

## CHAPTER 2

# Growth Trends and Drivers in the Eleven Wellness Sectors

Chapters 3-13 of this report present detailed data and analysis for each of the eleven wellness economy sectors, including year-by-year data points for 2019-2024, subsector data, and regional breakdowns. In this chapter, we add some nuance and “color” to the data by exploring key market shifts, consumer trends, and drivers that are shaping the growth of each sector, both in the past and into the future. This chapter provides additional insights into why different sectors are growing faster or slower, along with key themes, commonalities, and intersecting trends across sectors. We also draw some connections between GWI’s annual wellness economy data and the thematic wellness trends reports released annually by the Global Wellness Summit.<sup>7</sup>

To help readers in understanding the cross-sector growth patterns, we have grouped the eleven sectors into four categories, based on their shared characteristics and drivers. These groupings are summarized in Figure 2.1 and explored in detail throughout the chapter.

**Figure 2.1: Wellness Sector Groupings and Growth Trends in 2024**

Compound Annual Growth Rate: Past=2019-2024 • Future=2024-2029

### Explosive Growth Sectors

Wellness Real Estate		Mental Wellness	
\$548.4 billion		\$268.3 billion	
Past 19.5%	Future 15.2%	Past 12.4%	Future 10.1%

### Mature & Steady Growth Sectors

Physical Activity		Personal Care & Beauty		Healthy Eating, Nutrition & Weight Loss		Traditional & Complementary Medicine	
\$1,143.9 billion		\$1,350.0 billion		\$1,148.0 billion		\$605.6 billion	
Past 4.6%	Future 5.1%	Past 4.8%	Future 4.8%	Past 4.7%	Future 7.1%	Past 4.6%	Future 10.8%

### Tourism-Based Sectors

Wellness Tourism		Spas		Thermal/Mineral Springs	
\$893.9 billion		\$157.4 billion		\$71.7 billion	
Past 6.4%	Future 9.1%	Past 6.2%	Future 7.7%	Past 1.7%	Future 10.0%

### Public/Private Policy-Based Sectors

Public Health, Prevention, & Personal Medicine		Workplace Wellness	
\$675.9 billion		\$53.3 billion	
Past 8.6%	Future 4.7%	Past 0.7%	Future 2.2%

Source: Global Wellness Institute

<sup>7</sup>See: <https://www.globalwellnesssummit.com/trends/>.

## Leading growth sectors in the wellness economy, accelerated by changing consumer awareness after the pandemic: *wellness real estate* and *mental wellness*.

There is no question the COVID-19 pandemic represented a sea change for wellness, bringing conversations about prevention, immunity, public health, loneliness, social connection, mental health, and so much more into consumer mindsets and the media. Nowhere is that more evident than in the rapid expansion of *wellness real estate* and *mental wellness*. Both sectors have been the fastest-growing segments of the wellness economy over the last five years, and they are projected to continue this upward trend in the coming years (see projections on *Page 12*). Both sectors also have numerous points of intersection and overlap with other sectors across the wellness economy, helping to fuel their growth.

The boom of these two sectors reflects a couple of important shifts that have been accelerated by the pandemic. First, an understanding of holistic health and well-being is becoming more mainstream all around the world. People are no longer thinking about their wellness just in terms of personal behaviors (exercising, healthy eating, weight loss, or self-care); they are embracing a broader view that recognizes the influence of the environments around us, as well as the importance of mental, emotional, and social well-being alongside physical health. Second, the rise of both sectors reflects an ever-deepening frustration with the travails of our modern lifestyles: job stresses and economic insecurities; car dependence and long commutes; technology, social media, and digital overload; social isolation and the rise of single-person households; extreme weather events; and so much more. These challenges are on the rise everywhere, and they are not being adequately addressed by governments or policy anywhere in the world. In response, consumers are increasingly turning to solutions offered via the *wellness real estate* and *mental wellness* sectors to address these problems and ameliorate their health impacts.

**Wellness real estate: \$548.4 billion in 2024; 19.5% annual growth 2019-2024; now at 243% of its 2019 level; projected at 15.2% annual growth 2024-2029.** *Wellness real estate* has consistently been the fastest-growing sector in the wellness economy, significantly outpacing projections and economic growth trends, and it has more than doubled in size in just five years. The need for healthier built environments is immense, given the unwellness that has been built into our homes, neighborhoods, and cities over the last century—from sick buildings and polluted air to car-dependent neighborhoods, food deserts, and a lack of green space. After the pandemic, *wellness real estate* is now shifting from niche to mainstream alongside rising consumer and business awareness. Healthy building practices are spreading into every real estate asset class and every region of the world, from North America, Europe, and Australia to Asia, the Gulf countries, and some parts of Latin America. In the residential space, it is expanding from the luxury market into all price points and occupant demographics (affordable housing, student housing, senior living, military housing, and more). *Wellness real estate* is no longer the domain of one-off “passion projects” and is increasingly undertaken by larger, professional development companies, some of which are adopting a “wellness lens” for their entire portfolio. Recognizing the impacts on their employees and their bottom lines, companies are investing in healthy workplaces and scaling them across all of their corporate locations. Green building and healthy building are increasingly converging, supported by a variety of building certifications. Governments are starting to support *wellness real estate* and healthy building projects, seeing that these efforts align with their public policy objectives of building healthy, sustainable, vibrant, and resilient cities and communities.

