingdom	\$43.4	\$36.2	\$49.5	\$50.4	3	-16.7%	18.0%
Germany	\$38.9	\$35.8	\$39.1	\$39.1	4	-8.0%	4.4%
Japan	\$44.6	\$40.3	\$40.5	\$36.0	5	-9.7%	-5.5%
South Korea	\$25.8	\$24.2	\$26.9	\$29.7	6	-6.2%	10.8%
France	\$27.0	\$24.1	\$28.4	\$27.2	7	-10.8%	6.3%
Canada	\$19.5	\$15.5	\$19.8	\$22.6	8	-20.5%	20.6%
Australia	\$18.8	\$18.5	\$20.4	\$22.3	9	-1.6%	9.9%
Spain	\$16.4	\$14.1	\$17.9	\$19.1	10	-14.2%	16.4%
Italy	\$19.3	\$15.7	\$20.0	\$18.1	11	-19.0%	7.6%
India	\$15.4	\$12.7	\$15.1	\$17.9	12	-17.6%	18.7%
Russia	\$13.5	\$11.9	\$13.4	\$13.7	13	-11.9%	7.3%
Mexico	\$11.6	\$8.8	\$11.2	\$12.8	14	-24.0%	20.6%
Brazil	\$13.5	\$9.4	\$9.8	\$11.8	15	-30.2%	11.9%
Switzerland	\$8.9	\$8.0	\$8.6	\$9.4	16	-10.0%	8.1%
Netherlands	\$9.7	\$8.8	\$9.3	\$9.0	17	-9.6%	1.5%
Taiwan	\$6.7	\$7.1	\$7.5	\$7.6	18	5.8%	3.6%
South Africa	\$8.2	\$6.4	\$6.7	\$7.4	19	-21.5%	7.6%
Argentina	\$3.5	\$2.5	\$3.7	\$6.6	20	-27.9%	62.0%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as Euromonitor.
Source: Global Wellness Institute.

Physical Activity Market by Subsector, 2019-2022

	Market Size (US\$ billions)				Average Annual Growth Rate	
	2019*	2020*	2021	2022	2019- 2020	2020- 2022
Recreational Physical Activity	\$394.2	\$307.3	\$387.3	\$424.9	-22.1%	17.6%
Sports & Active Recreation	\$238.1	\$200.0	\$254.8	\$265.0	-16.0%	15.1%
Fitness	\$122.8	\$77.2	\$94.7	\$121.0	-37.1%	25.2%
Mindful Movement	\$33.3	\$30.0	\$37.8	\$38.9	-9.9%	13.9%
Enabling Sectors	\$491.9	\$453.6	\$553.8	\$568.0	-7.8%	11.9%
Sports Apparel & Footwear	\$346.2	\$300.9	\$364.6	\$371.8	-13.1%	11.1%
Sports & Fitness Equipment	\$107.7	\$106.6	\$137.6	\$137.5	-1.1%	13.6%
Fitness Technology	\$39.4	\$48.3	\$56.2	\$63.8	22.5%	15.0%
TOTAL**	\$875.9	\$746.8	\$927.1	\$976.3	-14.7%	14.3%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor; due to data revisions and updates made by key underlying data sources such as Euromonitor.

** Figures do not sum to total due to overlap in segments and rounding.

Note: See the "Definitions" section for detailed descriptions of the subsectors.

Source: Global Wellness Institute.

The core of the physical activity market is consumer participation in **three types of recreational physical activities: fitness, sports and active recreation, and mindful movement.**¹⁵ Consumer spending on recreational physical activities generated \$424.9 billion in economic activity in 2022, representing 44% of the total physical activity market.

- **Fitness** was the most negatively impacted segment during the pandemic, due to gym and fitness center closures, with a 37.1% decline in spending in 2020. This segment has also experienced the highest rate of recovery, at a 25.2% average annual rate from 2020-2022. However, in 2022, the spending levels on fitness were still slightly below their pre-pandemic level. In many countries, a large number of gyms/fitness centers closed permanently after the pandemic, and many members have yet not returned to the remaining gyms. The ongoing slump could also be due to the large customer shift to online platforms during the pandemic-related shutdowns, and consumers typically spend less for online fitness than for membership at a bricks-and-mortar facility. Note that GWI's measurement of "fitness" is broader than just gyms and fitness studios, and it includes fitness workouts and classes that take place in home-based gyms, community centers, outdoor gyms, schools, hotels, and via online platforms.
- **Mindful movement** is the smallest segment in terms of spending (\$38.9 billion in 2022), was the least negatively impacted by the pandemic, and has seen the most growth as compared to its pre-pandemic level (with spending increasing by 16.8% overall from 2019 to 2022). In particular, yoga has grown rapidly in popularity since the pandemic – not only as a good at-home exercise option when gyms were closed, but also as a stress reliever. The rise in free and low-cost digital platforms (including apps, YouTube, etc.) has also allowed a growing number of people to practice yoga and other mindful movement modalities (e.g., Pilates, tai chi, barre) at home.

¹⁵ For a more detailed definition and elaboration of the subsectors that GWI includes in the physical activity market, see: Yeung, O. and Johnston, K. (2019). *Move to be Well: The Global Economy of Physical Activity*. Miami, FL: Global Wellness Institute. <https://globalwellnessinstitute.org/industry-research/global-economy-physical-activity/>.

- **Sports and active recreation**, which is the largest category of spending, has recovered rapidly from the pandemic. In 2022, this segment reached \$265.0 billion, far exceeding its pre-pandemic levels of spending. The pandemic forced people to go outdoors for their exercise and has ignited a renewed interest in nature. Many outdoor sports and recreation activities have gained popularity since the pandemic, including outdoor running, hiking, cycling, skiing, snowshoeing, rock climbing, pickleball, and many others. Note that even though overall spending on sports and active recreation has grown, we estimate that the overall participation rates for these activities remain below their pre-pandemic levels (33.31% participation in 2019, versus 31.45% in 2022). Many types of sports/recreation activities were curtailed during the pandemic stay-at-home orders and facility shutdowns (e.g., swimming pools, martial arts studios, sports courts, dance classes, youth sports teams), and not everyone has returned to these activities (see further discussion of participation rates below). This means that the average spending per participant has gone up since pre-pandemic, even as participation levels have remained lower.

The physical activity market also includes **three supporting segments** that enable and facilitate consumer participation in these activities: **technology, equipment and supplies, and apparel and footwear**.

- **Fitness technology**, which exploded in 2020, continued its rapid growth in 2021 and 2022. The \$63.8 billion global market for fitness tech includes wearable devices, trackers, and smart/networked equipment, as well as digital platforms (apps and streaming) and software – all of which support and encourage people’s participation in fitness and physical activities by making it more convenient, fun, sociable, personalized, trackable, and affordable. We estimate that consumer spending on various types of fitness apps, streaming, and on-demand services (a subsegment within fitness tech) grew by 27% in 2020 (in response to COVID-related shutdowns of gyms and fitness studios, in-person classes, sports facilities, etc.), and has expanded at a 15% annual rate from 2020-2022.
- **Sports apparel and footwear** fell by 13.1% in 2020, but has since recovered and exceeded its pre-pandemic level, reaching \$371.8 billion in 2022. It is important to keep in mind that activewear/sportswear is increasingly popular worldwide as daily clothing for an aspirational lifestyle (not just for sports/fitness purposes), and this trend accelerated since the pandemic.
- **Sports and fitness equipment** is a broad segment that includes sporting goods, protective gear, and fitness/exercise/training equipment and supplies. This segment fell slightly in 2020 and has since grown to \$137.5 billion worldwide. Some types of sporting goods saw an explosion in demand during the pandemic, especially during the first few months of shutdowns (e.g., bicycles, kayaks, at-home fitness equipment, connected equipment like Peloton bikes), but the growth has tapered in 2022 as people returned to in-person gyms, fitness studios, and sports teams

Participation in Recreational Physical Activity by Region and Subsector 2019-2022

	Percent of the total population who participate in some type of recreational physical activity on a regular basis (at least monthly)			
	2019	2020	2021	2022
By Region				
North America	58.57%	59.47%	60.71%	61.71%
Europe	47.46%	46.04%	45.66%	45.86%
Latin America-Caribbean	36.69%	33.40%	34.31%	36.02%
Asia-Pacific	33.27%	29.27%	30.58%	31.14%
Sub-Saharan Africa	30.71%	21.72%	25.11%	28.44%
Middle East-North Africa	25.48%	23.27%	24.65%	25.60%
By Sector				
Recreational Physical Activity	35.60%	31.55%	32.86%	33.90%
Sports & Active Recreation	33.31%	29.25%	30.43%	31.45%
Mindful Movement	4.89%	5.25%	5.28%	5.22%
Fitness	4.01%	2.65%	3.63%	4.03%

Source: Global Wellness Institute, based on a variety of country-level sources and surveys.

From a health and wellness perspective, people's participation in physical activities is far more important than how much money they are spending on these activities. In most (but not all) countries around the world, participation in recreational physical activities declined in 2020, and in most countries, the participation rates have not returned to their pre-pandemic levels. Globally, the percent of the population participating in all types of recreational physical activities has fallen from 35.6% in 2019 to 33.9% in 2022. Looking at the three categories of activities:

- The participation rate for sports/active recreation in 2022 remains substantially below its 2019 level.
- Participation rates for mindful movement increased a lot in 2020-2021 due to the pandemic but have tapered off slightly in 2022 (probably due to some waning interest after the burst during the pandemic, as well as people returning to their pre-pandemic habits and activities).
- Participation in fitness increased slightly in 2022 as compared to its 2019 level, in contrast to fitness spending, which was still below its 2019 level. This means that people are spending less on fitness on a per participant basis, probably favoring low-cost gyms and inexpensive digital fitness platforms. The overall growth in the fitness participation rate from 2019-2022 is due to rapidly increasing participation in digital/streaming/at-home fitness activities, while the participation rate for traditional gyms/fitness centers remains below its 2019 level. We estimate that participation rate for traditional gyms/fitness centers has declined from 2.65% in 2019 to 2.48% in 2022.

Looking across the world's regions, North America has been the bright spot, with recreational physical activity participation continuing to rise during and after the pandemic, reaching 61.7% in

2022. All other regions suffered significant declines in their physical activity participation rates in 2020, and most have not returned to their pre-pandemic (2019) levels, with the exception of the Middle East-North Africa region.

Many people around the world conduct their leisure-time physical activity in public places (e.g., public parks and plazas, community sporting facilities, in the streets), at home, and/or via free digital platforms. This is especially true in lower-income countries, where private fitness and recreational businesses, facilities, and infrastructure are less developed. It is also true in some higher-income markets, where good publicly subsidized recreational infrastructure provides opportunities for greater participation at low out-of-pocket costs. The more people participate in physical activities outdoors, on their own, and using free digital services – and the more governments invest in publicly supported physical activity infrastructure – the less money people will need to spend out-of-pocket on exercising. Conversely, in some markets we see growing expenditures on physical activities without a commensurate increase in participation rates – meaning that the same (or smaller) share of the population is just spending more per person on doing these activities. **Therefore, there is not a direct line relationship between physical activity spending and physical activity participation. When we measure higher spending in the physical activity market, it does not necessarily mean that people are doing more physical activity, and vice versa.**

Physical Activity

Definitions: What we measure and what we do not

There are two broad types of physical activity: **natural movement** (movement that is essential to our daily lives, like walking for transportation, jobs that require manual labor, and household chores), and **recreational physical activity** (movement that we choose in our leisure time, like exercise, playing sports, taking a walk, or playing on a playground).¹⁶

For the wellness economy data, our definition and measurement of the physical activity market focuses on ***private spending on recreational physical activity***. We define the physical activity sector as ***consumer spending associated with intentional physical activities performed during leisure and recreation***.

The core of the market is the services that allow consumers to participate in three categories of recreational physical activities: **fitness, sports and active recreation**, and **mindful movement**. The market also includes three supporting segments that enable and facilitate consumer participation in these activities: **technology, equipment and supplies**, and **apparel and footwear**. These segments are elaborated and defined below.

Recreational Physical Activities

Our physical activity sector data captures the share of each country's population that is part of the discretionary consumer marketplace for various types of recreational physical activities. Recreational physical activities are segmented into three categories (as described below). Many individuals will participate in multiple activities across these three segments, and so each category is measured separately; we account for overlap when we roll together the three categories to measure the total physical activity market.

We use a consumption-based approach for measuring the physical activity market, and for each category we estimate two key indicators:

- **Participation in recreational physical activities:** Participation rates measure the estimated percent of the population that participates in each category of recreational physical activity. In our dataset, "participation" is generally defined as doing the activity at least once a month or with some regularity. The participation estimates are agnostic of *where or how* people perform the activity. For example, people who do yoga may take a class at a specialized yoga studio, may take a class at a gym or YMCA, may use a streaming or on-demand class, or may simply practice yoga alone at home. For our estimates, all of these methods would count as "participation in yoga" if they are done with regularity.

While we measure *participation* in recreational physical activities (i.e., do consumers do these activities with some regularity), we do not account for the intensity of recreational physical activities, or whether they are sufficient to meet WHO physical activity guidelines. In fact, the minimum threshold used to define "participation" in our analysis (at least once a month) is

¹⁶ GWI first defined and measured the physical activity sector in the following report: Yeung, O., and Johnston, K. (2019). *Move to be Well: The Global Economy of Physical Activity*. Miami, FL: Global Wellness Institute. <https://globalwellnessinstitute.org/industry-research/global-economy-physical-activity/>.

certainly not sufficient to meet WHO guidelines or to stay healthy. Nonetheless, this threshold is adopted in order to estimate market size because it is one of the most commonly used measures for recreational physical activity participation in many countries and consumer surveys around the world.

Therefore, the participation rates presented in this report should not be confused or conflated with the physical activity/inactivity statistics compiled by the WHO, *The Lancet*, and other health agencies, which capture the share of the population that is/is not meeting the WHO recommendations to maintain good health (e.g., adults need 150 minutes of moderate-intensity or 75 minutes of vigorous-intensity physical activity on a weekly basis, agnostic of how these minutes are achieved).¹⁷

- **Consumer spending on recreational physical activities:** Based on participation rates, we estimate the direct, out-of-pocket expenditures made by consumers each year in order to participate in each category of recreational physical activity. This figure is limited to expenditures on services for actually doing an activity – i.e., gym or studio memberships, fees for classes and training, sports team or club dues, entry fees for events/competitions/tournaments, and other associated services. Non-service expenditures are measured in separate, supporting categories (as described below). In some instances, fees for participation may be subsidized (e.g., in facilities/programs run by nonprofits or local governments), and in these instances we still count consumer *participation* in the activity although out-of-pocket expenditures would be reduced or possibly zero. Likewise, for some activities there is no service provider or participation fee (e.g., running in the park or playing a pickup basketball game with friends), and in these instances we count consumer *participation* in the activity although the expenditures are zero.

The three categories of recreational physical activities are defined below:

Sports and active recreation: This category encompasses a wide range of sports and recreation activities, including team sports (e.g., soccer, basketball, volleyball); individual sports (e.g., tennis, pickleball, swimming, gymnastics); indoor sports (e.g., squash, wrestling, martial arts); outdoor sports (e.g., skiing, rowing, bicycling); as well as a variety of recreational pursuits (e.g., hiking, trail running, kayaking, parasailing, rock climbing, dancing). The common denominator among these is that they all involve movement and physical activity that contributes to good health. *Sports* are typically more structured, are governed by specific rules or forms, and often involve an element of competition; participants are usually motivated by mere enjoyment of the activity (fun and games), athletic achievement, competition, and/or camaraderie and team spirit. *Active recreation* activities are often less structured and formalized, although many do require instruction, mastering special skills, or adhering to specific systems or forms (e.g., different schools of martial arts and dance forms). Consumers may pursue active recreation because they enjoy doing the activity, working toward specific skills and goals, being part of a community, and/or being outdoors. Sports and active recreation attract people of all ages and abilities – children, youth, adults, and seniors.

¹⁷ For the most recent data on physical inactivity rates that are comparable across countries, see: Guthold, R., et al (2018). Worldwide trends in insufficient physical activity from 2001 to 2016: a pooled analysis of 358 population-based surveys with 1.9 million participants. *The Lancet Global Health*, 6(10), e1077-1086. [https://doi.org/10.1016/S2214-109X\(18\)30357-7](https://doi.org/10.1016/S2214-109X(18)30357-7).

Fitness: Consumers engage in structured fitness activities with the intention of becoming physically fit or maintaining desired physical conditions, which may encompass cardiovascular health, functional fitness, flexibility and strength, and weight loss or weight management. Fitness activities most often take place at gyms, health clubs, and fitness studios, but can also happen in home-based gyms, outdoor gyms, community centers, schools, hotels, or other venues. These activities are often conducted under the supervision of trainers or are led by teachers in small or group class settings. Fitness activities usually rely on equipment or machines, or they follow a protocol of exercises for conditioning and training. As such, this category includes diverse activities, from indoor cycling/spinning, treadmill running, and weight training, to aerobic dance, Zumba, cardio kickboxing, HIIT/LIIT, bootcamps, aqua aerobics, and much more. The participants in this market are primarily (but not exclusively) adults. Note that walking, running, jogging, and cycling in a gym, in a class, or using a piece of fitness equipment (treadmill or stationary bike) is included in the fitness category, while doing these activities outside of a gym-, class-, or equipment-based setting is generally counted as part of sports and active recreation.

Mindful movement: This category captures the exercise modalities that combine movement with mental/internal focus, body awareness, and controlled breathing, with the intention to improve strength, balance, flexibility, posture and body alignment, and overall health. Mindful movement includes activities such as yoga, tai chi, qigong, Pilates, stretch, and barre, as well as other less mainstream somatic, bodywork, and energy-based methods such as Gyrotonic and Gyrokinesis, Nia Technique, Feldenkrais Method, and 5Rhythms. While these classes are increasingly offered at gyms and fitness studios as part of a comprehensive fitness class offering, consumers usually turn to them with the intentions of improving mind-body health and mental focus, and for stress-relief, mindfulness, recovery, or pain management, in addition to physical exercise. The participants in this market are primarily (but not exclusively) adults.

Physical Activity Enabling Sectors

In addition to direct expenditures on services, consumers also make related purchases that enable and support their participation in recreational physical activities. We measure three categories of enabling sectors:

Technology: In recent years, technology has greatly transformed the fitness and physical activity markets, enabling consumers to track their own metrics, monitor performance and progress, access programs and services on demand, and connect with communities. This category includes technology-enabled hardware/devices and software/services that support fitness, sports, and active recreation. Hardware, equipment, and devices include: wearable fitness trackers; smart/sensor-embedded fitness and sports clothing, shoes, and eyewear; and smart/sensor-embedded/networked fitness equipment and sporting goods. Software, apps, and services include: fitness, exercise, and nutrition apps and online services that are used for tracking, analyzing, learning, and sharing activities and achievements; streaming and on-demand fitness workout/class services and subscriptions; and fitness, sports, and recreation intermediary, booking, management, and marketing software, apps, and platforms. Note that the fitness technology hardware/devices category does not include smart watches like Apple Watch, Samsung Pixel, Fire Bolt, etc., even though they have fitness functions embedded, because these devices are purchased and used by consumers for many purposes beyond just fitness. Similarly, the software/apps category excludes general entertainment-oriented streaming services such as Netflix, Prime Video, YouTube, etc., which increasingly offer fitness programming. As consumers increasingly access fitness services and tracking capabilities through general-use devices like smartwatches and smartphones, and through a variety of streaming media/entertainment platforms, it becomes more challenging to capture the full extent of the fitness technology market or to even measure it as a segment separate from general consumer electronics and media/entertainment.

Equipment and supplies: This category includes a wide variety of equipment and supplies used to engage in fitness, sports, and active recreation, including sporting goods (e.g., balls, rackets, bats, and clubs; bicycles; climbing equipment; ice skates; etc.); protective gear (e.g., helmets, padding, gloves, etc.); as well as fitness/exercise/training equipment and supplies (e.g., treadmills, stationary bikes, other gym equipment, free weights, resistance bands, blocks, mats, etc.). This measurement captures the entire market size for these kinds of equipment and supplies, whether they are sold directly to consumers or to gyms, health clubs, sporting clubs, etc. Note that this category does not include the wide variety of workout recovery devices and tools that are increasingly popular in the fitness market (e.g., massage guns, foam rollers, compression boots, electric muscle stimulators, etc.), because these cross over into the physical therapy and medical arena and are measured as such in industry data sources.

Apparel and footwear: This category captures the clothing and footwear used for fitness, sports, and active recreation, from ski pants to yoga leggings, and from running shoes to hiking boots. Since dressing has become more casual over the past few decades, and fitness has become both a daily activity and an aspirational lifestyle in many places, it is increasingly common for people to wear sports/fitness/active outdoor clothing and shoes as a personal style statement (i.e., “athleisure”). Therefore, it would be impossible to separate what consumers purchase and wear specifically and exclusively for physical activity, when those same pieces of clothing and shoes are also worn as daily casual wear.

It is important to note that our definition and measurement of the physical activity market does not include the following:

- **Public expenditures on fitness, recreation, and sports facilities and infrastructure:** In most countries, governments support *recreational physical activities and sports* in a variety of ways, including building and maintaining public sports fields, swimming pools, tennis courts, and running paths and trails, as well as providing funding for youth and community sports leagues and training programs. A smaller number of governments build and/or subsidize community fitness centers and gyms. Governments fund physical education classes in schools, which provide children with early exposure to a variety of sports and physical activities and help instill lifelong healthy habits. Public expenditures are also critical for facilitating *natural movement physical activity*, especially via urban planning and public transit investments that create the infrastructure for people to walk and ride bicycles as part of their commute or daily activities.