Importantly, *wellness real estate* also overlaps with nearly every other sector in the wellness economy. In the *wellness tourism*, *spa*, and *physical activity* sectors, for example, companies are incorporating healthy building practices as part of their wellness value proposition to their customers; in *workplace wellness*, healthy workplace design is becoming a critical part of employee well-being efforts. Simultaneously,

*wellness real estate* projects also support other sectors by facilitating people's access to many kinds of wellness activities (more opportunities for physical activity, access to healthy foods, environments for better mental wellness, etc.). All of these trends are fueling the ongoing, explosive growth of this market. Even with this rapid growth, *wellness real estate* still only represents about 3.3% of overall global construction spending in 2024, and so there is enormous opportunity for continued expansion around the world.

**Mental wellness: \$268.3 billion in 2024; 12.4% annual growth 2019-2024; now at 179% of its 2019 level; projected at 10.1% annual growth 2024-2029.** *Mental wellness* has grown rapidly since 2019, as consumers desperately sought out products, services, and activities to help them cope with the immense stresses they faced during the pandemic and beyond. This cultural shift is especially strong among the younger generations, who have embraced a focus on mental health and well-being as fundamental for daily life. Consumers are now spending over \$93 billion each year on all kinds of over-the-counter **supplements, traditional remedies, and functional beverages** that promise to support brain health, cognition, energy, and sleep, and these segments have been growing by 13.3% annually. The “**sleep economy**” is exploding, alongside all kinds of products, services, and technologies that promise to address **mental health via our five senses** (aromatherapy, wellness music, sound therapy, and more), with these segments growing by 12.5% annually to reach \$107.0 billion in 2024. While much smaller in terms of consumer expenditures, consumer interest in **meditation and mindfulness** has also exploded in recent years (with spending growing by 18.9% annually to \$7.1 billion). These practices have become mainstream, supported by a proliferation of apps and streaming platforms, along with the teaching of meditation as a stress-management practice everywhere from elementary schools and corporate retreats to prisons and refugee camps.

Businesses across many other wellness sectors are developing new offerings to capitalize on the rise of *mental wellness*, such as sleep retreats in the tourism sector; brain imaging in wellness and longevity clinics; life coaching services in spas and wellness centers; mood-boosting aromatherapy products spinning out of the traditional fragrance industry; and wellness music channels that are now streaming across all platforms (from fitness streaming services like Peloton and Apple Fitness, to digital music services like Spotify and YouTube). Therefore, the growth and development of *mental wellness* is not confined to this sector, but is also helping to fuel innovation and revenue growth across the entire wellness economy and beyond.

## **Mature sectors with steady growth, mostly driven by consumer spending patterns: *physical activity; personal care & beauty; healthy eating, nutrition, & weight loss; and traditional & complementary medicine.***

These four sectors are among the largest in the wellness economy, and they encompass activities that consumers have long associated with the concepts of wellness and personal responsibility for health (i.e., healthy eating, dieting and weight loss, exercise, self-care, vitamins and supplements, traditional medicine, alternative health remedies, etc.). These sectors have several common characteristics that drive their growth trends:

- First, all of these sectors can be characterized as “mature” industries, meaning they are large and well-established in the economy, are highly competitive, are widely used by mainstream consumers in most places, and therefore tend to have slower and steady growth trends. In mature and relatively saturated markets like personal care and food, companies have to keep innovating in order to stay relevant, grow their market share, or capture new segments of consumers. Novel wellness-related offerings are a big part of the drive for innovation and differentiation across many product categories in all four sectors.

- Second, since these are such large consumer spending categories, they tend to rise and fall with consumer spending patterns, consumer sentiment, disposable incomes, and overall economic conditions. Total global consumer expenditures grew by 4.6% annually from 2019-2024 (based on Euromonitor data), and the growth rates for all four sectors in this group have generally tracked at that rate. For the most part, these categories are also discretionary purchases for consumers (other than food), and they are easily cut during times of crisis or downturn. That was evident during the pandemic, when *personal care & beauty*, *physical activity*, and *traditional & complementary medicine* all saw a decline in spending in 2020.
- Third, a very large share of the spending across these four sectors is on product sales (rather than services or technology). Therefore, these sectors can be highly affected by global economic conditions, including tariffs, trade policies, inflation, currency fluctuations, climate events that disrupt supply chains, geopolitical issues, and so on. The post-pandemic period has seen high price inflation worldwide, particularly for products like food. Therefore, part of the growth in these sectors over the last five years is from people paying more for their purchases, rather than an actual increase in what consumers are buying.

**Physical activity: \$1,143.9 billion in 2024; 4.6% annual growth 2019-2024; now at 125% of its 2019 level; projected at 5.1% annual growth 2024-2029.** *Physical activity* is a very large and diverse sector that

includes many types of participation in recreational physical activities (sports & active recreation, fitness & gyms, mindful movement, which together represent \$541 billion of spending globally in 2024), along with several supporting segments (technology, equipment & supplies, apparel & footwear, together accounting for \$623 billion of spending). Spending on *physical activity* shrank in the first year of the pandemic, but then rebounded quickly as people returned to their regular activities and exercise routines, with a five-year growth rate of 4.6% from 2019-2024. It is important to note there is no direct relationship between physical activity spending and physical activity participation. The estimated number of people participating in recreational physical activities has grown far more slowly than spending (by only 1.2% annually from 2019-2024). Globally, the average percent of the population participating in all types of recreational physical activities is estimated at 37.5% in 2024 (which is just slightly higher than the pre-pandemic/2019 rate of 36.6%). In over two-thirds of countries (especially in developing and poorer countries), participation rates have not yet returned to their pre-pandemic levels. These trends mean that much of the growth in this sector is due to price inflation, with people simply spending more on these activities, instead of more people doing physical activity. At the same time, many people participate in various types of physical activities without spending any money at all (e.g., running, hiking, tai chi in the park, plaza dancing, at-home yoga, etc.). Free and low-cost participation is boosted by the explosion of fitness technologies around the world, from wearables to apps and streaming platforms (with the fitness tech market more than doubling in the last five years to \$85.9 billion in 2024). In some countries, government investments in free public infrastructure for exercise (e.g., trails, parks, outdoor gyms, sidewalks) also play a critical role in supporting movement as a public health aim. The overall growth of fitness, sports, and other recreational physical activities in countries like China and India has also been boosted by government initiatives to promote exercise as a national health priority (e.g., Healthy China Initiative, Khelo India Programme, Fit India Movement).

A number of shifts since the pandemic are driving growth across the *physical activity* sector. Many outdoor and social sports have surged in popularity, including things like newer racket sports (pickleball and padel), golf, outdoor/trail running, social running clubs, global fitness competitions (HYROX, Spartan DEKA, Turf Games, etc.), hiking, biking, and paddlesports, as well as new sports and leagues like women's flag football—even in countries where individual/recreational sports have not traditionally been part of the culture (e.g., China, Vietnam, the United Arab Emirates, Egypt). Interest in yoga also surged after the onset of the pandemic and has continued to grow at a steady pace, while other mind-body modalities like Pilates are now exploding in popularity in many countries. This growth is driven by the holistic nature

of these activities: their combination of physical and mental health benefits; the accessibility of these activities to people of all ages and fitness levels (especially through tech-based platforms); their multiple benefits for functional fitness, cross-training, recovery, and rehabilitation from injuries; and their alignment with the ethos of wellness as a “lifestyle.” In the fitness segment, the fastest growth in the last 2-3 years has been in Asia, the Gulf countries, and Latin America, where this market is less developed, penetration rates are low, disposable incomes are rising, and all kinds of fitness/gym offerings are exploding. In most countries, fitness growth is concentrated in both the lower end (budget/low-cost gyms) and the upper end (premium full-service gyms and boutique studios) of the market, a “barbell effect” that mirrors the rise of financial inequality and a growing stratification of society by income. In higher-income countries, luxury gyms are innovating by moving far beyond just fitness, transforming themselves into hybridized “clinics” that offer recovery, preventive diagnostics, longevity medicine, spa-like services, nutritional counseling, chronic disease management, AI-powered coaching and training, and more. This shift echoes what is happening in other higher-end wellness business segments (spas, wellness clinics, wellness clubs), creating more competition and blurring the lines across different wellness business models and sectors.

**Personal care & beauty: \$1,350.0 billion in 2024; 4.8% annual growth 2019-2024; now at 126% of its 2019 level; projected at 4.8% annual growth 2024-2029.** The growth rates for the *personal care & beauty* sector have generally tracked overall consumer spending growth, and this pattern is expected to continue in the coming years. *Personal care & beauty* is the largest sector in the wellness economy, and its massive size is because it encompasses such a vast range of everyday consumer products for personal hygiene and self-care: soaps, lotions, skin care, hair care, dental care, shaving, cosmetics, perfumes, beauty salons, barbershops, and more. Nearly every consumer in the world (unless they are living in a subsistence society) purchases many or some of these products on a regular basis. *Personal care & beauty* is a great example of a mature, oversaturated, and hypercompetitive industry, in which companies are chasing growth through wellness-driven innovations, increasingly specialized products, and horizontal expansion. Moving beyond women as their longstanding market, many companies are launching new age- and demographic-specific product lines targeting new consumer segments, including men/boys and tweens. Beauty is shifting beyond just the face, with new specialized products targeting every part of the body (e.g., scalp and hair health products, scrubs and serums for body acne, anti-aging hand masks, whole-body deodorants, intimate hygiene products, etc.).