This spending is significant in many countries, but it is impossible to measure because the expenditures occur at multiple levels of government (local, regional, national) and across multiple agencies and budgetary items (transportation and infrastructure, parks and recreation, education, sports, etc.). Therefore, our sector measurements focus only on private, out-of-pocket consumer spending, as a gauge for the rising consumer interest in recreational/leisure-time physical activities and related services. There is evidence that governments around the world are investing more in physical activity infrastructure as part of urban planning (e.g., building more bike trails, greenways, pocket parks, and outdoor gyms) for a variety of purposes beyond just exercise, including improving transportation, quality of life, and environmental sustainability. The pandemic has accelerated this trend across the world. As people have better access to publicly funded infrastructure for physical activity, the need for out-of-pocket spending on these activities may even go down. However, until populations around the world have easy, low-cost access to physical activity facilities and infrastructure, the private physical activity sector will continue to see rising participation and spending.

- **Physical activity associated with domestic chores (e.g., cleaning, cooking, gardening, taking care of children), active transportation (walking or cycling as a means of transit), and work (e.g., physical activity done as part of a job):** While these activities can amount to significant physical activity and may contribute to good health, they are not intentional, recreational physical activity for the purpose of our analysis. Also, these activities do not involve significant direct consumer spending in order to participate in them and cannot be measured as part of the wellness economy.
- **Professional sports and dance:** We include participation in and expenditures on sports and dance when they are done on a recreational basis. We **exclude** professional sports and dance because they are occupational in nature rather than recreational. We also **exclude** intensive pre-professional training in sports and dance, although for children it can be difficult to draw a line between recreational and pre-professional training.
- **Spectator sports and dance:** The physical activity market is about people participating in recreational activities to stay healthy. Therefore, we **exclude** expenditures on viewing sports competitions or dance performances – as well as related media, sponsorships, and advertising – because this spending belongs to the entertainment industry and not wellness.

CHAPTER 4

Mental Wellness



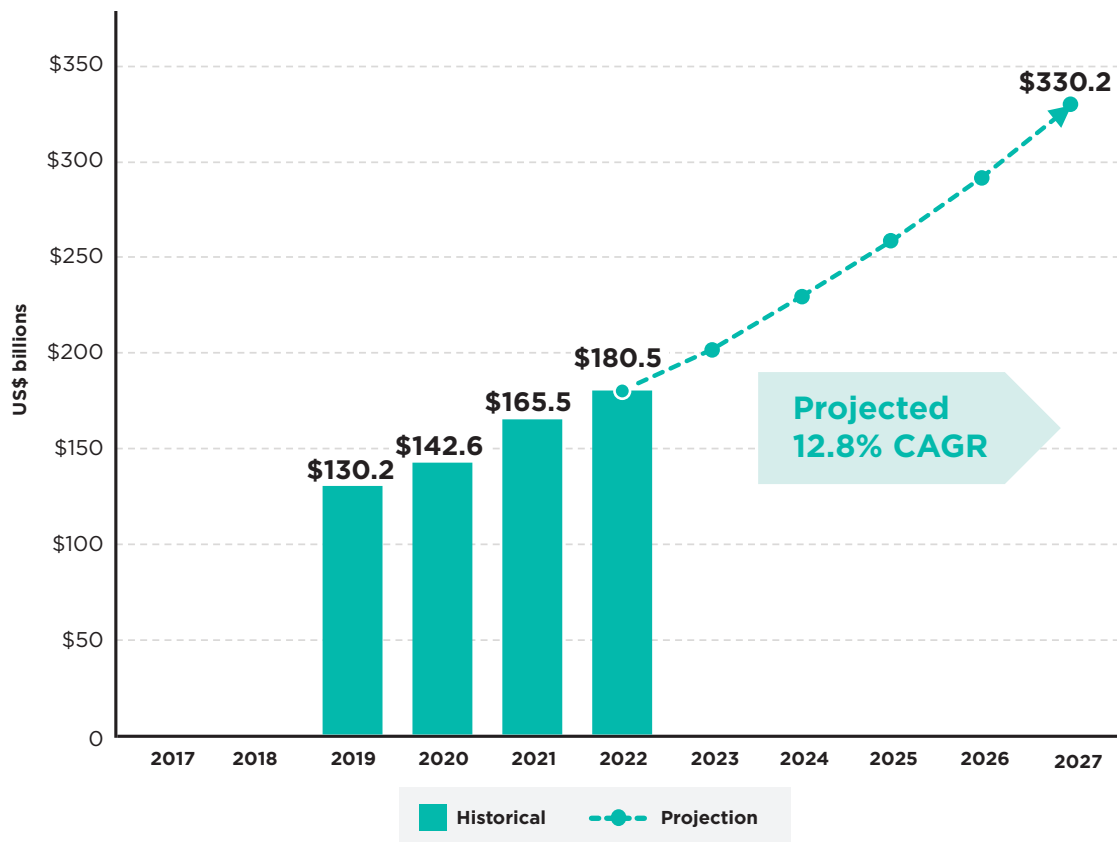
Sector Definition

Consumer expenditures on four categories of mental wellness-related products, services, and experiences: senses, spaces, & sleep; brain-boosting nutraceuticals & botanicals; self-improvement; and meditation & mindfulness.

\$180.5b
Global Market
In 2022

12.5%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Mental Wellness

Market size and growth

Mental wellness is one of the few wellness economy sectors that has continued its upward growth trajectory over the last four years, as consumers sought out products, services, and solutions to help them cope with the immense stresses they faced during the COVID-19 pandemic. We estimate that mental wellness reached \$180.5 billion globally, having grown rapidly from \$130.2 billion in 2019.

North America is by far the largest regional market for mental wellness, accounting for 53% of the global market in 2022. North America's per capita spending on mental wellness (at \$257 in 2022) is many times the level in other regions around the world. All regions saw positive growth in mental wellness-related expenditures from 2020-2022. As of 2022, all regions have far exceeded their pre-pandemic spending levels, even those regions that had experienced a decline in 2020 (Latin America-Caribbean, Middle East-North Africa, and Sub-Saharan Africa).

Mental Wellness Market by Region 2019-2022

	Mental Wellness Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019*	2020*	2021	2022			
North America	\$63.86	\$74.10	\$86.48	\$95.59	\$256.81	16.0%	13.6%
Asia-Pacific	\$31.90	\$33.05	\$38.32	\$40.57	\$9.54	3.6%	10.8%
Europe	\$24.21	\$25.72	\$29.55	\$31.57	\$34.28	6.2%	10.8%
Latin America-Caribbean	\$5.10	\$4.82	\$5.61	\$6.65	\$10.07	-5.4%	17.4%
Middle East-North Africa	\$3.48	\$3.27	\$3.83	\$4.19	\$7.87	-6.1%	13.3%
Sub-Saharan Africa	\$1.70	\$1.61	\$1.73	\$1.96	\$1.62	-5.1%	10.4%
WORLD	\$130.24	\$142.56	\$165.52	\$180.53	\$22.70	9.5%	12.5%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as Euromonitor.

Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on data from Euromonitor, ICF, NCCIH, and other sources.

Overall, the world's mental wellness market is heavily concentrated in North America, Asia-Pacific, and Europe, and these three regions together account for 93% of all spending in this sector. At the country level, the United States is by far the largest market, at \$87.1 billion in 2022, dwarfing all other countries. Among the twenty largest countries, several have seen substantial expansion of their mental wellness markets from 2019-2022, including: the United States, China, Canada, UK, France, Mexico, and Turkey. Some countries in Europe, along with Japan and South Korea, have posted slightly slower growth rates in 2021-2022 that are partially due to currency depreciation against the U.S. dollar during this time period.

Mental Wellness: Top Twenty Markets in 2022

	Mental Wellness Market				Rank in 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019*	2020*	2021	2022			
United States	\$58.96	\$67.86	\$78.55	\$87.05	1	15.1%	13.3%
China	\$14.16	\$15.50	\$18.37	\$19.43	2	9.5%	12.0%
Canada	\$4.90	\$6.24	\$7.93	\$8.54	3	27.3%	17.0%
Germany	\$4.50	\$4.99	\$5.65	\$5.88	4	11.0%	8.5%
Japan	\$4.69	\$4.70	\$5.11	\$5.07	5	0.3%	3.8%
India	\$3.46	\$3.18	\$3.61	\$3.92	6	-7.9%	11.0%
United Kingdom	\$2.76	\$3.18	\$3.70	\$3.81	7	15.3%	9.4%
France	\$2.34	\$2.53	\$3.01	\$3.19	8	8.4%	12.2%
Italy	\$2.48	\$2.56	\$2.85	\$3.09	9	3.2%	9.9%
South Korea	\$2.44	\$2.49	\$2.88	\$2.86	10	2.2%	7.2%
Brazil	\$2.41	\$2.04	\$2.16	\$2.70	11	-15.4%	15.0%
Australia	\$1.83	\$1.84	\$2.15	\$2.35	12	0.6%	13.3%
Russia	\$1.76	\$1.54	\$1.70	\$2.14	13	-12.5%	17.7%
Spain	\$1.45	\$1.42	\$1.74	\$1.89	14	-2.0%	15.2%
Mexico	\$0.99	\$1.04	\$1.35	\$1.57	15	5.5%	22.5%
Netherlands	\$1.09	\$1.19	\$1.34	\$1.35	16	9.5%	6.3%
Indonesia	\$1.06	\$1.00	\$1.17	\$1.32	17	-5.7%	14.9%
Turkey	\$0.80	\$0.83	\$0.97	\$1.10	18	3.6%	15.1%
Saudi Arabia	\$0.81	\$0.88	\$1.02	\$1.08	19	8.3%	10.9%
Poland	\$0.89	\$0.95	\$1.03	\$1.08	20	7.7%	6.4%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as Euromonitor. Source: Global Wellness Institute, based on data from Euromonitor, ICF, NCCIH, and other sources.

We include four subsectors in the mental wellness market: **1) senses, spaces, & sleep; 2) brain-boosting nutraceuticals & botanicals; 3) self-improvement;** and **4) meditation & mindfulness.** All four subsectors saw strong positive growth rates from 2020-2022.

Mental Wellness Market by Subsector 2019-2022

	Market Size (US\$ billions)				Average Annual Growth Rate	
	2019*	2020*	2021	2022	2019- 2020	2020- 2022
Senses, Spaces, & Sleep	\$53.8	\$63.5	\$70.4	\$77.3	18.1%	10.3%
Brain-Boosting Nutraceuticals & Botanicals	\$40.0	\$46.4	\$56.0	\$60.7	15.9%	14.4%
Self-Improvement	\$33.6	\$29.2	\$35.3	\$38.3	-13.2%	14.5%
Meditation & Mindfulness	\$2.8	\$3.5	\$3.8	\$4.3	25.4%	10.9%
TOTAL	\$130.2	\$142.6	\$165.5	\$180.5	9.5%	12.5%

** 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as Euromonitor. Note: Figures may not sum to total due to rounding. See the "Definitions" section for detailed descriptions of the subsectors.*

Source: Global Wellness Institute, based on data from Euromonitor, ICF, NCCIH, and other sources.

- **Senses, spaces, and sleep** is the largest segment, representing 43% of the market in 2022 and growing at a robust 10.3% annually from 2020-2022. Sleep is a major focus of this sector, and rising consumer spending on an exploding array of sleep and relaxation products and gadgets has helped to drive strong growth in this segment.
- **Brain-boosting nutraceuticals and botanicals** is the second-largest segment (at \$60.7 billion in 2022) and also one of the fastest-growing (increasing by 14.4% annually from 2020-2022). Within this segment, product categories that have been growing especially strongly since 2019 include cannabis (142% overall growth since 2019) and functional foods/beverages targeting brain health and energy (30% overall growth since 2019).
- **Self-improvement** declined in 2020 due to the impact of pandemic-related shutdowns on in-person self-improvement activities, such as personal/life coaching, live events/speakers, workshops/seminars, group meetings, and retreats. In 2021 and 2022, this segment has recovered rapidly, growing by 14.5% annually to reach \$38.3 billion.
- **Meditation and mindfulness** is the smallest segment, at \$4.3 billion in 2022. Interest in meditation has exploded since the beginning of the pandemic, and the growth of new participants and spending on meditation apps, books, and products has helped drive the growth in this segment.

Mental Wellness

Definitions: What we measure and what we do not

Mental wellness is defined as ***an internal resource that helps us think, feel, connect, and function; it is an active process that helps us to build resilience, grow, and flourish.***¹⁸

Our measurement of mental wellness as an economic sector encompasses consumer expenditures on four categories of mental wellness-related products, services, and experiences, as defined below:

Senses, spaces, & sleep: Includes products, services, and design that target our senses, physical spaces, and the mind-body connection, based upon the growing understanding that environmental stimuli have a major impact on our mood, stress levels, sleep, and mental health and well-being. This broad sector encompasses sound (sound healing, white noise, noise cancellation, wellness music); scent (aromatherapy, home fragrances); light (circadian lighting, light therapy consumer products); and touch (stress toys and gadgets, weighted blankets). Sleep is a major focus of this sector, with an exploding array of sensory products and services that promote relaxation and improve our sleep environments (e.g., sleep accessories, smart bedding, nap cafés, sleep retreats, etc.). Many new tech gadgets, wearables, and apps target sleep hygiene, ambience, and tracking. Multi-sensory experiences are appearing in wellness travel, spas, fitness, and entertainment venues (e.g., forest bathing, hugging therapy, scream therapy, laughter yoga, cuddle parties, flotation tanks). Sensory-based design and architecture are a rapidly growing part of wellness real estate, shaping the physical spaces and built environments where we live, work, and play, and especially our sensory experiences within these spaces (e.g., biophilic design, multisensory design, human-centric lighting). Some of the expenditures in this category overlap with the *wellness real estate* and *traditional & complementary medicine* sectors, and we account for this overlap when aggregating the figures for the overall wellness economy.

Brain-boosting nutraceuticals & botanicals: Includes products that we ingest or put into our bodies with the specific aim of improving our mental health and well-being. Many over-the-counter natural supplements, herbals and botanicals, and traditional remedies specifically claim to support better sleep, brain health, memory, energy, and overall mental wellness. A wide range of functional foods and beverages claim to have brain health benefits, across nearly every packaged food and beverage category. There is growing interest in the potential of cannabis and its derivatives, psilocybin, and other plant-based and synthetic psychedelic drugs for both mental wellness and treatment purposes. A growing number of supplements and functional foods and beverages incorporate cannabis, hemp, CBD, THC, and medicinal mushrooms. (Note that our figures include only the legal, over-the-counter cannabis and cannabis derivatives market.) Most of the expenditures in this category overlap with the *healthy eating, nutrition, & weight loss* and *traditional & complementary medicine* sectors, and we account for this overlap when aggregating the figures for the overall wellness economy.

¹⁸ GWI first defined and measured the mental wellness sector in 2020. For more details on mental wellness as a concept and as an industry sector, see: Yeung, O. and Johnston, K. (2020). *Defining the Mental Wellness Economy*. Miami, FL: Global Wellness Institute. <https://globalwellnessinstitute.org/industry-research/defining-the-mental-wellness-economy-2020/>.

Self-improvement: Includes a wide range of activities typically associated with self-help and personal development, which can be done individually, in groups, and with professional guidance and support. The sector includes: self-help books; self-help gurus, organizations, and institutes that deliver a variety of classes, workshops, seminars, and retreats; self-help organizations and mutual support groups; personal and life coaches; cognitive enhancement and brain training products and services; a wide array of self-help apps and online platforms; and anti-loneliness efforts. This sector is especially hard to quantify because the activities overlap with so many other sectors. Self-help gurus, groups, and organizations now deliver content through a variety of media channels (e.g., Instagram, Facebook, Reddit, YouTube, websites, magazines, TED talks, podcasts, etc.), which cannot be easily separated as a consumer spending category.

Meditation & mindfulness: Includes all forms of meditation practice, related/spin-off mindfulness practices (e.g., breathwork and breathing methods, guided imagery, body scan, relaxation exercises), and products and services that support these practices. Key spending categories include classes, teachers, retreats, online platforms, apps, books, and videos. There is a growing market for meditation accessories (e.g., cushions, beads, chimes) and mindfulness products (e.g., journals, coloring books), as well as a fast-growing range of connected gadgets, trackers, monitors, and aids to support meditation (e.g., headbands, headsets, glasses, wearable sensors, lamps) – many of which build upon biofeedback, neurofeedback, and virtual reality technologies.

The identification of these four subsectors as part of the mental wellness industry is based on the following criteria:

- They include wellness practices, products, and services that are widely recognized and understood by consumers as being associated with mental wellness (e.g., meditation, self-help, coaching).
- They include products and services that are proactively positioned, marketed, and branded by businesses as specifically targeting aims such as reducing stress, building resilience, improving sleep, preventing cognitive decline, and other mental wellness-enhancing benefits (e.g., sleep apps, brain training, sound baths, stress-reducing candles, stress toys).
- They include many products and services that are not already defined and classified as being part of other wellness economy sectors within GWI's framework (although there is some overlap between the mental wellness industry and other wellness industries, as noted above).
- They *do not* include products and services that may be very beneficial for mental wellness, but whose primary purpose is something else (e.g., fitness, healthy foods, arts and literature, going to church, pets).
- They *do not* include products and services that sit in the medical or clinical arena (e.g., psychotherapy, sleep labs).

Note that by singling out the four subsectors above, we are not implying that these are the most important or most effective practices for pursuing mental wellness. They are simply the commercialized products and services in the marketplace that are most often identified by businesses and consumers as being related to mental wellness. Importantly, there are many things we can do to support our mental wellness that are not acts of consumption – such as spending time in nature, joining a spiritual community, being with friends, or making/enjoying art and music – and, therefore, cannot be monetized by businesses or measured in economic terms.

The relationship between the mental wellness industry and the mental wellness of people is not straightforward. It is important to recognize that mental wellness is deeply connected to

the broader societal, cultural, economic, and geopolitical environments that people live in. By measuring the size of the mental wellness industry, we are not assessing the mental wellness of the global population or in individual countries. Across the world, a growing level of consumer spending on mental wellness products and services may be an indicator of the deterioration of global mental health and well-being. The growth of the mental wellness industry also demonstrates consumers' growing desire for help in accessing various mental wellness pathways, as well as the growth of business innovations to deliver new options. However, our mental wellness industry measurement does not provide a clear or complete picture of a population's mental health and well-being. For example, in individual countries, a small mental wellness market could mean many things - perhaps people have non-commercial ways for staying mentally well (e.g., strong families and community networks, spiritual beliefs, connections to nature), or perhaps mental wellness services and products are not widely available or affordable for the people who need them. Therefore, we should not interpret a large or growing mental wellness sector as implying that people are feeling more mentally well, or interpret a small mental wellness market as implying that people are not interested or are not mentally well.

CHAPTER 5

Workplace Wellness



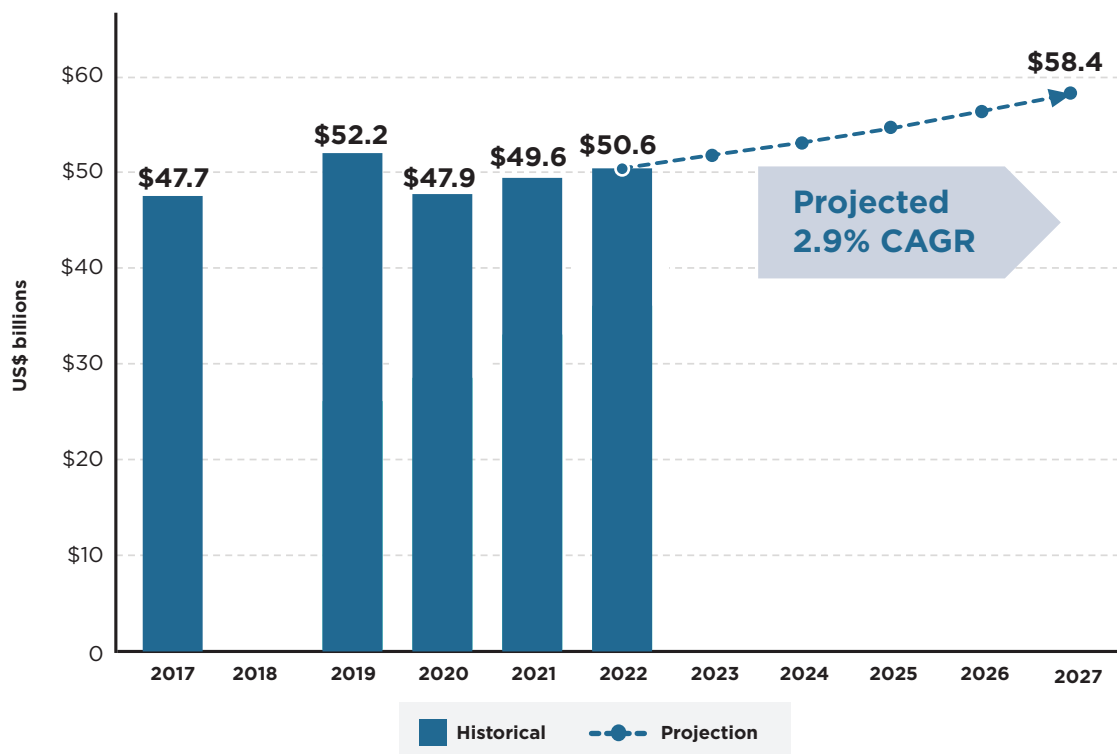
Sector Definition

Employer expenditures on programs, services, activities, and equipment aimed at improving their employees' health and wellness.

\$50.6b
Global Market
In 2022

2.8%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Workplace Wellness

Market size and growth

We estimate the global workplace wellness market at \$50.6 billion in 2022. Much of this spending is motivated by employers' desires to lower healthcare costs; improve morale, retention, and recruitment; and increase productivity and competitiveness. Workplace wellness expenditures shrank by 8.2% in 2020 due to the pandemic, but then grew by 2.8% annually from 2020-2022. As of 2022, the workplace wellness sector is still slightly below its pre-pandemic/2019 peak spending level.

The contraction of this sector in 2020 may seem counterintuitive, given that worker health was in the forefront of everyone's minds in the early stages of the pandemic. A significant portion of traditional workplace wellness-related expenditures are on activities that rely upon in-person attendance (e.g., health screenings, fitness and educational classes, etc.), and many of these activities were curtailed or shifted to lower-cost online platforms during the pandemic, whether due to workplace shutdowns or company cost-cutting measures. As workplaces reopened, and many (but not all) employees went back to work in person, these kinds of workplace wellness activities and expenditures have resumed in 2021 and 2022.

Workplace Wellness Market by Region, 2019-2022

	Workplace Wellness Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019	2020*	2021	2022			
North America	\$18.86	\$17.09	\$19.10	\$19.77	\$53.12	-9.4%	7.5%
Europe	\$19.38	\$18.65	\$18.26	\$18.72	\$20.33	-3.8%	0.2%
Asia-Pacific	\$10.13	\$8.75	\$8.82	\$8.38	\$1.97	-13.6%	-2.1%
Middle East-North Africa	\$1.73	\$1.57	\$1.56	\$1.67	\$3.14	-9.6%	3.3%
Latin America-Caribbean	\$1.66	\$1.47	\$1.49	\$1.61	\$2.44	-11.5%	4.8%
Sub-Saharan Africa	\$0.41	\$0.39	\$0.40	\$0.43	\$0.36	-4.5%	5.7%
WORLD	\$52.16	\$47.91	\$49.63	\$50.59	\$6.36	-8.2%	2.8%

* 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as the ILO.

Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on labor market, employment, and workplace wellness data from the International Labour Organization, OECD, Eurostat, Kaiser Family Foundation, HERO, and other sources.

There are several short-term and long-term structural shifts in the workplace wellness landscape – and more broadly in worker health and well-being – that are difficult to capture in our traditional way of measuring workplace wellness expenditures (discussed more below in the “Definitions” section). It is important to note that the market size for workplace wellness is primarily shaped by the underlying characteristics and growth trends of the workforce in each country, including total employment, the share of workers who have permanent contract or wage/salary jobs, and the share of workers in different size classes of firms. Therefore, growth in the workplace wellness

market does not necessarily mean that more firms are offering wellness benefits, that firms are spending more on these benefits, or that proportionately more workers have access to them. In addition, currency fluctuations affect our estimates of workplace wellness spending expressed in U.S. dollar terms. This is the case in Europe and Asia-Pacific, where currency depreciation against the U.S. dollar in many European markets (including the Euro zone) and in major Asian markets (Japan, South Korea, Australia) has dampened and even reduced overall spending from 2021-2022 in U.S. dollar terms.

In general, the current level of workplace wellness expenditures is quite low when viewed from the perspective of employee coverage. GWI estimates that approximately 339 million workers around the world benefit from some form of workplace wellness program, representing only 10.1% of all employed workers in 2022. Across the world, workplace wellness is still not a widespread concept, benefiting only a small slice of workers who mostly work for multinational corporations and in knowledge-intensive industries (e.g., finance, investment, consulting, IT, high-tech, higher education, creative industries, etc.), and those living in the world's wealthiest countries and cities.

Access to Workplace Wellness by Region, 2019-2022

	Percent of employed workers in each region who have access to workplace wellness programs/services			
	2019	2020*	2021	2022
North America	47.70%	47.42%	49.10%	47.73%
Europe	27.28%	28.21%	28.03%	28.15%
Asia-Pacific	4.90%	5.30%	5.18%	5.11%
Middle East-North Africa	8.94%	8.85%	8.76%	8.69%
Latin America-Caribbean	5.98%	6.19%	5.96%	5.84%
Sub-Saharan Africa	1.46%	1.44%	1.48%	1.46%
WORLD	9.88%	10.25%	10.17%	10.07%

* 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as the ILO.
 Source: Global Wellness Institute, based on labor market, employment, and workplace wellness data from the International Labour Organization, OECD, Eurostat, Kaiser Family Foundation, HERO, and other sources.

Around the world, the “gig economy,” temporary employment, and contract work are on the rise, meaning that a growing portion of the workforce is in jobs with a lack of job security, irregular hours, unstable income, and other stressors. As the structure of the global workforce changes, fewer workers are in jobs that have access to workplace wellness benefits. According to the International Labour Organization, about 53% of all employed workers globally are “wage and salary workers” or “employees” (i.e., not self-employed, working in a family-based operation, or working in some other informal capacity). Among these wage and salary workers, GWI estimates that the share who are in temporary contract jobs (i.e., fixed-term or task-based contracts, seasonal work, day labor, etc.) has been rising in recent years, from 24.4% in 2020, to 25.9% in 2021, to 26.5% in 2022. This means that a shrinking share of workers are in the types of positions that would potentially have access to workplace wellness programs and benefits (or any benefits at all).

The concentration of workplace wellness in high-income countries is evident in our estimates for the largest regions and countries. North America (\$19.8 billion in 2022) and Europe (\$18.7 billion in 2022) together account for three quarters of the global market for workplace wellness. The top

twenty countries (listed below) together account for nearly 84% of global workplace wellness spending. The United States remains by far the world’s largest market for workplace wellness program expenditures, estimated at over \$18 billion in 2022. Since the healthcare burden is mostly borne by employers in the United States, U.S. companies have strong incentives to control escalating medical costs while also improving productivity. The United States has also been the fastest growing country among the largest markets from 2020-2022. The very slow or negative growth rates in many of the largest markets (Germany, Japan, UK, France, South Korea, etc.) are largely due to currency depreciation, which affects the growth trajectory when expressed in U.S. dollars.

Workplace Wellness: Top Twenty Markets in 2022

	Workplace Wellness Market				Rank in 2022	Average Annual Growth Rate	
	(US\$ billions)					2019- 2020	2020- 2022
	2019	2020*	2021	2022			
United States	\$17.13	\$15.54	\$17.49	\$18.16	1	-9.3%	8.1%
Germany	\$4.28	\$4.14	\$4.12	\$4.17	2	-3.3%	0.3%
Japan	\$4.96	\$3.70	\$3.67	\$3.13	3	-25.4%	-8.1%
United Kingdom	\$3.23	\$2.96	\$2.67	\$2.72	4	-8.3%	-4.1%
France	\$2.52	\$2.56	\$2.51	\$2.51	5	1.4%	-0.9%
Canada	\$1.74	\$1.56	\$1.61	\$1.61	6	-10.3%	1.8%
Spain	\$1.20	\$1.17	\$1.19	\$1.29	7	-2.8%	5.0%
South Korea	\$1.29	\$1.23	\$1.22	\$1.15	8	-4.5%	-3.6%
Italy	\$1.16	\$1.13	\$1.11	\$1.14	9	-2.6%	0.4%
Australia	\$1.10	\$0.89	\$1.00	\$0.98	10	-18.8%	5.0%
Taiwan	\$0.78	\$0.74	\$0.75	\$0.78	11	-4.2%	2.6%
Russia	\$0.75	\$0.72	\$0.73	\$0.76	12	-3.4%	3.0%
Sweden	\$0.66	\$0.64	\$0.64	\$0.66	13	-3.3%	1.0%
Netherlands	\$0.68	\$0.67	\$0.61	\$0.62	14	-1.0%	-3.7%
Saudi Arabia	\$0.43	\$0.44	\$0.44	\$0.47	15	2.8%	3.0%
Brazil	\$0.56	\$0.43	\$0.42	\$0.45	16	-22.3%	2.4%
Poland	\$0.40	\$0.39	\$0.42	\$0.44	17	-0.5%	5.6%
China	\$0.50	\$0.43	\$0.43	\$0.43	18	-13.9%	0.2%
Switzerland	\$0.45	\$0.43	\$0.42	\$0.43	19	-4.9%	-0.5%
Austria	\$0.42	\$0.40	\$0.40	\$0.41	20	-5.3%	0.8%

* 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as the ILO.

Source: Global Wellness Institute, based on data from the International Labour Organization, OECD, Eurostat, Kaiser Family Foundation, HERO, and other sources.

Workplace Wellness

Definitions: What we measure and what we do not

We define the workplace wellness market as ***employer expenditures on programs, services, activities, and equipment aimed at improving their employees' health and wellness.***

These expenditures typically seek to raise awareness, provide education, and offer incentives that encourage employees to adopt healthier lifestyles. Workplace wellness programs target a wide range of employee behaviors (e.g., lack of exercise, poor eating habits, smoking, lack of sleep) and risk factors (e.g., chronic illness, obesity, addiction, depression, stress). Programs can encompass a variety of services, products, and platforms, including: health screening assessments; diagnostic testing; in-house amenities or subsidized memberships for fitness clubs and exercise classes; healthy food offerings at company cafeterias; wearable fitness trackers; health fairs, educational programming, and counseling services for wellness; incentives for participation in wellness activities; etc. While some companies may design and administer their own wellness programs, there is a sizable industry of third-party service providers who can administer these programs for companies. Many private insurance companies also administer wellness programs for the companies whose employees they insure.

Note that COVID-related expenditures on employee health and safety (e.g., personal protective equipment, cleaning and sanitation, workplace design reconfigurations, upgraded HVAC and ventilation, etc.) are not classified as “workplace wellness” and are therefore not measured in GWI’s estimates for this sector.

As the concept of workplace wellness matures, employers are increasingly recognizing that a compartmentalized, programmatic approach to employee health and well-being is not particularly effective, especially in addressing major challenges related to stress, burnout, work-life balance, and mental health. The sudden and dramatic shift to remote work during the pandemic has also challenged long-held assumptions about what wellness means in the work context. More employers are expanding workplace wellness from just physical health to include mental, emotional, and financial well-being programs.

Employers are also shifting toward different types of employee wellness approaches that are not budgeted as “workplace wellness” expenditures. Some employers are reconfiguring workspaces to combat stress and improve mental wellness, productivity, and job performance. For example, with a greater appreciation for how lighting, indoor air, and biophilic elements (such as plants, green spaces, and views of nature) can impact employee health and well-being, employers are investing in these wellness-enhancing features. Employers are focusing more on supporting their employees’ mental health in a variety of ways, such as introducing services and programs to help them cope with stress and anxiety (both at the workplace and at home), creating space and time for socializing with coworkers, and putting limits on working hours and after-hours emails. Some businesses are giving their employees more freedom to choose when, where, and how they work. Some employers are beginning to adopt a more holistic approach that encompasses company culture, hierarchy, leadership style, workflow, and much more. **These types of workplace changes and initiatives and their related expenditures cannot be classified or measured as “workplace wellness,” and so measurable expenditures on workplace wellness may go down even when the focus on employee wellness is actually expanding and broadening.**

Although the pandemic lockdowns have ended, many other kinds of stress, anxiety, and social disconnection persist. Numerous workers continue to face long hours, stressful work conditions, and rising costs of living. For some, climate conditions have led to hazardous environments that threaten their physical safety. In lower-income countries, a large portion of the workforce suffers from dire and often life-threatening issues related to exploitation, workplace safety/health threats, lack of living wages or a secure job, lack of sick leave, and so on.¹⁹ Even in wealthier countries, some of the greatest obstacles to workforce well-being relate to living wages, job protection, availability of sick leave and maternity leave, childcare, access to healthcare, working conditions, worker burnout, and disengagement. “Quiet quitting,” “lying flat,” strikes, walkouts and protests across many countries and sectors demonstrate the widespread worker frustration with working conditions, job insecurity, and increasing financial stress. All of these challenges and the solutions to them (such as living wages, better retirement benefits, paid leave, and worker safety and protection laws) are outside the scope of typical workplace wellness programs. Economic downturns, rising inflation, environmental disasters, and political conflict all negatively impact workers’ wellness and impede employers’ ability to support them via wellness programming. For some employers, unpredictable macro-level factors in the coming years may make it harder to commit to supporting employee wellness programs and initiatives.

¹⁹ Many workers in lower-income nations are part of the informal sector and are not covered by benefits, labor laws, or health and safety regulations. The International Monetary Fund estimates that about 60% of the world’s labor force works in the informal economy; many of them are women, and some are children. See: International Monetary Fund. (2021, July 28). *Five Things to Know about the Informal Economy*. <https://www.imf.org/en/News/Articles/2021/07/28/na-072821-five-things-to-know-about-the-informal-economy>.

CHAPTER 6

Wellness Tourism



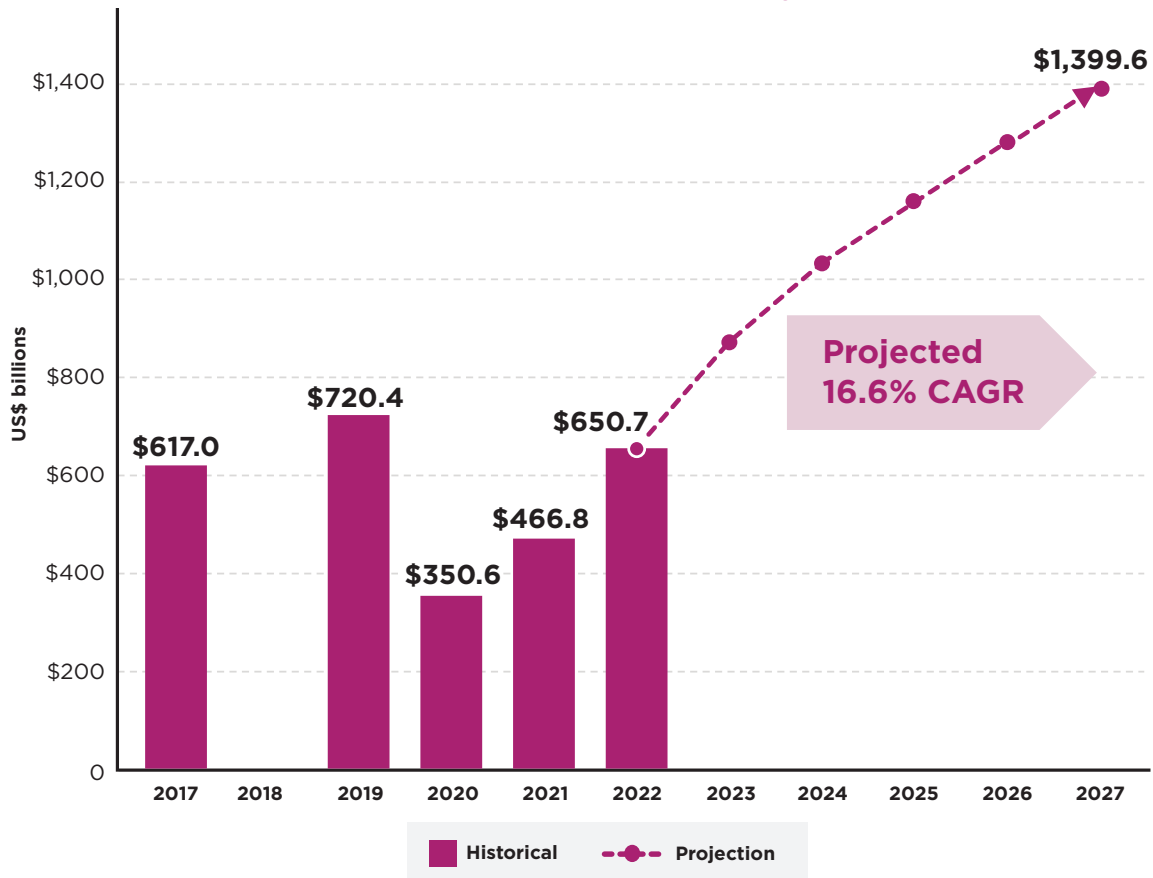
Sector Definition

Travel associated with the pursuit of maintaining or enhancing one's personal well-being. Aggregates all expenditures made by tourists taking wellness-related trips (both primary and secondary, domestic and international).

\$650.7b
Global Market
In 2022

36.2%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Wellness Tourism

Market size and growth

Wellness tourism was one of the fastest-growing wellness economy sectors prior to 2020, but it was also the sector that was most negatively impacted by the COVID-19 pandemic. After peaking at \$720.4 billion in 2019, wellness tourism expenditures plummeted to \$350.6 billion in 2020, due to the pandemic travel bans and border closures around the world. Wellness tourism fared slightly better than overall tourism in the first pandemic year (from 2019-2020, wellness trips fell by 48.4% versus a 51.9% drop for overall tourism trips; wellness expenditures fell by 51.3% versus a 55.1% drop for overall tourism expenditures).

Wellness tourism has gradually recovered in 2021 and 2022, along with the relaxing of pandemic-related travel restrictions and the recovery of the overall tourism market. From 2020-2022, wellness trips have grown by 30.2% annually and expenditures have grown by 36.2% annually (significantly higher than the growth rates for overall tourism trips and expenditures, at 23.8% and 28.4%, respectively). However, overall wellness tourism trips and expenditures remain at 87-90% of their pre-pandemic peak, and there is still room for more growth and recovery in the coming years as the global tourism market returns to “normal.” Even though it has not returned to its pre-pandemic level, wellness tourism remains the fourth largest sector in the wellness economy, accounting for 11.6% of all global wellness spending in 2022.

Wellness Tourism Expenditures by Region 2019-2022

	Wellness Tourism Expenditures				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019	2020*	2021	2022			
North America	\$277.4	\$154.4	\$205.5	\$266.8	\$716.87	-44.3%	31.4%
Europe	\$248.2	\$124.9	\$175.8	\$250.7	\$272.30	-49.7%	41.7%
Asia-Pacific	\$145.4	\$51.2	\$56.5	\$85.1	\$20.01	-64.8%	29.0%
Latin America-Caribbean	\$31.9	\$12.7	\$19.5	\$29.4	\$44.49	-60.1%	52.0%
Middle East-North Africa	\$12.1	\$5.2	\$6.9	\$13.6	\$25.57	-57.0%	61.5%
Sub-Saharan Africa	\$5.5	\$2.1	\$2.6	\$5.0	\$4.15	-60.8%	53.1%
WORLD	\$720.4	\$350.6	\$466.8	\$650.7	\$81.82	-51.3%	36.2%

* 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to revisions in underlying tourism data from Euromonitor. These updates resulted in a substantial decrease in the country-level and global estimates for overall tourism trips and expenditures in 2020, and thereby a decrease in our wellness tourism estimates for that year. These retroactive updates are likely due to the challenges and delays in public sector data collection efforts during the pandemic, which are the underlying source of Euromonitor's tourism data.

Note: These figures combine both international/inbound and domestic wellness tourism trips, and they also include both primary and secondary wellness tourism trips. Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on tourism data from Euromonitor.

Wellness Tourism Trips by Region, 2019-2022

	Number of Wellness Tourism Trips				Average Expenditures Per Trip
	(millions)				2022
	2019	2020*	2021	2022	
North America	221.9	140.8	184.1	213.5	\$1,250
Europe	333.5	175.9	232.2	300.6	\$834
Asia-Pacific	309.9	133.7	148.1	242.4	\$351
Latin America-Caribbean	51.7	25.2	34.7	47.2	\$623
Middle East-North Africa	11.9	4.8	6.2	10.1	\$1,354
Sub-Saharan Africa	7.5	2.7	2.9	5.7	\$878
WORLD	936.4	483.0	608.2	819.4	\$794

* 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to revisions in underlying tourism data from Euromonitor. These updates resulted in a substantial decrease in the country-level and global estimates for overall tourism trips and expenditures in 2020, and thereby a decrease in our wellness tourism estimates for that year. These retroactive updates are likely due to the challenges and delays in public sector data collection efforts during the pandemic, which are the underlying source of Euromonitor's tourism data.

Note: These figures combine both international/inbound and domestic wellness tourism trips, and they also include both primary and secondary wellness tourism trips. Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on tourism data from Euromonitor.

Wellness travelers made 819.4 million international and domestic wellness trips in 2022, which is a significant increase over the 2020 and 2021 levels. As with trip expenditures, wellness tourism trips had not yet recovered to their pre-pandemic level as of 2022, reflecting the overall gradual recovery of the global tourism market. Wellness trips accounted for 7.8% of all tourism trips but represented 18.7% of all tourism expenditures in 2022. This is because wellness travelers tend to spend much more per trip than the average traveler (see further discussion below). Wellness tourism has continued to grow in its share of overall tourism throughout the pandemic (in 2019, wellness trips were only 6.5% of all trips and 15.3% of all tourism spending).