Many of the high-growth areas in the *personal care & beauty* sector are building on broader consumer wellness trends that can be seen throughout the wellness economy. For example, with the rising concerns about natural, sustainable, ethical, and transparent products and ingredients, “clean beauty” has been a fast-growing niche in the beauty industry for the last couple of decades. Driven by the recent rise of consumer interest in results-driven solutions, biohacking, and longevity, many beauty and personal care companies are moving from the “clean” to the “clinical,” and from “repair” to “prevention,” with all kinds of new clinical and lab-engineered product lines and ingredients that make a variety of purportedly science-based claims (e.g., cellular repair creams and serums, DNA-based skin care, skin microbiome products, LED therapy masks, hair longevity, etc.). Capitalizing on the rise of mental wellness, new lines of beauty products are being marketed with mood-busting, stress-relieving, and sensory benefits—from neurocosmetics, to functional fragrances, to aromatherapy hair and body products. Linked with the rising consumer interest in indigenous, traditional, and herbal medicine, beauty and personal care products are also being infused with all kinds of traditional ingredients drawing from Chinese medicine (adaptogenic mushrooms, ginseng), Ayurveda (ashwagandha, turmeric), African medicine (shea butter, argan oil), Mediterranean traditions (olive oil, calendula), and beyond. There are many niches of wellness-driven growth and innovation in the *personal care & beauty* sector, but on a larger scale, its growth prospects are very much rooted in macro-level economic factors. These products are manufactured and traded in the global supply chain, and as such, their growth trends have been affected by the pandemic-related disruptions in 2020, along with price inflation, and currency fluctuations in many large country markets across Asia, Latin America, and Europe in recent years.

**Healthy eating, nutrition, & weight loss: \$1,148.0 billion in 2024; 4.7% annual growth 2019-2024; now at 126% of its 2019 level; projected at 7.1% annual growth 2024-2029.** Among the four sectors in the “mature and steady growth” group, *healthy eating, nutrition, & weight loss* is the only one that continued to grow throughout the pandemic. Food is an essential purchase, although people do have a massive range of choices as to what specific food products they buy. In response to the pandemic, consumers sought out a variety of **packaged foods, beverages, vitamins, supplements, and nutraceuticals** that promised to strengthen their immunity and help ward off disease. Out of the estimated \$1.1 billion global market for this sector, about three-quarters of the spending is on packaged and processed foods and beverages positioned/marketed/labeled with health and wellness claims—an \$868.1 billion segment that has been growing by 4.7% annually over the last five years. Similar to the beauty industry, new product lines are being launched in response to the high-growth areas within wellness, including stress-relieving, mood-boosting, brain-boosting, and energy-boosting functional beverages (capitalizing on the mental wellness trend), as well as food and beverage products that are infused with an ever-spawning array of herbs and ingredients from traditional medicine (e.g., adaptogen teas, mushroom coffees, fermented and probiotic/prebiotic drinks for gut health, ancient grain stack foods, etc.). The rise of the sober curious movement (especially among younger generations) is also driving the growth of the functional beverage category, with new wellness-focused beverages being launched as an alternative to alcohol (e.g., THC-/CBD-infused drinks, distilled botanicals for mocktails, nootropic drinks, “healthy” sodas, etc.). With GLP-1s rising fast and first in Western countries, another growing area is nutrition designed for the Ozempic-takers, including high-protein foods and beverages, meal delivery services, etc. High-growth, innovative, and successful wellness food/beverage startups are being acquired by large food conglomerates, widening their distribution channels and expanding their reach from niche to mainstream.

**Vitamins & supplements** represent about 15% of the spending in this sector (\$167.0 billion) and have been growing by 4.9% annually. The rising consumer interest in traditional and herbal medicine is also driving the growth of supplements around the world, especially in markets across Asia and Latin America, where there is a growing middle class and where the modern concept of supplementation is relatively new. For example, China and India both have long histories of using herbs and botanical remedies for health benefits, but now there is a booming commercialized market for modern, Westernized, and factory-produced versions of functional foods, superfoods, powdered supplements, wellness shots, etc. These include product concepts imported from the West, as well as products drawing on local Chinese medicine and Ayurvedic traditions and ingredients. Similar to the beauty industry, new versions of supplements are also being launched to target all kinds of specialized wellness aims, including brain health, immune health, sleep, hormonal balance, energy, longevity, etc. The third and smallest segment in this sector is **weight loss products & services** (\$112.9 billion), which has seen a mixed growth pattern. Weight management products (e.g., meal replacements, OTC supplements for weight loss) have been growing strongly (6.0% annually from 2019-2024), while the weight loss services portion has shrunk (-1.1% annually), in part due to the explosive rise of GLP-1 medications. Note that GWI does not include weight loss drugs in our measurements for this sector, because prescription drugs are part of the medical industry and not wellness. However, the rise of GLP-1s has spawned new offerings across the wellness economy, such as the major shift toward strength training in fitness, high-protein/smaller-portion foods in healthy eating, skin care products for “Ozempic face,” etc.

The lack of a strong regulatory regime in most countries for functional foods, dietary supplements, and herbal/indigenous/plant-based ingredients is helping to fuel the growth of all of these categories, sometimes to the detriment of consumers. GWI cautions that the growth in this sector should not be interpreted as “consumers are eating healthier,” as there is often scant scientific evidence for the health claims being made by these products and no consensus on how healthy they actually are. In addition, food price inflation has been very high globally in recent years (10.1% in 2022, 8.3% in 2023, based on UN



data<sup>8</sup>); therefore, some of the growth in this sector reflects rising food prices, rather than an increase in consumer purchases.

**Traditional & complementary medicine (T&CM): \$605.6 billion in 2024; 4.6% annual growth 2019-2024; now at 125% of its 2019 level; projected at 10.8% annual growth 2024-2029.** Spending on T&CM declined in 2020 (due to business shutdowns disrupting product manufacturing/sales and visits to service providers), but it then rebounded quickly, growing at an average annual rate of 4.6% over the last five years. Like many other wellness sectors, the pandemic has boosted demand for T&CM, as consumers increasingly seek out ways to strengthen their immunity, fend off sickness, manage chronic conditions, and embrace what they consider to be more “natural” approaches to health. In many countries, consumer interest in T&CM is also driven by dissatisfaction with the conventional medical system, ineffective treatments, and/or the high costs of care. In addition to traditional/indigenous practices (like Ayurveda and Chinese medicine) and herbal medicine, there is a panoply of complementary and novel wellness modalities included in this sector, including chiropractic, homeopathy, naturopathy, halotherapy, balneotherapy, energy healing, and many modern and trendy offerings like hyperbaric oxygen chambers, infrared light therapy, cryotherapy, flotation tanks, IV drips, biofeedback, and so on.

While T&CM usage is growing in most parts of the world, the market size and developments vary depending on regional differences in the history and culture of these practices. Asia-Pacific dominates this market (at \$379 billion, or 63% of all global spending). Many Asian countries 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 and Taiwan, Ayurveda in India, Kampo medicine in Japan, Traditional Korean Medicine in South Korea). Both China and India have major government initiatives to promote and modernize their traditional medicine systems, not only to improve healthcare provision, but also as a nationalist priority to preserve and promote their cultural heritage. In the consumer market, younger generations across these countries are also embracing modern and Westernized versions of functional foods and beverages, superfoods, and supplements that utilize ingredients from their local/indigenous traditions. In Western, English-speaking countries that do not have a longstanding cultural tradition of T&CM (the United States, Canada, the United Kingdom, Australia), this market is driven by consumer out-of-pocket spending, mostly operates outside of the conventional healthcare system, and is largely unregulated. The loosening of regulatory regimes for cannabis and CBD products is also driving growth in a number of countries. Western wellness businesses (especially in the United States) are adept at borrowing from traditional/indigenous practices from around the world, infusing them into new products and services, and making them appeal to modern wellness consumers. This trend has helped to propel the growth of the modern wellness movement for several decades, but has also become increasingly controversial as a form of cultural appropriation.

Note that GWI’s projected five-year growth trend for traditional & complementary medicine (10.8% annually) is quite a bit higher than the other sectors in the “mature and steady growth” group. That is because the rise of indigenous, traditional, herbal, complementary, and novel wellness and health modalities and ingredients is one of the biggest trends driving growth and innovation across many other wellness sectors. Their widespread infusion into new products, services, and business models—from functional beverages and supplements, to beauty and personal care products, to spas and wellness clinics—is helping to drive the consumer spending growth in this sector. In particular, the rapid growth of the *wellness tourism*, *spas*, and *thermal/mineral springs* sectors is helping to boost T&CM growth, because wellness consumers are often introduced to new modalities and products as part of travel and then seek to incorporate them into their daily lives at home. While there is growing clinical evidence for the efficacy of some T&CM modalities

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<sup>8</sup>Food and Agriculture Organization of the United Nations (2025, June 18). *General and food consumer price indices inflation rates. March 2025 update*. <https://www.fao.org/statistics/highlights-archive/highlights-detail/general-and-food-consumer-price-indices-inflation-rates.-march-2025-update/>.

(e.g., acupuncture), the overall lack of rigorous scientific study for most practices will continue to keep the T&CM offerings in the private sector and as a core driver of the consumer wellness market into the future, for most countries outside of Asia.

## High-growth sectors closely tied to the tourism and hospitality industries: *wellness tourism, spas, and thermal/mineral springs*.

These three wellness sectors are embedded in and closely linked to the tourism and hospitality industry. Travel was decimated during the pandemic and has taken several years to recover (worldwide, domestic trips did not recover to their pre-pandemic levels until 2024, and inbound trips are still at a 99.9% recovery rate). Likewise, *wellness tourism, spas, and springs* also suffered a multi-year loss of revenue, but in most countries, these sectors fared better during the pandemic and have recovered more quickly than overall tourism. While the pandemic was truly a shock to these sectors, it was also a temporary blip in terms of their growth prospects, and the fundamental consumer interest in and demand for these activities is stronger than ever.