Europe remains the region with the largest number of wellness trips, while North America continues to lead in total wellness tourism expenditures, because the average spending per trip in North America is significantly higher. Average expenditures per trip have grown the fastest in the Middle East-North Africa region, reaching \$1,354 per trip and exceeding the level in North America in 2022. Middle East-North Africa has also grown fastest in its overall wellness tourism spending (61.5% annual growth in 2020-2022), and wellness tourism expenditures now exceed their pre-pandemic level even though wellness trips in the region have not yet fully recovered. Middle East-North Africa has also been the world's fastest-growing region for overall tourism trips and spending during this time period.

Across the world's regions, Asia-Pacific has lagged the most in its post-pandemic recovery. This is largely due to the China market, where the prolonged pandemic restrictions largely curtailed outbound and inbound travel, and also greatly hampered domestic tourism, throughout 2021 and 2022. As of 2022, China's wellness tourism expenditures were at only 33% of their pre-pandemic level (and wellness trips were at 42% of their pre-pandemic number). The lack of Chinese outbound tourists has also had an impact on the recovery of the tourism markets (and other sectors, such as thermal/mineral springs) in other Asia counties, such as Japan, South Korea, and Thailand.

Wellness tourism is heavily concentrated in North America, Europe, and Asia-Pacific. The United States alone accounts for 24% of all trips and 39% of all expenditures in 2022. This is because, as a very large country, the United States has a very large domestic wellness travel market in addition to its inbound visitors. In fact, as evident in the chart below, domestic wellness tourism represents 96% of all wellness trips in the U.S. market. The top twenty countries represent 85% of the global wellness tourism market in 2022. Among the top twenty, three-quarters have recovered nearly to or exceeded their pre-pandemic/2019 level of wellness tourism expenditures as of 2022. Countries that have significantly lagged in recovery include China, Thailand, South Korea, Japan, and India (due in part to the factors discussed above).

Wellness Tourism: Top Twenty Destination Markets in 2020

	Wellness Tourism Expenditures				Rank in 2022	Average Annual Growth Rate		Number of Trips
	(US\$ billions)					2019-2020	2020-2022	(millions)
	2019	2020*	2021	2022				2022
United States	\$263.5	\$147.3	\$198.7	\$255.9	1	-44.1%	31.8%	195.4
Germany	\$73.5	\$31.2	\$48.5	\$70.2	2	-57.5%	49.9%	61.6
France	\$34.7	\$22.1	\$28.9	\$35.5	3	-36.4%	26.9%	36.1
Austria	\$18.9	\$11.9	\$11.4	\$19.5	4	-36.8%	27.9%	16.7
Switzerland	\$15.5	\$9.4	\$11.0	\$17.7	5	-39.7%	37.3%	11.3
Japan	\$26.6	\$10.3	\$10.6	\$17.6	6	-61.4%	31.1%	34.5
Italy	\$14.5	\$7.5	\$10.9	\$15.7	7	-48.3%	44.6%	11.6
United Kingdom	\$15.1	\$4.9	\$11.4	\$15.6	8	-67.6%	78.7%	23.6
Australia	\$14.0	\$7.9	\$9.9	\$14.4	9	-43.9%	35.4%	11.9
Mexico	\$12.5	\$5.9	\$10.2	\$13.8	10	-53.3%	53.3%	17.5
Spain	\$10.8	\$3.5	\$6.1	\$11.4	11	-67.7%	80.3%	18.5
China	\$34.4	\$10.7	\$16.0	\$11.2	12	-68.9%	2.3%	40.4
India	\$13.3	\$3.5	\$4.5	\$11.0	13	-73.6%	76.8%	95.3
Canada	\$13.9	\$7.1	\$6.8	\$11.0	14	-48.8%	24.2%	18.1
Thailand	\$16.9	\$4.2	\$2.0	\$7.8	15	-75.1%	35.7%	10.4
Denmark	\$3.8	\$4.3	\$4.9	\$6.0	16	12.6%	18.4%	6.3
South Korea	\$8.3	\$4.4	\$5.0	\$5.4	17	-47.2%	11.3%	20.0
United Arab Emirates	\$2.8	\$2.1	\$2.9	\$5.4	18	-26.3%	61.2%	1.9
Portugal	\$4.4	\$3.0	\$4.1	\$5.3	19	-32.7%	34.2%	5.8
Turkey	\$5.7	\$1.5	\$3.2	\$4.8	20	-74.4%	81.9%	9.2

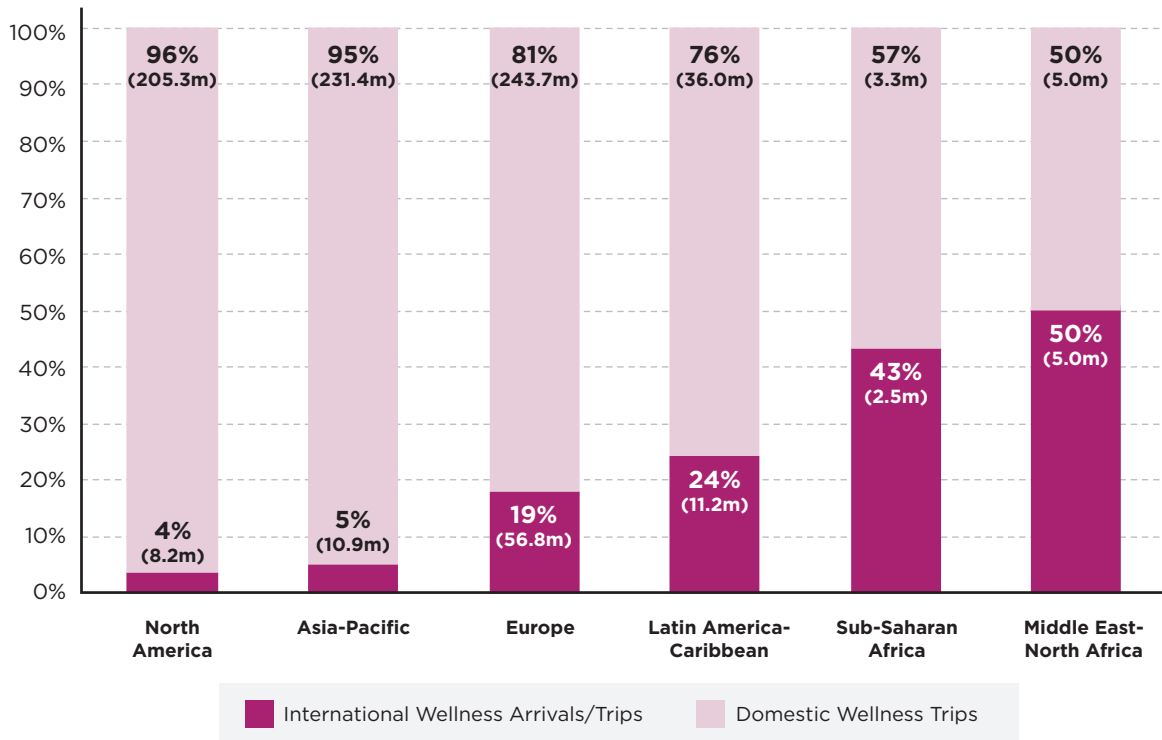
* 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to revisions in underlying tourism data from Euromonitor. These updates resulted in a substantial decrease in the country-level and global estimates for overall tourism trips and expenditures in 2020, and thereby a decrease in our wellness tourism estimates for that year. These retroactive updates are likely due to the challenges and delays in public sector data collection efforts during the pandemic, which are the underlying source of Euromonitor's tourism data.

Note: These figures combine both international/inbound and domestic wellness tourism trips, and they also include both primary and secondary wellness tourism trips.

Source: Global Wellness Institute, based on tourism data from Euromonitor.

In most cases, it is easier and cheaper to take short trips and to travel domestically than overseas. Therefore, across the world there are nine to ten times as many domestic trips taken as international trips in most years (outside of the pandemic). Likewise, wellness travel is much more likely to be domestic travel rather than international. Among the 819 million wellness trips taken in 2022, international/inbound wellness trips accounted for only 12% (95 million trips), while domestic wellness trips accounted for 88% (725 million trips). The domestic wellness tourism market is especially dominant in larger countries in North America and Asia-Pacific (e.g., United States, Canada, China, Australia, India, etc.) where people have a wide range of options for traveling within their country.

Breakdown of Wellness Trips: International versus Domestic (2022)



Source: Global Wellness Institute, based on tourism data from Euromonitor

Most people think of wellness tourism as **primary wellness travel** – where the trip or destination choice is motivated by wellness, and where travelers may visit destination spas, health resorts, hot spring resorts, yoga retreats, and other immersive wellness experiences. In reality, the bulk of wellness tourism is **secondary wellness travel** – where travelers seek out wellness experiences or healthy options while taking any type of trip (for leisure or business). Secondary wellness tourism accounted for 88% of wellness tourism trips and 85% of wellness tourism expenditures in 2022.

During the first pandemic year of 2020, primary wellness tourism trips suffered a greater decline (-62%) than secondary wellness trips (-47%), due to the closure and restricted capacity of many wellness tourism businesses (e.g., destination spas, retreats, hot springs resorts, etc.). With the gradual reopening and lifting of restrictions in 2021 and 2022, primary wellness tourism has also recovered more rapidly than secondary wellness tourism (55% annual growth in primary wellness trips versus 28% for secondary wellness trips from 2020-2022). As the overall tourism market returns to normal, we predict that secondary wellness trips will remain a substantial and growing share of the wellness tourism market in the coming years, as more travelers continue to seek out healthy options and wellness experiences as part of all types of trips.

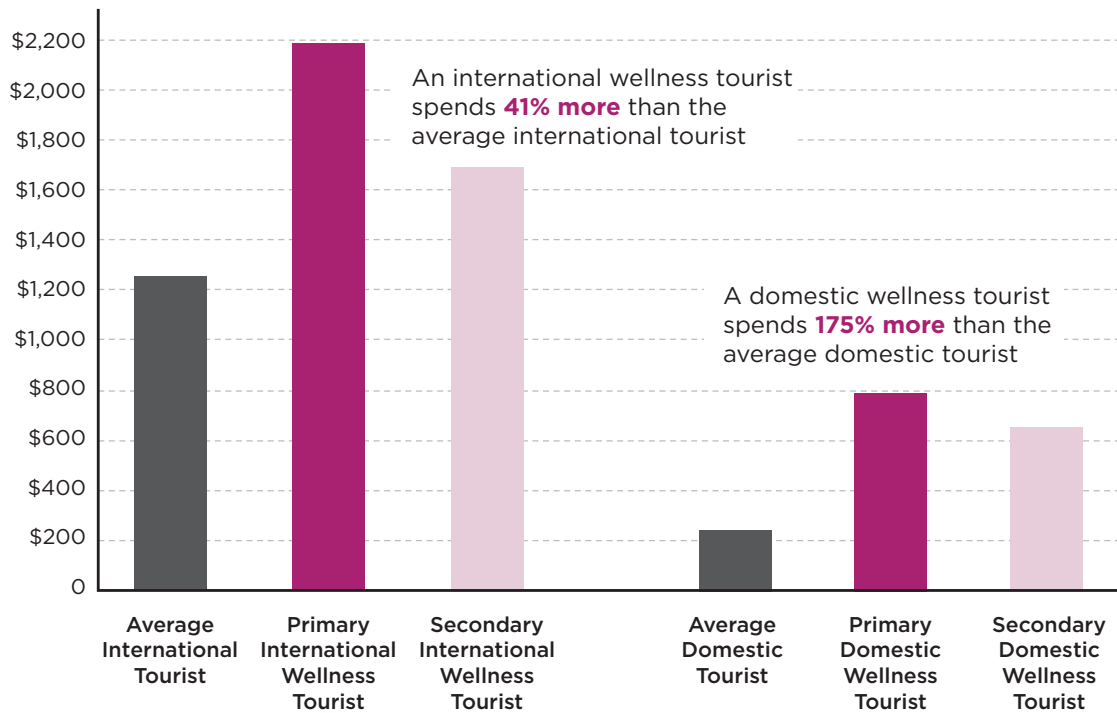
Breakdown of Wellness Trips: Primary versus Secondary (2022)



*Note: These figures combine both international/inbound and domestic wellness tourism trips and expenditures.
Source: Global Wellness Institute, based on tourism data from Euromonitor.*

Wellness travelers spend more per trip than the average tourist; this holds true for both domestic and international travelers. In 2022, international wellness tourists on average spent \$1,764 per trip, which is 41% more than the typical international tourist. The spending premium for domestic wellness tourists is even higher, at 175% more than the typical domestic tourist (or \$668 per trip). This is because wellness travelers are typically more affluent, educated, and well-traveled, and they are willing to spend more on travel experiences, services, and amenities that support their health and well-being.

Wellness Tourism Spending Premiums (2022)



Source: Global Wellness Institute, based on tourism data from Euromonitor

Wellness Tourism

Definitions: What we measure and what we do not

We define wellness tourism as ***travel associated with the pursuit of maintaining or enhancing one's personal well-being.***²⁰

This definition intentionally incorporates both the concept of “enhancing” wellness and “maintaining” wellness, because we include two types of wellness tourists in measuring the size of the wellness tourism industry:

- **Primary wellness tourist:** A tourist whose trip or destination choice is primarily motivated by wellness. Primary wellness tourists choose destinations and experiences that are directly related to wellness (e.g., destination spas, hot springs resorts, health resorts, yoga retreats, etc.).
- **Secondary wellness tourist:** A tourist whose main reason to travel is not wellness, but who seeks to maintain wellness while taking any kind of trip for leisure or business. For secondary wellness tourists, their wellness values and lifestyles affect their choices, activities, and spending during travel (e.g., seeking out healthy foods, gyms/exercise options, etc. during a trip).

We measure the size of the wellness tourism industry by aggregating all trip expenditures made by travelers taking both primary and secondary wellness trips. These expenditures include lodging, food and beverage, activities and excursions (including wellness services), shopping, in-country transportation (travel within the country), and other services (e.g., telecommunications, travel agent services, travel insurance, etc.). Following the convention for international tourism statistics, we exclude international airfare from the calculation of wellness tourism. The international airfare paid by international tourists does not necessarily accrue to the country they are visiting. Therefore, expenditures on international airfare are typically not included in the tourism receipts reported by individual countries, but instead are covered in a different line item in balance of payment statistics.

Our wellness tourism estimates include trips and expenditures made by both international and domestic travelers:

- **International wellness tourism expenditures:** All receipts earned by a country from inbound wellness tourists visiting from abroad, with an overnight stay.
- **Domestic wellness tourism expenditures:** All expenditures in a country made by wellness tourists who are traveling within their own country, with an overnight stay.

²⁰ For more details on defining and understanding wellness tourism, see: 1) Yeung, O. and Johnston, K. (2018). *The Global Wellness Tourism Economy 2018*. Miami, FL: Global Wellness Institute. <https://globalwellnessinstitute.org/industry-research/global-wellness-tourism-economy/>. 2) Yeung, O. and Johnston, K. (2015). *The Global Wellness Tourism Economy 2013 & 2014*. Miami, FL: Global Wellness Institute. <https://globalwellnessinstitute.org/industry-research/global-wellness-tourism-economy-2013-2014/>.

Within each of the international and domestic tourism segments, we estimate the portion of trips and expenditures that are represented by wellness tourists, including both primary and secondary wellness tourism segments (as defined above). In summary, we aggregate the spending of primary and secondary wellness tourists, both international/inbound and domestic, across 218 countries, to arrive at the size of the global wellness tourism industry.

When people began traveling again in 2021 and 2022, after the initial stage of the pandemic, protecting their health and minimizing COVID-19 risks became a top-of-mind priority for most people. This trend has prompted some to declare that “all post-COVID travel is wellness travel.” However, in our definition and analysis, we do not count as wellness tourism those trips in which the sole health concern centers on addressing COVID-19 risks (e.g., sanitizing, air filtration, touchless service/access, wearing masks, physical distancing, etc.). Those types of concerns are similar to other actions travelers take to reduce the risk of infection or disease during travel (e.g., yellow fever vaccinations, malaria pills). In contrast, wellness travel focuses more broadly on health-enhancing behaviors and lifestyles factors, such as eating, physical activity, and sleep. Even so, the pandemic experience has accelerated the evolution of primary and secondary wellness tourism toward a more mindful, holistic, and sophisticated understanding of health and well-being.

In our study of wellness tourism over the last decade, we have made a clear distinction between wellness tourism and medical tourism, and we have advocated for clear terminologies and understanding of their differences. Medical tourism typically involves patients traveling to another place for specific medical treatments or enhancements. Top medical tourism procedures include cosmetic surgery, orthopedic surgery, cardiac surgery, and dental procedures. In contrast, wellness tourists seek activities and destinations that extend their wellness lifestyle and help them proactively maintain and improve their health and well-being. Yet, the pandemic has accelerated the integration of wellness and medicine and has created more grey areas between the two. Many diagnostics and procedures that used to take place only at hospitals and medical clinics are increasingly showing up on the menus of destination spas and wellness resorts (e.g., lymphatic drainage, gut microbiome assessments, sleep analysis, blood analysis, genetic testing, musculoskeletal assessments, oxygen therapy, etc.). At the same time, medical centers and hospitals are beginning to incorporate wellness as part of post-surgery recovery and rehabilitation, adding offerings like yoga, meditation, exercise, nutrition, energy healing, bodywork, etc. In many places, these new services specifically target both medical tourists and wellness tourists.

Indeed, the intersections between medicine and wellness can increase the challenge of distinguishing and measuring the wellness tourism and medical tourism markets. The blending of certain types of medical and wellness activities at destination spas and health centers is likely to increase in the future. In our analysis of wellness tourism, we include those trips for which the motivation and interests are primarily wellness and prevention, and not medical or treatment oriented. Therefore, we would include a visit to a destination spa in our estimates, even when the stay includes some diagnostic services, an executive checkup, and medical advice from physicians. However, we do not include medical procedures in our estimates, even if they are related or adjacent to the wellness sector. For example, travel for a cosmetic or bariatric surgery would be medical tourism, and therefore not included in our wellness tourism figures.

CHAPTER 7

Spas



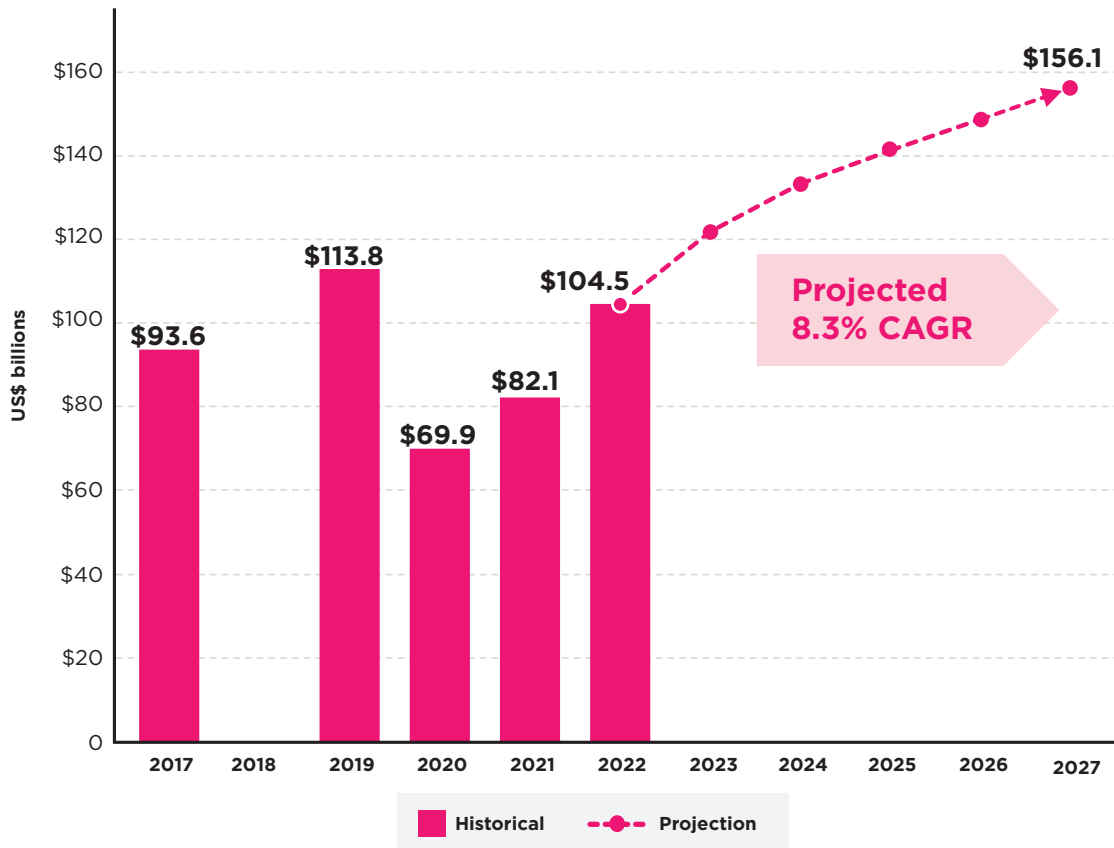
Sector Definition

Establishments that promote wellness through the provision of therapeutic and other professional services aimed at renewing the body, mind, and spirit.