Because these three sectors are so intertwined, we will discuss their major growth trends and drivers as a group, rather than separately. As a comparison to the sector data points below, overall tourism spending (for domestic and inbound trips combined) grew by 1.9% annually from 2019-2024, is now at 110% of its 2019 level, and is projected to grow by 6.7% annually from 2024-2029.

- **Wellness tourism: \$893.9 billion in 2024; 6.4% annual growth 2019-2024; now at 136% of its 2019 level; projected at 9.1% annual growth 2024-2029.**
- **Spas: \$157.4 billion in 2024; 6.2% annual growth 2019-2024; now at 135% of their 2019 level; projected at 7.7% annual growth 2024-2029.**
- **Thermal/mineral springs: \$71.7 billion in 2024; 1.7% annual growth 2019-2024; now at 109% of their 2019 level; projected at 10.0% annual growth 2024-2029.** These data points and the slower post-pandemic recovery reflect the unique conditions in the historic and mature springs markets in China, Japan, and Europe (which comprise 90% of global revenues). Across North America, the rest of Asia-Pacific, and Latin America, the springs sector has grown by 6.5% annually since 2019, and business has rebounded to 137% of pre-pandemic levels.

Several big shifts in the wellness market are shaping the future growth of these three sectors, and these shifts mirror the trends we see across the wellness economy. First, there is a drive toward ever more **specialized** offerings, both as a differentiator in a competitive market and as a way to attract new customer segments. In both *wellness tourism* and *spas*, businesses are developing new products and programming that pinpoint the specific needs of different demographics—for example, menopause retreats, men's retreats, alcohol-free retreats for the sober curious, sports performance and recovery programs, and so on. While consumers have always viewed tourism and spas as opportunities for rest and relaxation, businesses across these sectors are now capitalizing on the rise of **mental wellness**, with all kinds of targeted offerings being developed to address stress reduction, mindfulness, sleep, and more (e.g., sleep retreats, sleep-enhancement products in hotel rooms, thermal bathing and saunas, meditation lounges in hotels and airports, mindfulness massages enhanced with biofeedback or breathwork, multisensory pods in spas, aromatherapy and sound therapy programming, etc.).



Simultaneously, spa and wellness tourism offerings are becoming more **clinical, medicalized, and high-tech** (aka, “hardcare”<sup>9</sup>), building on the recent preoccupation with longevity medicine and biohacking, the ongoing emergence of new technologies (including weight-loss drugs), and consumers’ increasing demand for evidence-based and results-oriented services. For the last decade or two, spas have been moving far beyond being places for just massage and facials, and 2024 was a year that truly solidified that shift. Medical aesthetic treatments (noninvasive) and cosmetic procedures (invasive) are exploding in popularity around the world—from injectables and microneedling, to laser treatments and mole removal—leading to rapid growth in medical spas and medical wellness tourism (as well as cosmetic tourism, which is beyond the scope of GWI’s dataset). In response to the pandemic, changing consumer interests, and a human resources shortage, spas have been adding all kinds of high-tech experiences and “touchless” equipment to help drive revenue growth: infrared saunas, hyperbaric and cryotherapy chambers, vibroacoustic therapy beds, LED light therapy beds, multisensory and VR-guided meditation pods, robotic massage, etc. 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/biomarker analysis, genetic testing, musculoskeletal assessments, etc.). Wealthy consumers who can easily pay out-of-pocket are turning to spas for diagnostics and early detection, management of chronic diseases, health and nutrition coaching, and much more. Higher-end spas and wellness/health resorts are expanding to become **hybridized medical-wellness clinics and longevity clinics**, offering everything from massage to diagnostic testing to functional medicine. Similar hybrid medical-wellness models are emerging in many other parts of the wellness and concierge healthcare industry (in luxury gyms, wellness/social/urban clubs, wellness clinics, longevity clinics, functional medicine clinics, etc.). As a result, there is a growing overlap between wellness and medicine at the higher end of the market, blurring the lines across sectors and making it harder to even define what is a “spa.”