\$104.5b
Global Market
In 2022

22.3%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Spas

Market size and growth

In 2022, there were an estimated 181,175 spas operating around the world, generating \$104.5 billion in revenues. The spa industry was hit hard by the early stages of the COVID-19 pandemic, with travel restrictions, business shutdowns, and stay-at-home orders leading to a 38.6% drop in revenues and a loss of over 5,600 businesses in 2020. The ongoing pandemic-related restrictions and tourism decline have continued to affect many spas around the world throughout 2021 and 2022, but nevertheless, the industry has recovered steadily and posted strong revenue growth rates in both years. As of 2022, global industry revenues are at 92% of their pre-pandemic peak.

At the regional level, the spa markets in North America and Middle East-North Africa have fully recovered and exceeded their pre-pandemic levels as of 2022. Most other regions are at 90% or more of their 2019 peak. The exception is Asia-Pacific, where a continued decline in China's spa market has hampered the sector's recovery across the region (due to the prolonged pandemic and travel restrictions there, along with weakened economic conditions in 2022). The large spa markets in Japan and India have also been slow to recover, due to ongoing pandemic effects, the tourism slowdown and lack of Chinese tourists, and economic contraction in Japan. It is also important to note that currency depreciation across Europe and in several large Asian markets (Japan, South Korea, Thailand, India, Australia) in 2022 has dampened the industry's size and growth rate when expressed in U.S. dollar terms.

Spa Revenues by Region 2019-2022

	Spa Revenues				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019- 2020	2020- 2022
	2019*	2020*	2021**	2022**			
Europe	\$42.7	\$27.0	\$29.9	\$41.0	\$44.56	-36.8%	23.3%
North America	\$26.1	\$16.5	\$24.4	\$28.2	\$75.85	-36.9%	30.9%
Asia-Pacific	\$31.5	\$19.1	\$20.2	\$22.1	\$5.20	-39.2%	7.6%
Latin America- Caribbean	\$7.4	\$4.2	\$3.6	\$6.7	\$10.11	-43.8%	26.7%
Middle East-North Africa	\$4.0	\$2.0	\$2.9	\$4.4	\$8.30	-49.8%	49.2%
Sub-Saharan Africa	\$2.1	\$1.1	\$1.1	\$2.0	\$1.67	-47.4%	36.8%
WORLD	\$113.8	\$69.9	\$82.1	\$104.5	\$13.14	-38.6%	22.3%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor; due to improved data availability in several countries (especially for hotel/resort and thermal/mineral springs spas).

** The growth of spa revenues in 2021 and 2022 is not entirely due to new builds, but also due to a dramatic increase in the number of hotel/resorts listing themselves and their spa facilities/services on global online booking sites, especially in emerging market countries.

Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute.

The global spa industry is heavily concentrated in Europe, Asia, and North America, with the top five countries (United States, Germany, France, China, Japan) accounting for 46% of global revenues in 2020, while the top twenty countries represent 75% of the global market. Europe has the largest regional spa market, both in terms of revenues (\$41.0 billion in 2022) and the number of spas (63,194). The Middle East-North Africa region saw the largest drop in revenues at the beginning of the pandemic (-49.8% in 2020), partly because the spa sector in this region is more heavily weighted toward hotel/resort spas, which were more negatively impacted by the pandemic restrictions. In 2021-2022, Middle East-North Africa has posted the highest spa revenue growth rates in the world (growing by 48% in 2021 and 50% in 2022), fueled by a tourism boom, a growing local market, and a rapid increase in the number of spas across the region (especially in UAE, Saudi Arabia, Morocco, Israel, and Qatar).

Spa Establishments by Region 2019-2022

	Number of Spa Establishments			
	2019*	2020*	2021**	2022**
Europe	57,399	56,477	59,230	63,194
Asia-Pacific	51,835	49,956	51,051	53,627
North America	31,935	30,827	30,916	31,841
Latin America-Caribbean	15,768	14,527	15,327	16,926
Middle East-North Africa	7,493	7,157	7,692	8,762
Sub-Saharan Africa	4,939	4,771	5,431	6,825
WORLD	169,369	163,715	169,647	181,175

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to improved data availability in several countries (especially for hotel/resort and thermal/mineral springs spas).

** The increase in the number of spas in 2021 and 2022 is not entirely due to new builds, but also due to a dramatic increase in the number of hotel/resorts listing themselves and their spa facilities/services on global online booking sites, especially in emerging market countries.

Source: Global Wellness Institute.

Spas: Top Twenty Markets in 2022

	Spa Revenues				Rank in 2022	Average Annual Growth Rate	
	(US\$ billions)					2019- 2020	2020- 2022
	2019*	2020*	2021**	2022**			
United States	\$23.88	\$15.12	\$22.24	\$25.90	1	-36.7%	30.9%
Germany	\$8.24	\$6.14	\$5.85	\$7.93	2	-25.5%	13.7%
France	\$5.25	\$3.40	\$3.79	\$5.05	3	-35.2%	21.8%
China	\$10.41	\$6.32	\$5.96	\$4.77	4	-39.3%	-13.2%
Japan	\$6.14	\$4.24	\$4.83	\$4.37	5	-30.9%	1.5%
Italy	\$4.07	\$2.10	\$2.26	\$3.34	6	-48.4%	26.1%
United Kingdom	\$3.32	\$2.11	\$2.87	\$3.20	7	-36.3%	23.0%
Spain	\$3.30	\$1.72	\$2.02	\$3.01	8	-47.9%	32.2%
Russia	\$2.96	\$1.94	\$1.97	\$2.49	9	-34.4%	13.2%
Canada	\$2.25	\$1.36	\$2.11	\$2.33	10	-39.5%	30.9%
Switzerland	\$1.88	\$1.23	\$1.59	\$2.27	11	-34.8%	36.0%
Austria	\$2.32	\$1.29	\$1.27	\$2.09	12	-44.2%	27.3%
Mexico	\$2.16	\$1.28	\$1.44	\$1.99	13	-40.6%	24.5%
Indonesia	\$1.76	\$1.00	\$0.99	\$1.58	14	-43.1%	25.4%
South Korea	\$1.73	\$1.15	\$1.46	\$1.55	15	-33.8%	16.2%
Thailand	\$1.63	\$1.05	\$1.14	\$1.54	16	-35.4%	20.9%
India	\$2.48	\$0.99	\$0.93	\$1.43	17	-60.2%	20.3%
Australia	\$1.38	\$1.01	\$1.09	\$1.43	18	-26.9%	19.1%
United Arab Emirates	\$1.20	\$0.65	\$0.93	\$1.36	19	-45.5%	44.1%
South Africa	\$0.99	\$0.50	\$0.61	\$1.12	20	-49.9%	50.1%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to improved data availability in several countries (especially for hotel/resort and thermal/mineral springs spas).

** The growth of spa revenues in 2021 and 2022 is not entirely due to new builds, but also due to a dramatic increase in the number of hotel/resorts listing themselves and their spa facilities/services on global online booking sites, especially in emerging market countries.

Source: Global Wellness Institute.

GWI defines and measures six categories of spas. The spa categories that are primarily dependent upon tourism saw the greatest revenue declines in 2020, including hotel/resort spas (-41%), thermal/mineral springs spas (-41%), destination spas (-37%), and “other spas,” which includes cruise ships (-51% for the whole category, and -78% for cruise ship spas on their own). The day/club/salon spas segment was hit hardest by the pandemic in terms of spa closures, with a net loss of over 4,200 spas in this category. The number of destination spas actually increased in 2020, with closures happening later in 2021 (net loss of 35 spas from 2020-2021). The number of hotel/resort spas stayed the same from 2019-2020 because we have no basis for determining whether there were any permanent closures in 2020, amidst all of the temporary shutdowns.

From 2020-2022, the hotel/resort spas category added the largest number of spas and grew the fastest (29% annual revenue growth), nearly returning to its pre-pandemic level in terms of revenues. Hotel/resort spas now have both the largest revenues and the largest number of establishments across all types of spas. The rapid growth of the hotel/resort spas category is underpinned by the strong growth in wellness tourism (see previous section), as more consumers seek to bring their wellness lifestyle with them when they travel. In response, more hotels and resorts are adding and marketing spa services and facilities to stay competitive in the market. However, *note that not all of the dramatic increase in hotel/resort spas and revenues is due to new builds*. Our methodology includes gathering data from global online booking sites, and recent years have brought massive growth in hotel/resort listings, as well as properties listing themselves as providing spa facilities and services, particularly in the emerging market and middle-income countries across Europe, Latin America, the Middle East, and Africa.²¹

Spa Establishments and Revenues by Type 2019-2022

	Spa Revenues (US\$ billions)				Number of Spas			
	2019*	2020*	2021**	2022**	2019*	2020*	2021	2022
Hotel/Resort Spas	\$50.4	\$29.6	\$34.2	\$49.0	64,181	64,181	70,124	80,423
Day/Club/Salon Spas	\$36.0	\$23.7	\$29.2	\$32.7	71,202	66,949	67,006	67,935
Destination Spas & Health Resorts	\$9.2	\$5.8	\$6.2	\$8.0	2,730	2,752	2,717	2,735
Medical Spas	\$7.5	\$5.0	\$5.9	\$6.6	7,257	6,939	6,907	6,998
Thermal/Mineral Springs Spas	\$6.2	\$3.7	\$4.4	\$5.1	9,507	9,456	9,326	9,345
Other Spas	\$4.4	\$2.2	\$2.3	\$3.1	14,492	13,438	13,567	13,739
TOTAL	\$113.8	\$69.9	\$82.1	\$104.5	169,369	163,715	169,647	181,175

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to improved data availability in several countries (especially for hotel/resort and thermal/mineral springs spas).

** The growth of spa revenues in 2021 and 2022 is not entirely due to new builds, but also due to a dramatic increase in the number of hotel/resorts listing themselves and their spa facilities/services on global online booking sites, especially in emerging market countries.

Note: Figures may not sum to total due to rounding. See the "Definitions" section for descriptions of the spa categories.

Source: Global Wellness Institute.

²¹ For example, the number of overall lodging properties listed in Bookings.com (the largest worldwide accommodations search platform) increased by 18% globally from 2020-2022, with the listings growing by 72% in Middle East-North Africa and 47% in Latin America-Caribbean. Listings of lodging properties with spas increased by 23% in Middle East-North Africa, 17% in Sub-Saharan Africa, and 14% in Latin America-Caribbean during this time period.

Spas

Definitions: What we measure and what we do not

Our methodology for measuring the size of the spa sector was established in 2008, when we launched our inaugural report on the global spa industry.²² An inherent challenge of measuring the size of the industry is defining what constitutes a spa. There is no standardized definition around the world, since spas come in many shapes and sizes, and they possess different meanings for different customers and operators across a variety of cultures and regions. We intentionally adopted an inclusive definition for our measurement of the spa market size.

We define spas as ***establishments that promote wellness through the provision of therapeutic and other professional services aimed at renewing the body, mind, and spirit.***

Spa facilities typically offer a wide variety of services (e.g., massages, facials, body treatments, water-based treatments, beauty treatments, health assessments, and much more), as well as sales of related products. We measure the size of the global spa industry by aggregating the estimated revenues of different types of spas in countries around the world. The categories of spas are defined below.

- **Day/club/salon spas:** Offer a variety of spa services (e.g., massages, facials, body treatments, etc.) by trained professionals on a day-use basis. Club spas are similar to day spas but operate out of facilities whose primary purpose is often fitness. Salon spas operate out of facilities that provide beauty services (such as hair, cosmetics, nails, etc.).
- **Destination spas and health resorts:** Offer a full-immersion spa experience in which all guests participate. In addition to spa and body treatments, all-inclusive programs typically include a myriad of other offerings such as: fitness, mind/body, special diets and cleanses, energy work, personal coaching, nutritional counseling, weight loss, sports medicine, preventive or curative medical services, etc. This category also includes the traditional sanatoria and health resorts in Europe that offer spa-like services (e.g., massage, hydrotherapy, thermal water bathing, etc.) for wellness and therapeutic purposes.
- **Hotel/resort spas:** Located within a resort or hotel property, providing spa services on an à la carte basis to hotel guests and outside/local guests. Spa treatments and services generally complement a hotel stay or a wide range of other activities at a resort.
- **Thermal/mineral springs spas:** Include the revenues generated by spa- and wellness-related treatments (such as massage, facials, hydrotherapy, etc.) at the following types of establishments: day-use spa facilities and destination/health resorts that incorporate an on-site source of natural mineral, thermal, or seawater into their spa treatments, as well as other bathing/recreational springs establishments that offer complementary spa services.
- **Medical spas:** Day spas that operate under the full-time, on-site supervision of a licensed healthcare professional, providing comprehensive medical and/or wellness care in an environment that integrates spa services with traditional, alternative, or cosmetic medical therapies and treatments.

²² Yeung, O., and Johnston, K. (2008). *The Global Spa Economy 2007*. New York: Global Spa Summit and SRI International. <https://globalwellnessinstitute.org/industry-research/global-spa-economy/>.

- **Other spas:** Includes all other facilities that are not captured by the categories described above, such as cruise ship spas, airport spas, and mobile spas. It also includes historically-/culturally-based facilities (e.g., Turkish hammams, Indian Ayurveda centers, European bathhouses and saunas, etc.) that have evolved into spas by adding modern spa-like services such as massage, facials, and body treatments into their offerings.

The spa industry has evolved rapidly with the emergence of new wellness modalities (e.g., sound baths, hyperbaric oxygen chambers, cryotherapy, IV drips, infrared lighting treatment, acupuncture, reiki, etc.). In response to growing consumer demand, many spas are adding these kinds of treatments to their traditional menu of services. But spas are not the only places where consumers can access these modalities. Outside of spas, there are a growing number of business establishments that offer these modalities as single service operations – for example, IV clinics, flotation therapy centers, salt cave clinics, napping studios, etc. Concurrently, in some of the top metro regions, there is an emerging niche sector of exclusive wellness clubs that combine aspects of coworking, social clubs, and luxury spa, fitness, and wellness experiences – and many of these clubs also offer novel wellness modalities like flotation tanks, infrared saunas, cryotherapy, vitamin drips, etc. While these new businesses and clubs may offer some of the same services as spas, and may even compete with spas, we do not include them in our measurement of the spa industry. Many of these modalities are rooted in traditional/indigenous healing practices, and they are considered a form of traditional & complementary medicine (T&CM). Therefore, we count consumer spending on these kinds of activities (other than spa-based massage, body treatments, and beauty treatments) in the T&CM sector. Therefore, there is a very small overlap between the spa sector and the T&CM sector, but since the spa-based spending on T&CM modalities is tiny relative to the overall size of both sectors, the amount of overlap is miniscule.

Over the last decade, there has been a growing overlap between wellness and medicine, and the COVID-19 pandemic has accelerated this trend. Many diagnostics and procedures that used to take place only at hospitals and medical clinics are increasingly showing up on the menus of spas (e.g., lymphatic drainage, gut microbiome assessments, sleep analysis, blood analysis, genetic testing, musculoskeletal assessments, etc.). Many consumers – especially wealthy consumers who can easily pay out-of-pocket – are beginning to turn to spas for diagnostics aimed at early detection, for managing chronic conditions, and for other types of health and nutrition coaching and support. This trend raises confusion about what is or is not a “medical spa” – and does any spa that offers these kinds of services count as a “medical spa”? In our definitions, health resorts, destination spas, and sanatoria that offer overnight stays with full-immersion/all-inclusive wellness programs (even including the medical-type services discussed above) are always counted in that category. Day-use spas that offer medical-type services AND have full-time, on-site supervision of a healthcare professional are counted as “medical spas.” Day-use spas that offer some quasi-medical services (e.g., sleep analysis, nutrition counseling) but are not supervised by a healthcare professional are always counted as “day/club/salon spas.”

We also want to acknowledge that, while there is a growing trend of wealthy consumers installing spa-like facilities and equipment in their homes (e.g., saunas, cold plunge pools, red light therapy beds, etc.), these consumer equipment purchases are not included in our measurement of spa industry revenues.

CHAPTER 8

Thermal/Mineral Springs



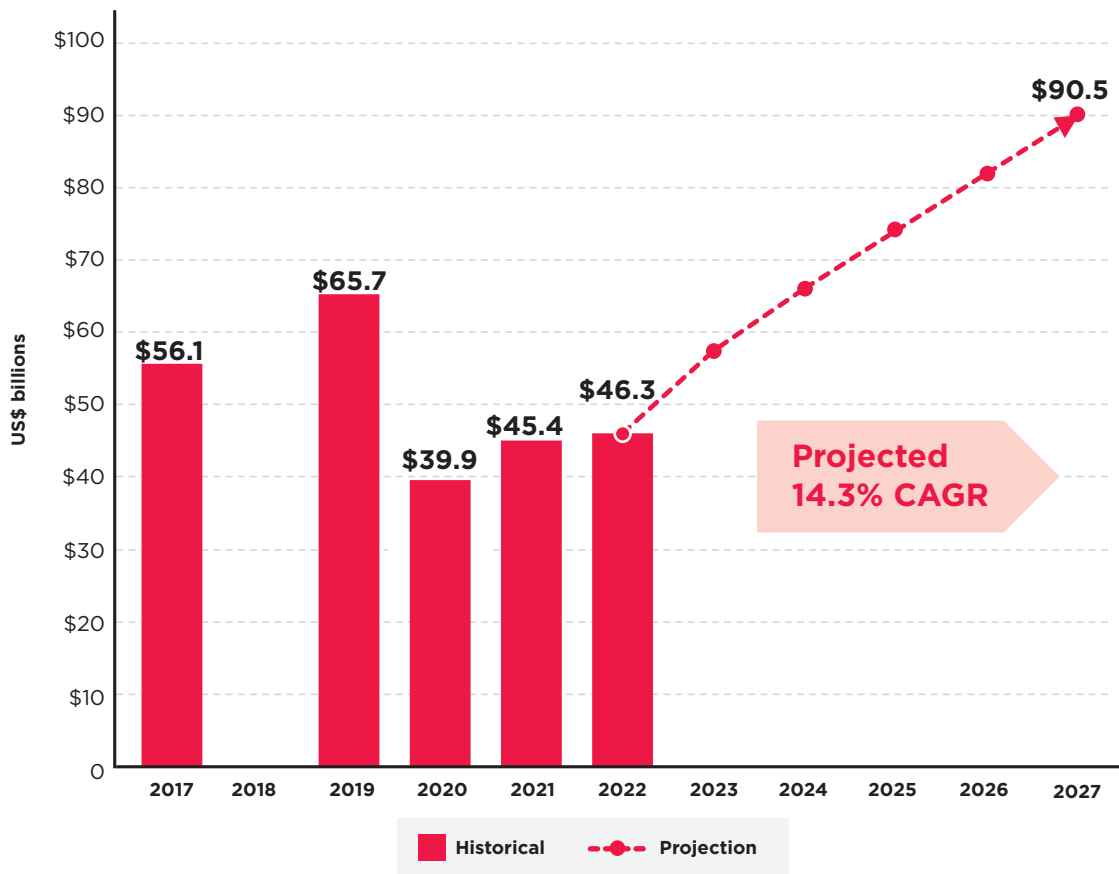
Sector Definition

Revenue-earning business establishments associated with the wellness, recreational, and therapeutic uses of waters with special properties (including thermal water, mineral water, and seawater).

\$46.3b
Global Market
In 2022

7.7%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Thermal/Mineral Springs

Market size and growth

We estimate that there are currently 31,290 thermal/mineral springs establishments operating in 130 countries. These businesses earned \$46.3 billion in revenues in 2022. As a tourism-dependent industry, thermal/mineral springs was one of the wellness sectors most negatively impacted by the COVID-19 pandemic. The border closures, business shutdowns, and stay-at-home orders effectively decimated business revenues across many regions for much of 2020 and 2021. After the 39% decline worldwide in 2020, business revenues have slowly come back over 2021 and 2022, but are still well below their pre-pandemic peak. At the end of 2022, businesses across most of the world were at 75-90% of their pre-pandemic level, except for China and Japan (48-60% of pre-pandemic level) and a few other countries that have seen strong growth (discussed below).

Thermal/Mineral Springs Market by Region 2019-2022

	Thermal/Mineral Springs Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019- 2020	2020- 2022
	2019*	2020*	2021	2022			
Europe	\$25.15	\$14.97	\$18.61	\$22.55	\$24.49	-40.5%	22.7%
Asia-Pacific	\$37.34	\$23.16	\$24.45	\$20.85	\$4.90	-38.0%	-5.1%
Latin America- Caribbean	\$1.70	\$0.86	\$1.06	\$1.38	\$2.09	-49.2%	26.6%
North America	\$0.98	\$0.73	\$0.99	\$1.14	\$3.06	-25.4%	24.9%
Middle East-North Africa	\$0.42	\$0.17	\$0.24	\$0.35	\$0.65	-60.2%	44.2%
Sub-Saharan Africa	\$0.09	\$0.05	\$0.06	\$0.06	\$0.05	-49.2%	19.3%
WORLD	\$65.67	\$39.93	\$45.39	\$46.33	\$5.82	-39.2%	7.7%
World minus China, Japan, and Europe	\$5.28	\$3.42	\$4.24	\$5.02		-35.3%	21.2%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor; due to improved data availability in several countries.

Note: The thermal/mineral springs revenue estimates include all revenues earned by these establishments, from bathing/swimming offerings, spa/wellness services and other treatments, other recreational activities, food & beverage, lodging, and other services. See the "Definitions" section for more details. Figures may not sum to total due to rounding.

Source: Global Wellness Institute.

The slow recovery of this sector is primarily due to the sustained border closures (in China and Japan) and partial shutdowns/capacity restrictions (in Europe) that have kept visitors from fully returning to thermal/mineral springs businesses across these regions. In China, the prolonged pandemic, alongside weakening economic conditions, has meant that thermal springs revenues have continued to plummet through 2022, even as businesses across the rest of the world were recovering. Japan's large hot springs sector has seen the closure of about 3,500 onsen (primarily day-visit establishments) in recent years, although this trend has been driven by many factors

beyond just the pandemic, and industry revenues have continued to grow over the last two years. In Central and Eastern Europe, businesses in some regions lost a substantial portion of their customer base when Russian tourism stopped after the invasion of Ukraine. Many European hot springs businesses have also been struggling due to high energy prices and post-pandemic staffing shortages. In addition, currency depreciation in key markets across Asia and Europe in 2022 has reduced the industry's size and growth rate when expressed in U.S. dollar terms.

Thermal/Mineral Springs Establishments by Region, 2019-2022

	Number of Thermal/Mineral Springs Establishments			
	2019*	2020	2021	2022
Europe	6,473	6,409	6,473	6,492
Asia-Pacific	26,301	26,302	22,684	22,689
Latin America-Caribbean	1,171	1,171	1,176	1,179
North America	386	387	391	395
Middle East-North Africa	463	463	465	469
Sub-Saharan Africa	66	66	66	66
WORLD	34,860	34,798	31,255	31,290

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to improved data availability in a few countries.
Source: Global Wellness Institute.

In spite of the protracted downturn across some regions, we do not want to paint a gloomy picture for the thermal/mineral springs industry. If we remove China, Japan, and Europe from the sector data, we get a much different picture of this sector's recovery and growth trajectory. Across North America, the rest of Asia-Pacific, and Latin-America, the hot springs sector has grown at a robust 21.2% annually since 2020, and business has nearly returned to pre-pandemic levels.

In some markets where the COVID-19 outbreak was less severe (e.g., Taiwan), and in regions where lockdown measures were less strict, some establishments saw only minor/temporary downturns in customer visits, and some have even experienced strong growth since 2020. For example, in parts of the western United States, Australia, and New Zealand, some establishments reported growth of 10-20% or more in recent years, as customers flocked to bathing as a "COVID-safe" outdoor activity and domestic tourists and local residents filled the slots left by international visitors. In Australia, New Zealand, United States, and Russia, hot springs businesses have had a record-setting year in 2022, with revenues far exceeding their pre-pandemic levels.

The thermal/mineral springs sector is heavily concentrated in Asia-Pacific and Europe, reflecting the centuries-old history of water-based healing and relaxation in these two regions. Together, Asia-Pacific and Europe account for 94% of revenues and 93% of establishments in this sector. The top twenty countries (which are primarily concentrated in these two regions) account for 90% of the global market in 2022. China and Japan together account for 40% of global revenues and 68% of all establishments, although their share of the global market has declined quite a bit with the prolonged downturn of the sector in both countries. Japan alone, with its estimated 17,257 onsen, is home to 55% of all thermal/mineral springs establishments in the world. The remainder of the top markets include a large number of European countries with a long history of using thermal/mineral waters for curative and therapeutic purposes (often subsidized by government insurance systems), along with the United States, Brazil, Taiwan, and South Korea.

Thermal/Mineral Springs: Top Twenty Markets in 2022

	Thermal/Mineral Springs Market					Average Annual Growth Rate	
	(US\$ billions)				Rank in 2022	2019-2020	2020-2022
	2019*	2020*	2021	2022			
China	\$21.03	\$12.32	\$13.95	\$10.17	1	-41.4%	-9.1%
Japan	\$14.21	\$9.22	\$8.60	\$8.59	2	-35.1%	-3.5%
Germany	\$7.78	\$5.19	\$5.29	\$6.79	3	-33.3%	14.3%
Russia	\$4.14	\$2.41	\$4.26	\$4.46	4	-41.8%	36.1%
Italy	\$1.79	\$1.01	\$1.33	\$1.49	5	-44.0%	21.6%
United States	\$0.87	\$0.67	\$0.92	\$1.04	6	-23.0%	24.1%
Hungary	\$1.19	\$0.53	\$0.67	\$0.93	7	-55.2%	32.2%
Brazil	\$0.88	\$0.46	\$0.55	\$0.81	8	-48.5%	33.3%
Taiwan	\$0.79	\$0.73	\$0.72	\$0.79	9	-7.9%	4.0%
Turkey	\$0.84	\$0.34	\$0.62	\$0.75	10	-59.3%	48.2%
Austria	\$0.99	\$0.66	\$0.61	\$0.75	11	-33.3%	6.5%
Czech Republic	\$0.75	\$0.42	\$0.57	\$0.72	12	-44.0%	31.1%
Poland	\$0.71	\$0.47	\$0.57	\$0.70	13	-33.3%	21.3%
Spain	\$0.80	\$0.41	\$0.49	\$0.67	14	-49.0%	28.4%
South Korea	\$0.65	\$0.45	\$0.54	\$0.58	15	-31.1%	13.3%
Iceland	\$0.57	\$0.38	\$0.48	\$0.55	16	-34.1%	21.3%
Switzerland	\$0.54	\$0.35	\$0.41	\$0.54	17	-34.8%	23.4%
France	\$0.67	\$0.26	\$0.44	\$0.53	18	-61.5%	42.5%
Slovakia	\$0.53	\$0.35	\$0.36	\$0.46	19	-33.0%	14.3%
Slovenia	\$0.48	\$0.28	\$0.35	\$0.44	20	-41.9%	25.5%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to improved data availability in a few countries.

Note: The thermal/mineral springs revenue estimates include all revenues earned by these establishments, from bathing/swimming offerings, spa/wellness services and other treatments, other recreational activities, food & beverage, lodging, and other services. See the "Definitions" section for more details.

Source: Global Wellness Institute.

Prior to the pandemic, thermal/mineral springs was one of the fastest-growing sectors in the wellness economy. GWI predicts ongoing steady and strong growth in the coming years, building on the rapidly growing consumer, business, and government interest in hot springs and water-based experience of all types. Thermal/mineral springs bathing experiences appeal to an expanding segment of consumers who are seeking to connect with nature; experience cultural traditions; and pursue alternative modalities for healing, rehabilitation, and prevention. Many consumers from places that do not have the tradition of water treatments or public bathing are "discovering" the therapeutic benefits of thermal waters, saunas, and cold plunges when they visit spas and springs or when they travel.

The strong future for this sector is evident in the high level of investment and development, sustained throughout the pandemic. We estimate that at least 150 new thermal/mineral springs establishments opened from 2020-2022, across every region of the world (and while a number of projects were delayed by the pandemic, 17 of these new openings actually took place in 2020). At least 42 new projects have already opened or are slated to open in 2023, and over 200 projects are in the pipeline for future new openings/development. These figures only count new openings and do not capture the substantial amount of investment in upgrades and expansions to existing properties. Countries with the greatest amount of investment activity and new openings include China, Japan, United States, Hungary, France, Russia, Turkey, Australia, Germany, Spain, Brazil, and Tunisia.

Thermal/Mineral Springs

Definitions: What we measure and what we do not

We define the thermal/mineral springs industry as encompassing **revenue-earning business establishments associated with the wellness, recreational, and therapeutic uses of waters with special properties (including thermal water, mineral water, and seawater).**

Our figures count thermal/mineral springs establishments that operate as a revenue-earning business. We do not include springs that do not have any built facilities and/or do not charge any kind of fee for access. Establishments that use heated water – not naturally-sourced thermal/mineral water – are also excluded from this category. There are many categories and types of thermal/mineral springs establishments, as illustrated below:

Types of Thermal/Mineral Springs Establishments

Primarily Recreational	Primarily Wellness	Primarily Therapeutic or Curative
Thermal/mineral water swimming pool facilities	Thermal/mineral water bathing facilities	Health resorts and sanatoria that use thermal/mineral waters for treatments
Thermal/mineral water-based waterparks	Thermal/mineral water-based spas	
Hotels/resorts with thermal/mineral water swimming pools	Thalassotherapy spas and resorts	
Thermal or hot springs resorts		

Our revenue estimates include all revenues earned by the establishments in the above categories (not just revenues from thermal/mineral-water bathing and treatments). Therefore, our estimates include revenues earned from: bathing/swimming offerings, spa/wellness services and other treatments, other recreational activities, food and beverage, lodging, and other services offered by the establishment.

Our figures are further broken down into two categories, in order to delineate the overlap between the thermal/mineral springs sector and the spa sector:

- **Thermal/mineral springs establishments that offer spa services:** These facilities offer complementary, spa-like services (e.g., massage, facials, hydrotherapy, other treatments) alongside their bathing offerings, and often incorporate the thermal/mineral water into treatments. They include the health resorts and sanatoria across Europe that use thermal/mineral waters for therapies and the hot springs resorts common in China and Taiwan, as well as the growing number of bathing establishments that are offering add-on spa services alongside thermal/mineral water bathing and relaxation. These establishments and their revenues are also counted as part of the spa sector figures, and we account for this overlap when aggregating the figures for the overall wellness economy.
- **Thermal/mineral springs establishments with no spa services:** These are typically recreational and bathing-only facilities, such as most of the onsen in Japan, the thermal pools and waterparks that are common in Latin America, and the thermal water swimming pool facilities prevalent in Iceland.

As noted in the chapter on traditional & complementary medicine (T&CM), water-based therapies (e.g., balneotherapy, hydrotherapy, thalassotherapy) are a historic and still common form of T&CM used in many Central, Southern, and Eastern European countries. These therapies are used for treatment, rehabilitation, and management of chronic pain/conditions, as well as for prevention and wellness purposes, and they can account for a substantial portion of visitors and revenues at many thermal/mineral water-based health resorts and sanatoria in Europe. In these countries, there is some overlap between T&CM spending and the revenues of thermal/mineral springs establishments, and we account for this overlap when calculating the total wellness economy figures. In other parts of the world, where thermal/mineral springs bathing is done only for recreation, leisure, and general wellness purposes, there is no overlap between the two sectors.

CHAPTER 9

Healthy Eating, Nutrition, & Weight Loss



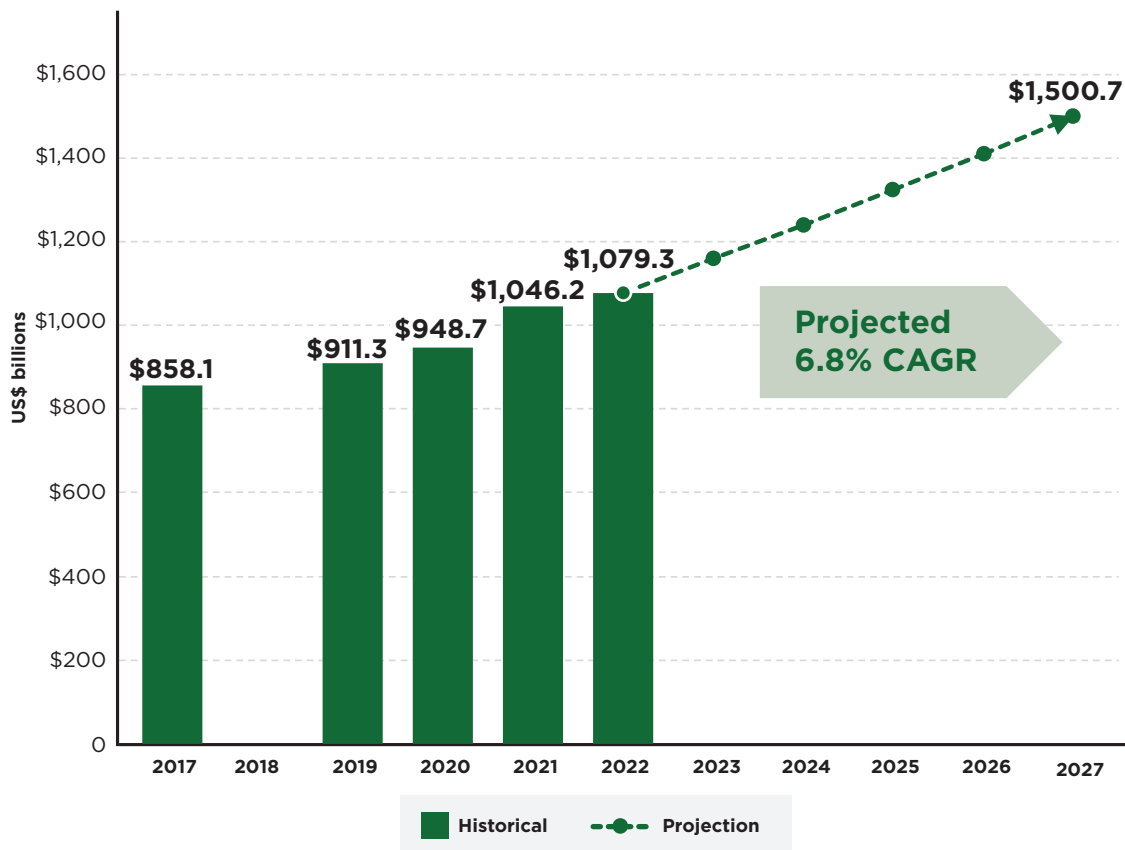
Sector Definition

Consumer expenditures on foods and beverages that are positioned, marketed, and labeled as health- and wellness-enhancing, as well as vitamins and dietary supplements, and weight management products and services.

\$1,079.3b
Global Market
In 2022

6.7%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Healthy Eating, Nutrition, & Weight Loss

Market size and growth

Healthy eating, nutrition, & weight loss is one of the few wellness sectors that has maintained a positive growth trajectory since the beginning of the COVID-19 pandemic. Globally, this sector has grown steadily each year – from \$911.3 billion in 2019, to \$948.7 billion in 2020, to \$1,046.2 billion in 2021, to \$1,079.3 billion in 2022 (with annual growth rates of 4.7% in 2020, 10.3% in 2021, and 3.2% in 2022). Healthy eating, nutrition, & weight loss is among the two largest sectors in the wellness economy, just slightly smaller than personal care & beauty. It accounted for 19.2% of all wellness economy spending worldwide in 2022.

Healthy Eating, Nutrition, & Weight Loss Market by Region 2019-2022

	Healthy Eating, Nutrition, & Weight Loss Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019*	2020*	2021	2022			
Asia-Pacific	\$319.4	\$329.5	\$362.8	\$358.3	\$84.21	3.2%	4.3%
North America	\$247.9	\$267.8	\$293.0	\$313.0	\$840.98	8.0%	8.1%
Europe	\$220.2	\$231.8	\$254.2	\$252.9	\$274.64	5.3%	4.4%
Latin America-Caribbean	\$76.7	\$69.4	\$82.2	\$96.0	\$145.30	-9.5%	17.6%
Middle East-North Africa	\$29.6	\$31.7	\$34.0	\$37.7	\$70.75	7.2%	9.0%
Sub-Saharan Africa	\$17.6	\$18.4	\$20.0	\$21.5	\$17.68	4.7%	7.9%
WORLD	\$911.3	\$948.7	\$1,046.2	\$1,079.3	\$135.70	4.1%	6.7%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as Euromonitor and IBISWorld.
Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on data from Euromonitor, IBISWorld, and other sources.

Asia-Pacific has consistently been the largest region in this sector, although the region only ranks 4th when the market is measured on a per capita basis (\$84). North American consumers spend the most per capita on healthy eating, nutrition, & weight loss (\$841), three times the per capita spending in Europe (\$275). Since 2020, market growth has been strongly positive in every region across the world, with a couple of exceptions – both Asia-Pacific and Europe declined slightly in U.S. dollar terms from 2021-2022. The decline in these regions was largely due to the depreciation of major currencies against the U.S. dollar in 2022 (including 12% depreciation of the Euro, as well as currency depreciation in major Asian markets such as Japan, South Korea, and Australia), rather than an actual decline in consumer demand. Latin America-Caribbean and Middle East-North Africa posted the highest growth rates in this sector from 2020-2022 (at 17.6% and 9.0% average annual growth, respectively).

It is important to keep in mind that food prices and supply are heavily influenced by many factors, including commodity prices, currency rates, and external shocks (e.g., weather-/climate-related), especially in smaller countries that depend upon imports for food. Therefore, in some countries and regions, high per capita spending levels and/or high growth rates for the healthy eating sector may simply reflect high/rising food prices, rather than more consumers purchasing more healthy-labeled products. Likewise, currency fluctuations against the U.S. dollar in certain regions (as noted above) can affect the market size and growth rate when it is expressed in U.S. dollar terms.

Healthy Eating, Nutrition, & Weight Loss Market by Subsector 2019-2022

	Market Size (US\$ billions)				Average Annual Growth Rate	
	2019*	2020*	2021	2022	2019- 2020	2020- 2022
Healthy-Labeled Foods & Beverages	\$736.5	\$764.7	\$848.2	\$874.3	3.8%	6.9%
Vitamins & Supplements	\$130.2	\$137.7	\$149.6	\$155.8	5.7%	6.4%
Weight Loss Products & Services	\$44.7	\$46.3	\$48.4	\$49.2	3.6%	3.1%
TOTAL	\$911.3	\$948.7	\$1,046.2	\$1,079.3	4.1%	6.7%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the *Wellness Economy Monitor*, due to data revisions and updates made by key underlying data sources such as Euromonitor and IBISWorld.

Note: Figures may not sum to total due to rounding. See the "Definitions" section for detailed descriptions of the subsectors.

Source: Global Wellness Institute, based on data from Euromonitor, IBISWorld, and other sources.

We define the healthy eating, nutrition, & weight loss sector as comprising three subsectors. All three subsectors have maintained positive growth rates since 2019:

- **Healthy-labeled foods and beverages** is by far the largest segment, representing 81% of the market in 2022. This segment grew by 10.9% in 2021 and 3.1% in 2022, reaching \$874.3 billion.
- **Vitamins and supplements** represents 14% of the market in 2022. It grew by 8.6% in 2021 and 4.2% in 2022, reaching \$155.8 billion.
- **Weight loss products and services** is the smallest segment, representing 5% of the market, or \$49.2 billion, in 2022. Note that the weight loss services portion of this segment has been shrinking every year since 2019, but the segment still grew overall, buoyed by strong growth the weight-management products category (e.g., foods/beverages, supplements, meal replacements, and other over-the-counter products targeting weight management).

Healthy Eating, Nutrition, & Weight Loss

Definitions: What we measure and what we do not

The healthy eating, nutrition, & weight loss sector encompasses ***a wide variety of foods and beverages that are positioned, marketed, and labeled as health- and wellness-enhancing, as well as vitamins and dietary supplements, and weight management products and services.***

This sector measures consumer expenditures in three subsectors:

- **Healthy-labeled foods and beverages:** This segment includes a wide variety of processed and packaged foods and beverages that are specifically positioned, marketed, or labeled with health and wellness claims, including low-fat/low-sugar/low-salt products; fortified/functional products with added nutrients (e.g., high fiber, high protein, antioxidants, probiotics, omega-3s, etc.); products that are “free from” gluten/dairy/lactose/meat/allergens (e.g., plant-based alternatives, meat substitutes, keto, etc.); products marketed as “naturally healthy” (e.g., minimal processing, non-artificial ingredients); and organic products.
- **Vitamins and supplements:** This segment includes vitamins and dietary supplements (including herbal/traditional products), as well as sports nutrition products (e.g., protein powders, etc.).
- **Weight loss products and services:** This segment encompasses packaged foods/beverages specifically positioned to target weight management and calorie control; over-the-counter supplements and remedies targeting weight management (e.g., meal replacement or nutritional supplement drinks, non-prescription weight loss drugs and supplements, etc.); and weight loss services and programs (e.g., physical or online dieting centers, workshops, counseling, nutritionists and dieticians, etc.).

Note that we **do not** include the following in our definitions and estimates for the healthy eating, nutrition, and weight loss sector:

- **Our measurement of weight loss products and services does not include medical interventions, such as GLP-1 prescription drugs or bariatric surgery.** The emergence of GLP-1 drugs (e.g., Ozempic, Mounjaro, Wegovy, Saxenda, and other semaglutide formulations) is widely regarded as a “game changer” for weight loss. Companies in the weight loss space, including WeightWatchers and Noom, have quickly added weight-loss drug prescriptions to their offerings, and more are expected to follow suit. At present, the cost of these drugs (in the range of \$1,000 per month) is prohibitive for most people unless they are covered by insurance. The drugs present both a challenge and an opportunity for the weight loss sector to develop an integrated, long-term, lifestyle approach that benefits consumers by aligning their weight loss with improved health and wellness. Pharmaceutical industry estimates have put the weight loss market for GLP-1 drugs in the tens of billions of dollars, in part because patients must use the drugs continuously to sustain their weight loss. But per our definition of the overall wellness economy, we do not include medical interventions or prescription drugs in our estimates, and so weight loss drugs and surgery are excluded from our measurement of the weight loss segment.