A parallel yet contradictory growth driver is the rising consumer interest in all things **natural, authentic, human, and social** (aka, “softcare”). Younger generations, and women in particular, are pushing back on the rise of “hyper-optimized, high-pressure, uber-commodified wellness.”<sup>10</sup> They are seeking out simpler, lower-tech, less lonely experiences that focus on social and emotional wellness and bring them into closer contact with the natural world, with authentic local cultures, and with other people. In response, spas, wellness resorts, and wellness tourism operators around the world are launching new retreats and “slow tourism” experiences that go far beyond the traditional yoga retreat: pilgrimages, spiritual and temple retreats, men’s retreats, postpartum retreats, farm+wellness tourism, analog and digital detox travel, etc. These trends are also driving the explosive growth of the *thermal/mineral springs* sector in countries across the world. Despite the setbacks during the pandemic, *thermal/mineral springs* has long been one of the fastest-growing sectors in the wellness economy. Springs businesses in the United States, Australia, China, Iceland, and other parts of Europe have seen double-digit growth in recent years. Hundreds of new springs-based businesses are in the investment pipeline, from China, Japan, Australia, and Vietnam to the United States, Tunisia, Brazil, and elsewhere. The rise of **water-based wellness** is not limited to the *thermal/mineral springs* sector and also extends to the rapid growth of all kinds of new social bathhouses, saunas, and other water-based offerings in spas and resorts (hydrotherapy circuits, hammams, watsu therapy, ice baths, etc.). Consumers from places without a tradition of water treatments or public bathing are “discovering” the therapeutic benefits of thermal waters, saunas, hydrotherapy, thalassotherapy, cold plunges, contrast bathing, Korean bathhouses, and wild swimming. The opportunities to connect with nature, experience cultural traditions, and enjoy “social wellness” are a big part of the appeal. Springs, sauna, and bathhouse establishments are tapping into these desires, with super-social bathing offerings like theatrical Aufguss events and music+soaking experiences (“soak & sound,” “deep listening sauna

<sup>9</sup> See: McGroarty, Beth (Executive Ed.) (2024). *The Future of Wellness 2024 Trends*. Miami, FL: Global Wellness Summit. <https://www.globalwellnesssummit.com/press/press-releases/gws-trends-2024/>.

<sup>10</sup>Ibid.

sessions”). The new bathhouses are establishing themselves as wellness-oriented “third places” where people can find connection and community. The more affordable price point of these experiences (especially in comparison to traditional “luxury” spa and wellness offerings) is attracting a new, younger, and more diverse customer base to the wellness industry.

As noted elsewhere, *wellness tourism*, *spas*, and *springs* have long been important drivers of growth across other sectors in the wellness economy (especially for *traditional & complementary medicine*). Travelers and customers are often first introduced to new and unique wellness modalities, practices, and products while they are on vacation or visiting a spa; they then seek to bring these things home and incorporate them into their regular wellness lifestyles, fueling the growth of many other wellness businesses (from fitness studios and luxury gyms, to single-service providers, wellness clinics, and so on).

## **Sectors where growth is shaped more by public/private sector policies than consumer demand: *public health, prevention, & personalized medicine and workplace wellness*.**

Most of the sectors in the wellness economy are selling products and services directly to consumers, and their growth trends are directly shaped by the evolving interests and demand patterns in the marketplace. These two sectors are different because they are not primarily consumer-facing. The *public health, prevention, & personalized medicine* sector is largely shaped by government health and public health policies, health spending, and the national healthcare systems in each country. *Workplace wellness* is driven by company spending on and approaches to employee programs, benefits, and hiring practices. Below, we discuss the unique factors driving the growth and development of these two sectors, and why their growth trajectories look different from the other wellness economy sectors.

**Public health, prevention, & personalized medicine: \$675.9 billion in 2024; 8.6% annual growth 2019-2024; now at 151% of its 2019 level; projected at 4.7% annual growth 2024-2029.** This sector, as defined by GWI, has two distinct subsectors with very different growth patterns. It is also one of only two sectors where we specifically include some medical and healthcare-related expenditures in our wellness economy estimates (the other is *traditional & complementary medicine*). The **public health & prevention** segment accounts for 78% of the spending in this sector (\$529 billion in 2024), funding efforts to avoid the spread of disease, address risk factors, and provide early detection (e.g., vaccinations, epidemiological surveillance, educational campaigns, COVID-19 testing, breast cancer screenings, etc.). Much of this is public sector spending, because in most places, public health and prevention efforts are funded by governments, nonprofits, and multilateral/donor agencies—although these activities can also be funded through the private insurance system and directly out-of-pocket by individuals and families. Around the world, public health spending ramped up dramatically in 2020, 2021, and 2022, in response to the pandemic. In 2023 and 2024, the growth has decelerated and/or spending has shrunk in most places, moving back toward pre-pandemic levels. A good way to understand this trend is to look at public health/prevention spending as a share of total global health expenditures: starting at 4.0% in 2019, peaking at 6.5% in 2021, and then shrinking back to 4.7% in 2024 (GWI estimates based on WHO data).

The **personalized medicine** segment accounts for \$147 billion in spending in 2024, and this sector has grown at a rapid pace over the last five years. This strong growth, which is projected to continue in the coming years, is fueled by ongoing innovations in biomedical technologies, genomics, and longevity science. There is a growing segment of consumers who are interested in and willing to pay for personalized health optimization, testing, and diagnostic services to improve both their lifespans and healthspans. Much of this spending is currently taking place outside of the conventional medical system, with a growing array of private longevity clinics, functional and integrative medicine clinics, concierge medicine centers,