- **Our measurements do not include large categories of fresh foods, such as fresh fruits and vegetables, fish and seafood, legumes, etc.** Even though they are a core part of a healthy diet, including these large categories of foods would render the sizing of this sector too broad and meaningless, would result in some double counting, and would not necessarily provide a better measurement of “healthy eating.” The healthfulness of fruits and vegetables, meats, legumes, nuts, etc. depends upon many factors, including preparation and processing, portion size, and the balance of a person’s overall diet. Moreover, fresh foods are used as inputs into prepared and processed foods, which may or may not be “healthy.” It is not possible for us to differentiate between a walnut consumed as a healthful snack versus a walnut consumed in a candy bar, corn prepared in a fresh salad versus processed into high fructose corn syrup for a soft drink, or a strawberry eaten raw versus eaten as an ingredient in a fruit gummy.
- **We do not include herbs, spices, and plant-based foods when they are sold as seasonings, flavorings, or in raw form as food ingredients** (e.g., turmeric, garlic, and acai are good examples), but we **do include them** when they are packaged into pills/supplements or incorporated into functional/fortified foods and beverages and marketed as “healthy.”

Our overall definition of this sector, and the categories we measure, reflect the products that are currently bought and sold in the consumer market under the labels and claims of “healthy eating” and “wellness.” We are not implying that these products and services are the most important or most effective way to maintain a healthy diet or to pursue a wellness lifestyle. Our numbers do not apply a value judgement on what is or is not “healthy eating,” or whether dieting should or should not be considered “wellness.” Rather, we objectively include products that are proactively labeled and positioned by businesses as “health-enhancing” and are most closely identified by consumers as such.

The irony of our data is that a fruit gummy labeled as “organic” or “natural” (because it includes strawberries as an ingredient) is included in our figures for healthy eating, whereas purchase/consumption of a fresh strawberry is not. Turmeric sold in capsule form as a supplement is included in our figures for vitamins and supplements, whereas turmeric used to season a home-cooked vegetable dish is not. Therefore, we acknowledge that our ability to measure “healthy eating” as an economic sector is imperfect and unsatisfactory. It is only a measurement of product labels and claims in the packaged/processed foods, vitamins/supplements, and weight loss market, rather than a true measure of “healthy eating.”

In general, the quantity and balance of foods – and how they are prepared – are just as important as which specific foods we consume. Also, there is no consensus on the role that vitamins, supplements, organic foods, processed “health foods,” etc. play in a healthy diet. **While the growing demand for healthy foods has been a boon for food product and supplement businesses, consumers remain confused by contradictory dietary advice, as well as by the “healthful” labels placed on processed/functional food products containing certain nutrients or omitting certain ingredients.** This confusing landscape is the product of many factors, including inadequate/ineffective public health guidance on how to achieve a healthy diet, lax regulation on labeling, the use of health claims on products in the absence of solid scientific evidence, and the role of social media influencers.

Therefore, **we want to caution that the continued expansion of the healthy eating, nutrition, & weight loss sector in recent years should not be interpreted as proof that “consumers were eating healthier since the pandemic.”** Consumer spending on certain categories of foods, beverages, and supplements *labeled* as healthy is not an indicator of healthy diets, when there is no consensus on how healthy these products are, or what a “healthy diet” even means. In addition

(as noted above), food prices are affected by commodity prices, currency rates, and other factors, and so “growth” may simply reflect price inflation or currency appreciation rather than a real change in consumer demand.

Finally, **we need to acknowledge that a healthy diet has become unaffordable for a large share of the world’s population.** The rising price of food (especially healthy foods) is a major contributor to food insecurity and malnourishment around the world. According to the UN Food & Agriculture Organization (FAO), more than 3.1 billion people (42% of the global population) were unable to afford a healthy diet in 2021.²³ Global food prices reached an all-time high in the first half of 2022, accelerated by COVID-related disruptions, the war in Ukraine, climate shocks, and other factors, and prices have remained elevated globally, even as inflation began to subside. It is five times cheaper to survive on starchy staple cereals (e.g., white rice, macaroni & cheese, ramen noodles) than to eat healthy, fresh, unprocessed foods. Much of this food insecurity is concentrated in developing and low-income countries, but it also afflicts pockets of people living in wealthy countries, due to job and income losses and insufficient social safety nets. Unfortunately, addressing this dire and important issue is beyond the scope of this chapter or our wellness economy data.

²³ FAO, IFAD, UNICEF, WFP, and WHO (2023). *The State of Food Security and Nutrition in the World 2023*. Rome: FAO. <https://doi.org/10.4060/cc3017en>.

CHAPTER 10

Personal Care & Beauty



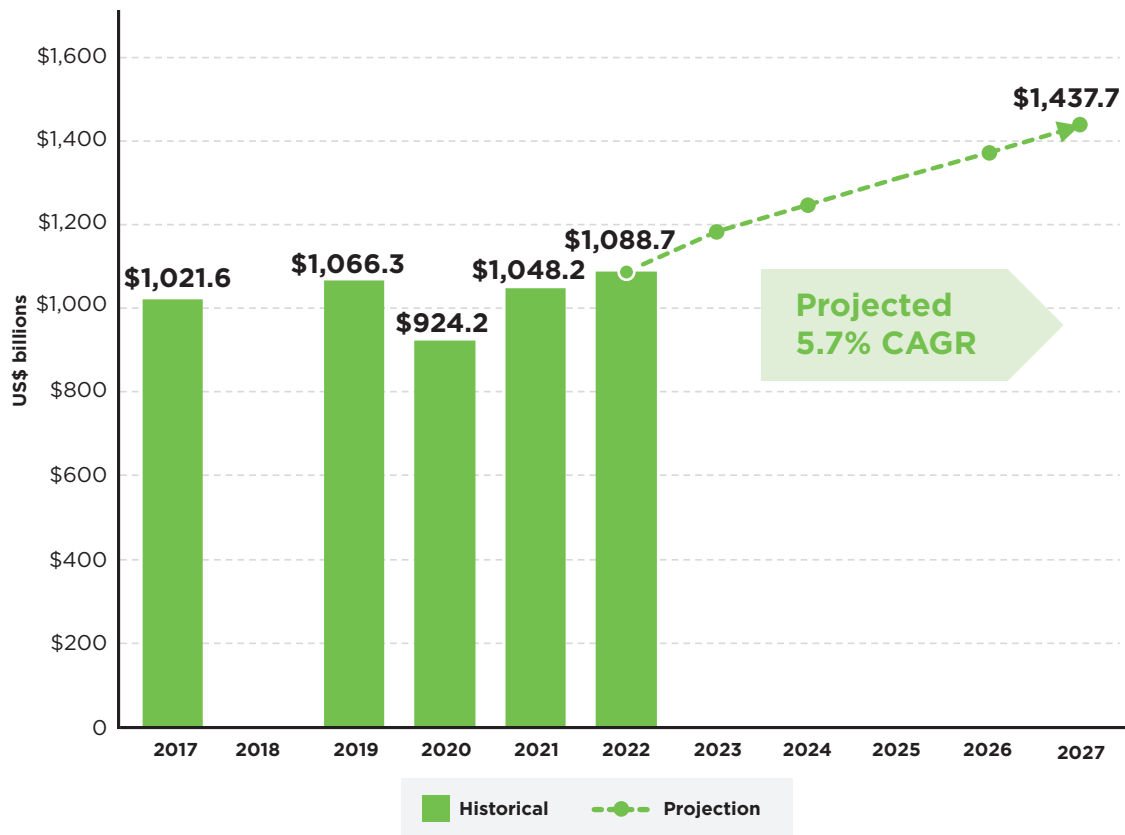
Sector Definition

Consumer expenditures on products and services for personal hygiene and appearance, encompassing the care of body, face, skin, hair, and nails.

\$1,088.7b
Global Market
In 2022

8.5%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Personal Care & Beauty

Market size and growth

Personal care & beauty is the largest sector in the wellness economy (just slightly larger than the second-ranked sector, healthy eating, nutrition, & weight loss), and it accounted for 19.4% of all wellness spending globally in 2022. Consumer spending on personal care & beauty was hit hard by the onset of the COVID-19 pandemic, falling by 13.3% from 2019-2020 (a contraction much steeper than the 4.8% decline in overall consumer expenditures in 2020²⁴). However, by 2021, this sector recovered quickly, growing by 13.4% globally from 2020-2021. In 2022, the sector continued its positive growth trajectory and reached a new peak of \$1,088.7 billion, exceeding its pre-pandemic level. The recovery and growth of personal care & beauty from 2020-2022 (8.5% annual growth) has mirrored the growth of overall consumer expenditures during this time period (8.6% annual growth).

Personal Care & Beauty Market by Region 2019-2022

	Personal Care & Beauty Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019- 2020	2020- 2022
	2019*	2020*	2021	2022			
North America	\$322.4	\$261.3	\$306.2	\$335.5	\$901.43	-19.0%	13.3%
Europe	\$301.6	\$276.7	\$303.8	\$303.0	\$329.04	-8.2%	4.6%
Asia-Pacific	\$265.3	\$253.7	\$280.6	\$272.8	\$64.12	-4.4%	3.7%
Latin America- Caribbean	\$113.3	\$76.9	\$93.9	\$109.0	\$164.97	-32.1%	19.0%
Middle East-North Africa	\$41.0	\$35.7	\$42.2	\$44.8	\$84.11	-12.8%	12.0%
Sub-Saharan Africa	\$22.8	\$19.9	\$21.6	\$23.7	\$19.54	-12.6%	9.1%
WORLD	\$1,066.3	\$924.2	\$1,048.2	\$1,088.7	\$136.89	-13.3%	8.5%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor; due to data revisions and updates made by key underlying data sources such as Euromonitor.

Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on data from Euromonitor.

As of 2022, all of the regions have recovered to and exceeded their pre-pandemic levels, with the exception of Latin America-Caribbean (which is currently at 96% of its 2019 peak). North America is the largest region for personal care & beauty, both in terms of its overall market size (\$335.5 billion) and per capita spending (\$901). Latin America-Caribbean, North America, and Middle East-North Africa posted the highest growth rates in this sector from 2020-2022 (at 19.0%, 13.3%, and 12.0% average annual growth, respectively). Since 2020, market growth has been strongly positive in every region except for Asia-Pacific and Europe, both of which declined slightly in U.S. dollar terms from 2021-2022. The decline in these regions was largely due to the depreciation of major currencies against the U.S. dollar in 2022 (including 12% depreciation of the Euro, as well

²⁴ Based on consumer expenditures data from Euromonitor, accessed July 31, 2023.

as currency depreciation in major Asian markets such as Japan, South Korea, and Taiwan), rather than an actual decline in consumer demand. The Chinese market for personal care & beauty also contracted slightly from 2021-2022, reflecting the overall tightening economic conditions, slower economic growth, and contraction of consumer spending in 2022.

Personal Care & Beauty

Definitions: What we measure and what we do not

The personal care & beauty sector is broadly defined as **consumer spending on products and services for personal hygiene and appearance, encompassing the care of body, face, skin, hair, and nails.**

This very large sector includes everyday consumer products such as soaps and bath products, lotions and skin care, hair care, dental care, shaving, sun care, cosmetics and cosmeceuticals, perfumes, and other personal hygiene and beauty items. It includes electric appliances for personal care (e.g., electric razors, hair dryers, electric toothbrushes, etc.), as well as many disposable personal products (e.g., toilet paper, sanitary napkins, cotton pads, diapers, etc.). The sector includes services like beauty and nail salons, hairdressing, and barbershops (but excludes spas and massage), as well as a variety of products and services marketed to address age-related appearance issue and conditions. Note that a small portion of personal care and beauty products are sold in spas, and we account for this overlap with the spa sector when we calculate the total wellness economy figures.

While personal care & beauty has always been the largest sector in the wellness economy, there are often questions about whether all of the spending in this category is really “wellness.” On the one hand, caring for our bodies, grooming, and expressing ourselves through our appearance are all important parts of self-care, and they reflect a healthy human psyche of individual creativity, dignity, and freedom. On the other hand, there are many toxic aspects of beauty that can cause people to feel self-conscious about their appearance or their natural aging process, to aspire to artificial standards, or to obsess over small “imperfections” – and these feelings can lead to mental health issues like anxiety, depression, and body dysmorphic disorder. All of these challenges are very real and should not be minimized, but as with other sectors, we do not make value judgements by including personal care & beauty as part of the wellness economy. Many consumers view grooming, skincare, and beauty routines as an important form of self-care, self-love, and self-expression, and the products/services in the market are increasingly marketed as such; therefore, we count these expenditures as part of the wellness economy.

Besides the psychological aspects of the beauty industry, some people take issue with the “unwellness” of beauty and personal care products themselves – for containing “harmful” chemicals, for not being “natural,” for their wasteful packaging, etc. Some may argue that only products labeled “clean,” “green,” “natural,” “non-toxic,” “botanical,” or “organic” should be considered part of the wellness economy. This approach has its own issues, because there is no global authority on the definitions of these labels, and there is no requirement for companies to verify that their ingredients and formulations conform with these standards and claims. For example, “green” can mean anything from being GMO-free, cruelty-free, or vegan, to the environmental impact of the production process or packaging, to the recyclability or lifecycle of the product. We are not in

the position to judge whether all of beauty is wellness, or just a portion of it. But with rising consumer interest in clean, green, natural, and related categories, there will be **demand for more transparency in ingredients, labeling, formulations, and production processes, as well as more precise definitions and standards across the board.**

CHAPTER 11

Traditional & Complementary Medicine



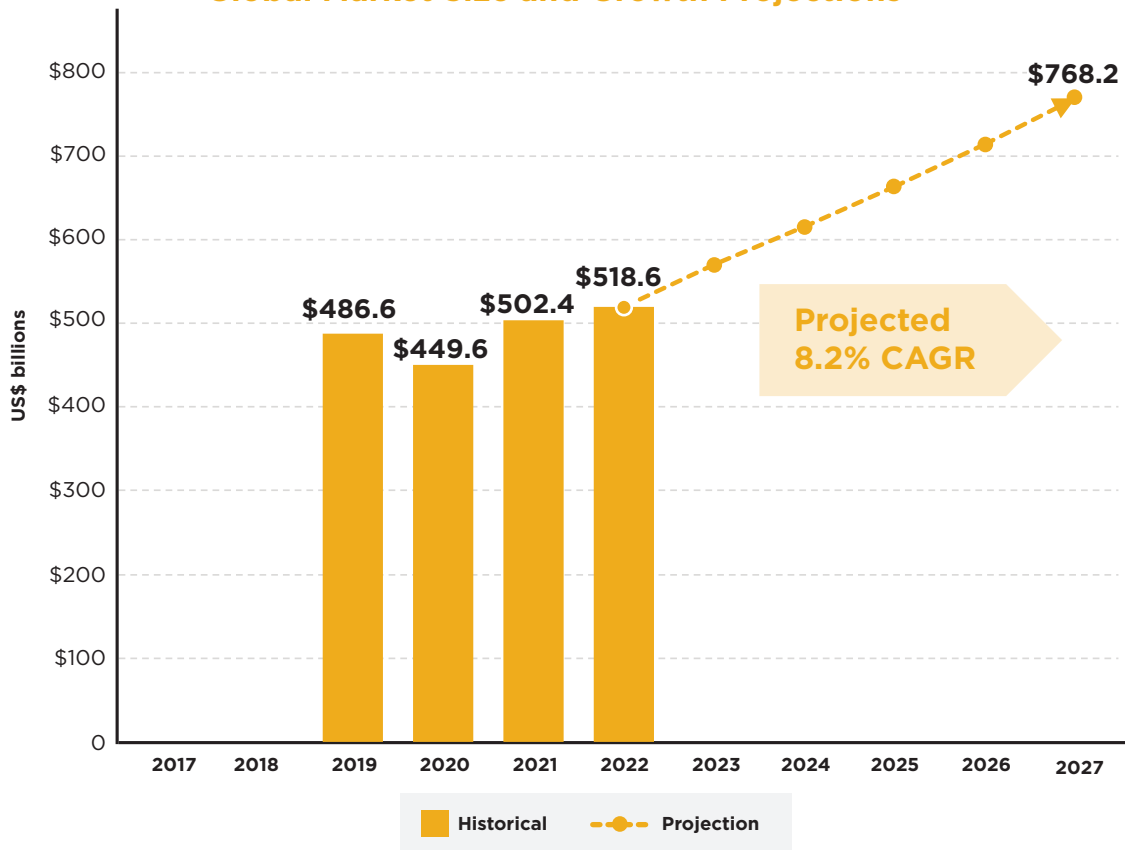
Sector Definition

Expenditures on diverse health care and healing systems, services, practices, and products that are not generally considered to be part of conventional/allopathic medicine or the dominant healthcare system.

\$518.6b
Global Market
In 2022

7.4%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Traditional & Complementary Medicine

Market size and growth

We estimate that traditional & complementary medicine (T&CM) was a \$518.6 billion market worldwide in 2022, accounting for 9.2% of the entire global wellness economy. The sector had declined by 7.6% in 2020 due to the pandemic, influenced by business shutdowns that affected retail sales, reduced visits to service providers, consumers postponing elective/preventive care, and supply chain disruptions that affected product manufacturing and sales. In spite of these disruptions, the pandemic has boosted demand for T&CM, with consumers increasingly seeking out ways to strengthen immunity and fend off sickness. By 2021, this sector recovered quickly, growing by 11.7% to reach \$502.4 billion (surpassing its pre-pandemic level). In 2022, growth remained positive but tapered off to 3.2% globally.

Traditional & Complementary Medicine Market by Region 2019-2022

	Traditional & Complementary Medicine Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019- 2020	2020- 2022
	2019*	2020*	2021	2022			
Asia-Pacific	\$325.63	\$289.75	\$324.65	\$334.59	\$78.65	-11.0%	7.5%
North America	\$70.35	\$78.62	\$88.12	\$91.35	\$245.42	11.8%	7.8%
Europe	\$86.09	\$76.74	\$84.54	\$86.89	\$94.36	-10.9%	6.4%
Latin America- Caribbean	\$2.84	\$2.77	\$3.03	\$3.45	\$5.22	-2.5%	11.6%
Sub-Saharan Africa	\$0.87	\$0.86	\$0.96	\$1.01	\$0.83	-1.1%	8.5%
Middle East-North Africa	\$0.82	\$0.91	\$1.08	\$1.27	\$2.37	10.3%	18.1%
WORLD	\$486.6	\$449.6	\$502.4	\$518.6	\$65.20	-7.6%	7.4%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as Euromonitor and IBISWorld. In addition, GWI has changed the measurement methodology for this sector to include cannabis, and so data for 2019-2022 cannot be directly compared to figures presented in previous versions of the Wellness Economy Monitor.

Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on data from Euromonitor, IBISWorld, and various national sources.

Many T&CM practices are native to the country or region where they are used, although a number of practices (e.g., acupuncture, Traditional Chinese Medicine, chiropractic) are now commonly practiced around the world. Looking regionally, Asia-Pacific and Europe have long been among the largest markets for T&CM, because many countries in these regions have centuries-old T&CM systems that are still widely practiced today, and that are to some extent integrated into conventional/public healthcare systems and/or covered by health insurance (e.g., Traditional Chinese Medicine in China, Ayurveda in India, Kampo medicine in Japan, naturopathy/balneotherapy and “Kur” in Germany, etc.).

All regions have posted positive annual growth rates since 2020, and as of 2022, all regions have recovered from their pandemic-related declines and have reached new peak levels of spending. In the last few years, North America has surpassed Europe to become the second largest regional market. This shift is due to the rapid growth of cannabis and CBD sales in both the United States and Canada, with a relaxing of regulations that has spurred growing health, wellness, and recreational usage. Regional growth rates in 2020-2022 were especially high in the Middle East-North Africa (18.1% average annual growth) and Latin America-Caribbean (11.6%). In both regions, the growth trend has been significantly boosted by the growing cannabis and CBD market in countries where the regulatory regime is looser (e.g., Israel in the Middle East; Argentina, Brazil, Chile, and Mexico in Latin America).

As shown in the table below, spending on T&CM services and practitioners was hit harder by the pandemic than spending on medicines and products. From 2020-2022, both subsectors have posted strong positive growth trends, and both have recovered to and exceeded their pre-pandemic levels. As with the regions discussed above, the 9.1% annual global growth of the T&CM medicines & products subsector has been significantly boosted by the growing cannabis and CBD market (about 25% higher than the growth rate would have been if cannabis/CBD sales were not included in this segment).

Traditional & Complementary Medicine Market by Subsector 2019-2022

	Market Size (US\$ billions)				Average Annual Growth Rate	
	2019*	2020*	2021	2022	2019- 2020	2020- 2022
T&CM Services & Practitioners	\$266.4	\$247.6	\$270.3	\$278.2	-7.0%	6.0%
T&CM Medicines & Products	\$220.2	\$202.0	\$232.1	\$240.4	-8.3%	9.1%
TOTAL	\$486.6	\$449.6	\$502.4	\$518.6	-7.6%	7.4%

** 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, due to data revisions and updates made by key underlying data sources such as Euromonitor and IBISWorld. In addition, GWI has changed the measurement methodology for this sector to include cannabis, and so data for 2019-2022 for the T&CM medicines & products subsector and the T&CM sector total cannot be directly compared to figures presented in previous versions of the Wellness Economy Monitor.*

Note: Figures may not sum to total due to rounding. See the "Definitions" section for detailed descriptions of the subsectors.

Source: Global Wellness Institute, based on data from Euromonitor, IBISWorld, and various national sources.

Traditional & Complementary Medicine

Definitions: What we measure and what we do not

Traditional & complementary medicine (T&CM) encompasses ***diverse health care and healing systems, services, practices, and products that are not generally considered to be part of conventional/allopathic medicine or the dominant healthcare system.***

The nomenclature for this sector is evolving alongside growing consumer adoption of traditional/indigenous, complementary, alternative, and integrative medical practices outside of the conventional/Western medical system. T&CM straddles the boundary between “wellness” and medicine, and it is one of only two sectors where we explicitly include some medical service and prescription drug-related expenditures in our wellness economy estimates (the other sector is public health, prevention, & personalized medicine).