advanced virtual/telehealth platforms, and direct-to-consumer services. There is an ever-expanding array of biomarker tests and health-tracking wearables, with advances in AI leading to a new era of mass-personalized medicine and wellness. As noted elsewhere, these kinds of advanced diagnostic and personalized medicine services are increasingly being offered in luxury fitness centers, spas, health resorts, wellness clubs, and other non-clinical settings. While the current and future growth trend for personalized medicine is robust, it is currently driven by wealthy people in wealthy countries, who have the disposable incomes to pay out-of-pocket for these high-price services. There is currently much hype about longevity medicine breakthroughs and their potential to expand lifespans and prevent age-related diseases, with many millions being invested in biotech startups. But, these diagnostics/treatments/drugs are predominantly in the experimental phase, and they mostly lie within the biotech and medical space, while the current offerings in the private sector/wellness space are often ahead of the science. Future growth for these kinds of services will depend upon continued clinical testing and then integration into national healthcare systems and insurance reimbursements, which would be necessary to expand access to more people and scale their impacts to the population level.

GWI's five-year projection for the *public health, prevention, & personalized medicine* sector is moderate (4.7% annually), because it is a balance of a strong growth projection for personalized medicine (around 9.3% annually) and a much lower growth projection for public health/prevention spending (3.3% annually), which comprises a very large share of the overall sector. These projections are likely to shift in the coming years in response to political realities and public policy, especially in the United States. GWI estimates the United States accounted for 45% of total global health expenditures and 35% of all global spending on public health and prevention in 2024. The United States is also a major funder of public health initiatives worldwide via direct foreign aid and funding to multilateral agencies—especially in developing countries, where the country provided 42% of all donor-funded international health assistance in 2023 (funding things like maternal/child health, HIV/AIDS prevention, malaria prevention, vaccinations, food security, and much more).<sup>11</sup> Given the current U.S. administration has been dismantling public health programs and defunding biomedical research domestically, along with decimating global preventive health funding and assistance, the future spending patterns and growth in this sector may decline rather than grow—to the detriment of populations all around the world.

**Workplace wellness: \$53.3 billion in 2024; 0.7% annual growth 2019-2024; now at 103% of its 2019 level; projected at 2.2% annual growth 2024-2029.** The *workplace wellness* sector measures a wide array of spending and programs by companies that aim to raise awareness, provide education, and offer incentives for employees to adopt healthier lifestyles—from subsidized gym memberships and fitness challenges, to on-site health screenings and health fairs, to stress management groups and smoking cessation programs. As such, this sector is measuring spending by companies (not by consumers). The overall growth trend for *workplace wellness* spending has been relatively stagnant (0.7% annual growth over the last five years), and global spending even declined in 2023-2024 (-1.5%).

There are two important long-term and structural shifts driving this growth pattern. First, employers in larger or “mature” markets (e.g., North America, Europe) are increasingly moving away from programmatic approaches to workplace wellness, possibly reflecting the growing recognition there is a lack of strong research evidence to show these kinds of programs are effective in improving employee well-being or health outcomes.<sup>12</sup> Companies are increasingly adopting more holistic approaches that encompass company culture, leadership style, workflow, benefits, physical environments, and more—and these efforts are not definable or measurable as “workplace wellness spending.” Approaches such as living wages, paid

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<sup>11</sup>Kaiser Family Foundation (2025, March 25). *10 Key Facts About the U.S. Global Health Response*. <https://www.kff.org/global-health-policy/10-key-facts-about-the-u-s-global-health-response/>.

<sup>12</sup>For example, see: Croft, J., et al (2024, Oct. 18). Why Workplace Well-Being Programs Don't Achieve Better Outcomes. *Harvard Business Review*, <https://hbr.org/2024/10/why-workplace-well-being-programs-dont-achieve-better-outcomes>.

sick leave, better retirement benefits, job security, flexible schedules, limits on working hours/overtime, workplace safety, etc. can have a huge impact on employee health and well-being. Recognizing the costs of worsening employee mental health, many employers are focusing on efforts to address stress, burnout, and work-life balance, and to strengthen social support systems in the workplace. Many companies are also investing in healthy built environments (e.g., indoor air quality, thermal comfort, better lighting, biophilic elements, ergonomics, etc.), reflecting the growing evidence that these efforts support not only employee wellness, but also productivity and the bottom line. Therefore, workplace wellness and worker well-being as a company priority are growing, even when measurable spending on programs is not.

The second major driver of *workplace wellness* growth is structural shifts in the global labor market. Around the world, the “gig economy,” temporary employment, and contract work are on the rise, meaning a growing portion of the workforce is in jobs with a lack of job security, irregular hours, unstable income, and other stressors. As the share of temporary and informal jobs rises, 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). This means the benefits of workplace wellness efforts are limited to the less than 10% of the global workforce (based on GWI estimates) that is lucky enough to be in secure jobs with benefits—and these are predominantly in wealthy countries (North America, Europe), multinational corporations, and knowledge-intensive industries (e.g., IT, finance, etc.). Meanwhile, a huge portion of the workforce (especially in lower-income countries) suffers from dire and often life-threatening issues related to exploitation, workplace safety and health threats, lack of a secure job, and so on.