Many T&CM practices are curative in nature, focusing on diagnosing and treating various diseases and conditions; however, we include T&CM in the wellness economy for several reasons:

- Many T&CM systems are holistic, preventive, and lifestyle based.
- T&CM practices/products are used proactively by consumers outside of the conventional healthcare system.
- T&CM has long been the foundation of the modern wellness industry in the Western world, and many established and emerging wellness modalities delivered by wellness businesses (e.g., spas, etc.) are based in T&CM. Consumer adoption of T&CM has accelerated alongside the growth of the wellness market, as people search for solutions outside of conventional medicine and experiment with therapies and products based on ancient and indigenous traditions, in order to deal with pain, chronic conditions, hormone changes, aging, or a feeling of general mind-body unwellness, as well as for preventive and health enhancement purposes.

There is wide variation across countries in the extent to which T&CM is officially recognized, regulated, and monitored by the government; requires licensure; and/or is integrated into formal healthcare settings and health insurance coverage (e.g., in some Asian and European countries).²⁵ In many places, indigenous healthcare practices remain in the informal sector, practiced by traditional healers and/or passed down within families. The formal integration of T&CM modalities into the conventional medical system can be controversial (especially in Western countries), but the reality is that T&CM is widely used by consumers around the world. The WHO estimates that 80% of the world’s population uses some form of traditional medicine, and in some developing countries T&CM is the primary source of healthcare for many populations.

Data on T&CM are sparse, because these practices are not well-defined and/or are practiced informally in many countries, and so GWI’s figures for this sector are rough, conservative estimates only. In our definition, this sector encompasses many different holistic, traditional, indigenous, and mentally- or spiritually-based practices and modalities. In most countries around the world, our

²⁵ For a detailed description of the traditional & complementary medicine practices around the world, see: WHO (2019). *WHO Global Report on Traditional and Complementary Medicine*. Geneva: WHO. <https://www.who.int/publications/i/item/978924151536>.

T&CM sector estimates primarily capture out-of-pocket spending and over-the-counter purchases by consumers. However, in a few countries there is a formally established T&CM system that operates adjacent to or in parallel with conventional/Western medicine (e.g., China, Japan, India), and in some countries there is insurance coverage for certain T&CM offerings (e.g., acupuncture, medical marijuana). In those countries, our sector figures do capture some spending that may be considered part of medical expenditures, spending that may be covered by health insurance plans, and products/services that may be prescribed by either conventional physicians or traditional medicine providers.

This sector measures expenditures in two subsectors:

T&CM services & practitioners: While T&CM modalities have ancient roots in many countries around the world, they are increasingly being adopted and adapted by modern health and wellness providers. Consumers spend money on T&CM services in a wide range of traditional and modern settings, such as (but not limited to):

- Clinics that offer acupuncture, chiropractic, osteopathy, Traditional Chinese Medicine, Ayurveda, Unani medicine, Kampo medicine, naturopathy, and many other T&CM modalities.
- Traditional healers and individual practitioners of indigenous medicine, herbal medicine, acupuncture, reiki, energy medicine, sound baths, craniosacral therapy, and many other T&CM modalities.
- Business establishments that offer T&CM modalities such as salt caves, hyperbaric chambers, infrared light therapy, flotation tanks, IV drips, etc. – whether these activities take place at a single service establishment, at a spa or health club, or at an exclusive urban wellness club.
- Spas are increasingly offering a variety of T&CM modalities like acupuncture, reiki, and aromatherapy, as a complement to the more typical spa services (massage, facials, etc.). Since this sector does count consumer spending on T&CM modalities within spas, there is a very small overlap between this sector and the spa sector. However, the spa-based portion of T&CM spending is tiny relative to the overall size of both sectors, so the amount of overlap is miniscule.
- Water and climatic-based therapies are a historic and still common form of T&CM used in many Central, Southern, and Eastern European countries (e.g., balneotherapy, hydrotherapy, thalassotherapy, climatotherapy, etc.). These therapies are used for treatment, rehabilitation, and management of chronic pain/conditions, as well as for prevention and wellness purposes. In many European countries, these therapies are prescribed through the healthcare system and are reimbursable for certain populations and conditions. In these countries, there is some overlap between T&CM spending and the revenues of thermal/mineral springs establishments (measured in a separate wellness economy sector), and we account for this overlap when calculating the total wellness economy figures. In other parts of the world, where thermal/mineral springs bathing is done only for recreation, leisure, and general wellness purposes, there is no overlap between the two sectors.

Note that most definitions of T&CM include massage, mind-body practices (yoga, qigong, tai chi), and meditation as part of T&CM practices. We exclude consumer spending on those activities from our T&CM data because they are specifically captured in other sectors within our wellness economy framework (spa sector, physical activity sector, and mental wellness sector).

T&CM medicines & products: This subsector captures expenditures on a wide range of herbal/traditional medicines, remedies, and products (including those associated with Traditional Chinese Medicine, Ayurveda, Kampo medicine, naturopathy, and other indigenous systems) and phytomedicines (including cannabis, CBD, ashwagandha, medicinal mushrooms, etc.). These products are typically purchased over-the-counter and out-of-pocket by consumers in most countries, or they may be prescribed by a traditional medicine doctor or healer (and sometimes by a conventional physician, as is the case of medical marijuana in some countries).

Note that in this report, we have expanded the definition and measurement of T&CM to specifically include cannabis and CBD products, due to the rapid market growth and improved data availability for these products. We include all forms of cannabis purchases in countries where it is legal or semi-legal, including medical use, adult/recreational use, and CBD-/cannabinoid-based products. It is not feasible to distinguish what portion of adult/recreation use cannabis is for physical/mental health, prevention, wellness, or T&CM purposes (versus just for “fun”), and so we include all expenditures in our estimates.

T&CM concepts have permeated into other wellness sectors, such as healthy eating and nutrition, and they are becoming increasingly common at health food stores and grocery stores (e.g., herbal supplements; herb-infused teas, snacks, and drinks; mushroom powders; etc.). We should note that our measurement of the T&CM medicines & products subsector does not include dietary supplements and functional foods/beverages that are infused with herbs and botanicals, even though they may be based on T&CM systems and traditions (because vitamins/supplements and functional foods/beverages are measured in the healthy eating, nutrition, and weight loss sector). Also note that the T&CM medicines & products subsector measures products that are specifically packaged and labeled as alternative remedies/medicines, or are sold/prescribed by traditional medicine doctors/healers. We do not count consumer purchases of raw herbal/botanical ingredients (e.g., turmeric, garlic, ginseng, elderberry, etc.) to concoct their own herbal remedies at home.

CHAPTER 12

Public Health, Prevention, & Personalized Medicine



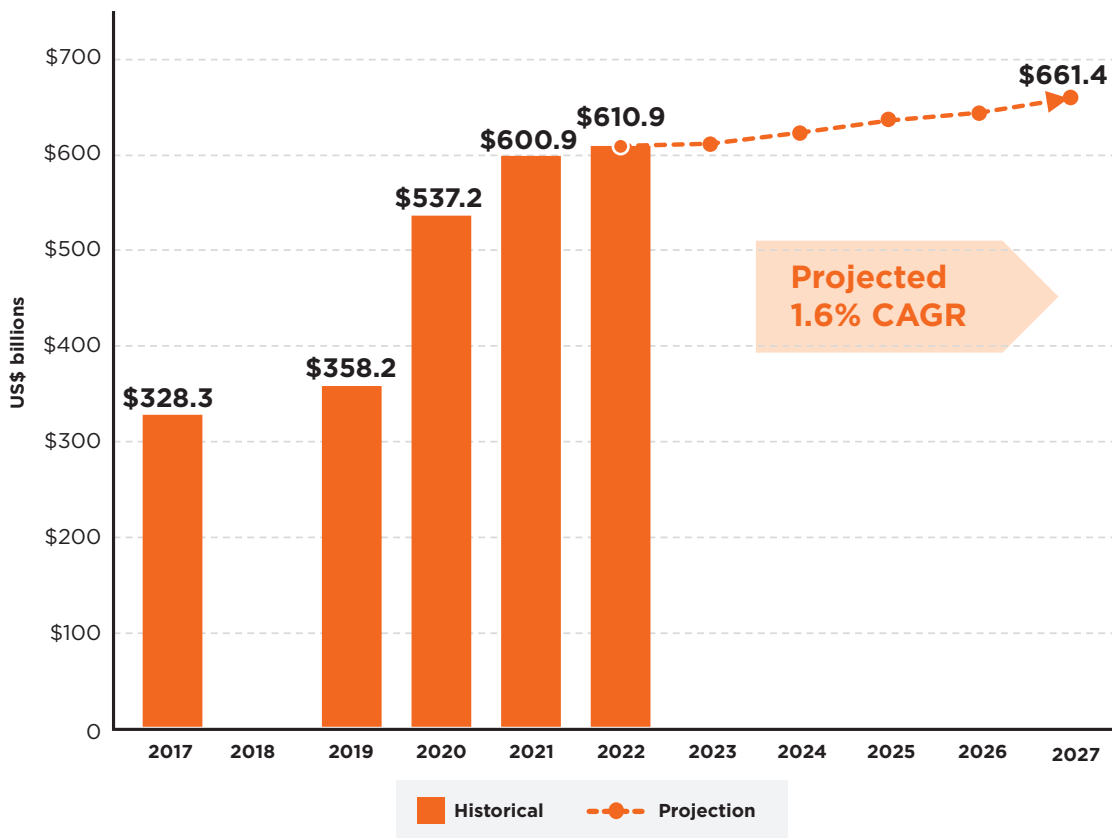
Sector Definition

Expenditures on medical and public health services that focus on treating “well” people, preventing disease, or detecting risk factors.

\$610.9b
Global Market
In 2022

6.6%
CAGR
2020-2022

Global Market Size and Growth Projections



CAGR=Compound Annual Growth Rate
Source: Global Wellness Institute

Public Health, Prevention, & Personalized Medicine Market size and growth

We estimate that public health, prevention, & personalized medicine generated \$610.9 billion in spending globally in 2022. In 2020, the sector saw a 50% expansion in size, due to governments and healthcare systems around the world ramping up their public health and prevention expenditures during the pandemic. Spending on public health, prevention, & personalized medicine has continued its upward growth from 2020-2022, but at a more typical growth rate of 6.6% annually. In comparison, overall global health expenditures grew by 7.7% in 2020 and then by 3.6% annually from 2020-2022.²⁶ With its rapid growth since the pandemic, this sector has become the 5th largest sector in the global wellness economy, accounting for 10.9% of all wellness spending in 2022.

Public Health, Prevention, & Personalized Medicine Market by Region 2019-2022

	Public Health, Prevention, & Personalized Medicine Market				Per Capita 2022	Average Annual Growth Rate	
	(US\$ billions)					2019-2020	2020-2022
	2019*	2020*	2021	2022			
North America	\$137.9	\$258.7	\$225.4	\$237.5	\$638.02	87.6%	-4.2%
Asia Pacific	\$108.2	\$140.8	\$157.5	\$165.9	\$39.00	30.1%	8.6%
Europe	\$72.8	\$95.1	\$175.0	\$163.4	\$177.51	30.7%	31.1%
Latin America-Caribbean	\$19.2	\$18.5	\$19.5	\$19.5	\$29.47	-3.2%	2.5%
Sub-Saharan Africa	\$12.5	\$13.0	\$12.8	\$13.0	\$10.73	3.9%	0.1%
Middle East-North Africa	\$7.6	\$11.1	\$10.6	\$11.6	\$21.70	45.8%	2.2%
WORLD	\$358.2	\$537.2	\$600.9	\$610.9	\$76.81	50.0%	6.6%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor; resulting in a large increase in this sector's size starting in 2020. In the last couple of years, the WHO has made major revisions and updates to country-level health expenditures data published in the Global Health Expenditure Database, resulting in a large increase in the share of health expenditures spent on preventive care and public health from 2020 forward. These retroactive updates are likely due to the challenges and delays in public sector data collection efforts during the pandemic, which are the underlying source of the WHO's data.

Note: Figures may not sum to total due to rounding.

Source: Global Wellness Institute, based on data from the WHO, OECD, and other sources..

North America is by far the largest region for overall and per capita expenditures on public health, prevention, & personalized medicine, which tracks with its global position for general health expenditures. The United States comprises a large portion of the market, accounting for 36% of all global spending on public health, prevention, & personalized medicine in 2022 (it also accounted for 43% of all global health expenditures in 2022). North America is also the only region where this sector has shrunk from 2020-2022, with a reduction in spending on public health/prevention after

²⁶ GWI estimates based on data from the WHO *Global Health Expenditure Database* (accessed August 3, 2023). Note that the WHO has made substantial revisions in its country-level health expenditures data in the post-pandemic period, and so the estimates presented for this sector are very different from the figures presented in the previous version of GWI's *Wellness Economy Monitor*.

a major uptick (nearly doubling) in the first year of the pandemic – but spending still remains well above its pre-pandemic level. In comparison, public health/prevention spending has continued to grow rapidly across much of Europe, with the region growing by 31% in 2020, 84% in 2021, and then declining slightly by 7% in 2022. Growth rates have remained relatively low across Latin America-Caribbean, Sub-Saharan Africa, and Middle East-North Africa in 2020-2022.

The public health, prevention, & personalized medicine sector is comprised of two subsectors. Both subsectors have grown substantially since before the pandemic.

- The **public health & prevention** segment accounts for the majority of spending in this sector (94%). Expenditures on public health and prevention totaled \$572.0 billion in 2022, significantly higher than the pre-pandemic level of \$330.0 billion. The reason for the rapid growth of this segment in 2020 onwards is because governments and health systems significantly increased their spending on public health/prevention as a share of overall health expenditures due to the pandemic.²⁷ Based on WHO data, total global health expenditures are estimated at \$9.9 trillion in 2022. GWI estimates that public health/prevention represented about 3.9% of total global health expenditures in 2019, and then jumped to 5.5% in 2020 and 5.8% in 2021 and 2022. There is significant variation across countries in the share of health spending that goes to public health/prevention, ranging from 3% in higher income countries to 17% in lower income countries.
- **Personalized medicine** is a small but high-growth segment, at \$38.9 billion in 2022.

Public Health, Prevention, & Personalized Medicine Market by Subsector, 2019-2022

	Market Size (US\$ billions)				Average Annual Growth Rate	
	2019*	2020*	2021	2022	2019-2020	2020-2022
Public Health & Prevention	\$330.0	\$505.9	\$567.9	\$572.0	53.3%	6.3%
Personalized Medicine	\$28.1	\$31.2	\$32.9	\$38.9	11.0%	11.6%
TOTAL	\$358.2	\$537.2	\$600.9	\$610.9	50.0%	6.6%

* 2019 and 2020 figures for this sector have been revised since GWI released the previous version of the Wellness Economy Monitor, resulting in a large increase in this sector's size starting in 2020. In the last couple of years, the WHO has made major revisions and updates to country-level health expenditures data published in the Global Health Expenditure Database, resulting in a large increase in the share of health expenditures spent on preventive care and public health from 2020 forward. These retroactive updates are likely due to the challenges and delays in public sector data collection efforts during the pandemic, which are the underlying source of the WHO's data.

Note: Figures may not sum to total due to rounding. See the "Definitions" section for detailed descriptions of the subsectors.

Source: Global Wellness Institute, based on data from the WHO, OECD, and other sources.

²⁷ For more information on the impact of the pandemic on global health expenditures, see: WHO (2022). *Global spending on health: Rising to the pandemic's challenges*. Geneva: WHO. <https://www.who.int/publications/i/item/9789240064911>.

Public Health, Prevention, & Personalized Medicine

Definitions: What we measure and what we do not

The public health, prevention, & personalized medicine sector includes **a variety of medical and public health services that focus on treating “well” people, preventing disease, or detecting risk factors** – for example, routine physical exams, diagnostic and screening tests, vaccinations, genetic testing, educational campaigns, etc.

The “personalized health” subsegment uses advanced diagnostic tools for individual patients (including genetic, molecular, and environmental screening and analysis) to provide tailored approaches for preventing disease, diagnosing and managing risk factors, or managing and treating conditions.

In our definition, the public health, prevention, & personalized medicine sector is comprised of two subsectors.

Public health & prevention: We define and measure public health and prevention based upon standardized definitions established in the WHO/OECD/Eurostat *System of Health Accounts* for “preventive care.”²⁸ Prevention is based on a health promotion strategy that enables people to improve their health through the control over some of its immediate determinants. Public health/prevention expenditures are measured as a share of overall health expenditures in each country. Across the world, much of the public health and prevention efforts are funded by governments, nonprofit organizations, development agencies, and multilateral donors, but these activities can also be funded through the private insurance system and directly out-of-pocket by individuals and families. Therefore, unlike other sectors in the wellness economy, this segment encompasses both public and private expenditures.

Public health and prevention include a diversity of interventions at the primary and secondary prevention levels.

- **Primary prevention** involves specific health measures aimed at avoiding diseases and risk factors, in order to reduce the onset of a disease, diminish the number of new cases, and anticipate the emergence and lessen the severity of diseases. These measures seek to reduce health risks before they generate some effect and can be implemented at the individual level (e.g., vaccinations) as well as at the population level (e.g., epidemiological surveillance, informational campaigns).
- **Secondary prevention** involves specific interventions aimed at the detection of disease and early treatment, in order to prevent the emergence of symptoms or progression of the disease. Examples include screening for diseases such as COVID-19, TB, diabetes, and breast cancer. Often these early case detections involve laboratory and imaging services.

²⁸ Category “HC.6 Preventive Care” in *A System of Health Accounts 2011* (SHA 2011). SHA 2011 establishes a consistent global framework and methodology for tracking health expenditures across countries. For more information, see: 1) WHO, Health Accounts, <https://www.who.int/health-topics/health-accounts>. 2) OECD, Eurostat, and WHO (2017). *A System of Health Accounts 2011: Revised Edition*. Paris: OECD Publishing. <http://dx.doi.org/10.1787/9789264270985-en>.

Note that spending on preventive care is likely to be underestimated in many countries, because preventive care services for healthy individuals (e.g., annual health checkups) are often integrated into curative care services, and so these expenditures are not captured separately in the “prevention” category. In addition, public health and prevention programs are assigned to different government agencies across different countries (e.g., they often fall under the Ministry of Health in many lower-income countries, rather than under a separate disease control agency), and so public health spending may not be classifiable and measurable as such.

Personalized medicine: Our definition and measurement of this segment focuses on what we define as the “wellness” or preventive components of personalized medicine – primarily personalized diagnostics and screenings, like blood analysis, DNA testing, and microbiome analysis. Note that many studies and reports on “personalized medicine” use a very broad definition of the market, encompassing personalized diagnostics, personalized treatments/therapeutics, genomic medicine, health IT/telemedicine, personalized nutrition services, and much more. Our definition and measurements use a narrower interpretation, focusing on the diagnostics segment only.

Personalized medicine mostly takes place in a clinical setting. However, with the rise of “medical wellness” services in the wellness market, and a growing interest among wealthy consumers in “biohacking” their way to longevity, preventive/personalized diagnostic services are increasingly being offered in other settings – including destination spas, health resorts, specialized longevity clinics, and even wellness clubs that have made investments in such new technologies and equipment.

Acknowledgements

It has been fifteen years since we began defining and measuring the various sectors of the wellness economy. Quantifying the global wellness economy is a tremendous undertaking that requires massive research, data, expertise, and insights in eleven diverse wellness sectors, across all regions/countries of the world. This update is all the more important because it shows how the wellness world has responded to the COVID-19 pandemic and its aftermath. We want to give special thanks to **Victor Koo, Liu Xi**, and **Hong Lulu** of Tianren Culture for assisting in researching multiple wellness sectors for the vast Chinese economy. We express special appreciation to **Tomonori Maruyama** of Mitsui Knowledge Industry Co. for his help in accessing and analyzing data in the Japanese spa, hot springs, and hospitality sectors. We extend special thanks to **Mia Kyricos, Mark Hennebry**, and **Charles Davidson** for sharing their industry knowledge and insights. We have also benefited from the expert presentations at the **Wellness Real Estate and Communities Symposium 2023** in New York City, as well as the **Hot Springs Symposium 2023** sponsored by GWI's Hot Springs Initiative in Australia. We thank Beth McGroarty for her invaluable expertise on global wellness industry trends. Last but not least, we thank **Susie Ellis** and **Nancy Davis** for being the most steadfast champions of this work, and for making this study and important industry data available to the public through the support of the GWI research sponsors.

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Magleby Development recently announced the groundbreaking of Velvære, a thoughtfully-envisioned wellness community adjacent to Park City's iconic Deer Valley Resort, positioned within America's newest ski resort currently under development by Extell Utah. Dedicated to providing residents and members a wellbeing and adventure-centric lifestyle, Velvære embraces nature and intentional living. The 60-acre community features 115 residences, along with two amenity centers: a state-of-the-art Wellness Center featuring holistic and transformative hyper-wellness experiences and an Adventure Center, providing the perfect jumping off point for year-round outdoor recreation, from direct ski-in/ski-out access, hiking, and mountain biking to other wilderness activities, serving as the ultimate Utah basecamp.



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