



GLOBAL WELLNESS  
SUMMIT 2018

OCTOBER 6-8 | TECHNOGYM | CESENA, ITALY

# The Impact of China on Wellness... and Everything Else

**Catherine Feliciano-Chon**, founder & managing director,  
CatchOn & Company Ltd., Hong Kong

**CHINA  
TRAVEL  
PHENOMENON**

**WELLNESS  
HEALTH & FITNESS  
SPAS IN CHINA**

**8  
“HOT BUTTON”  
ISSUES = OPPORTUNITIES**



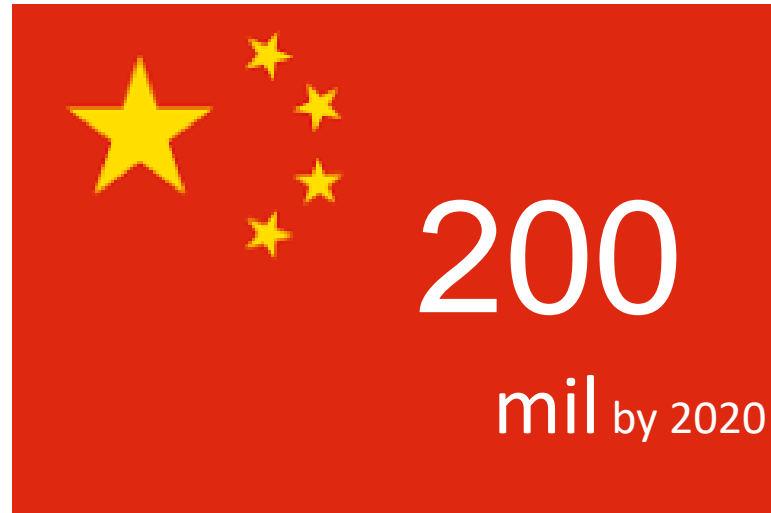


“Let China sleep, for when she ~~wakes~~  
she will shake the world.”

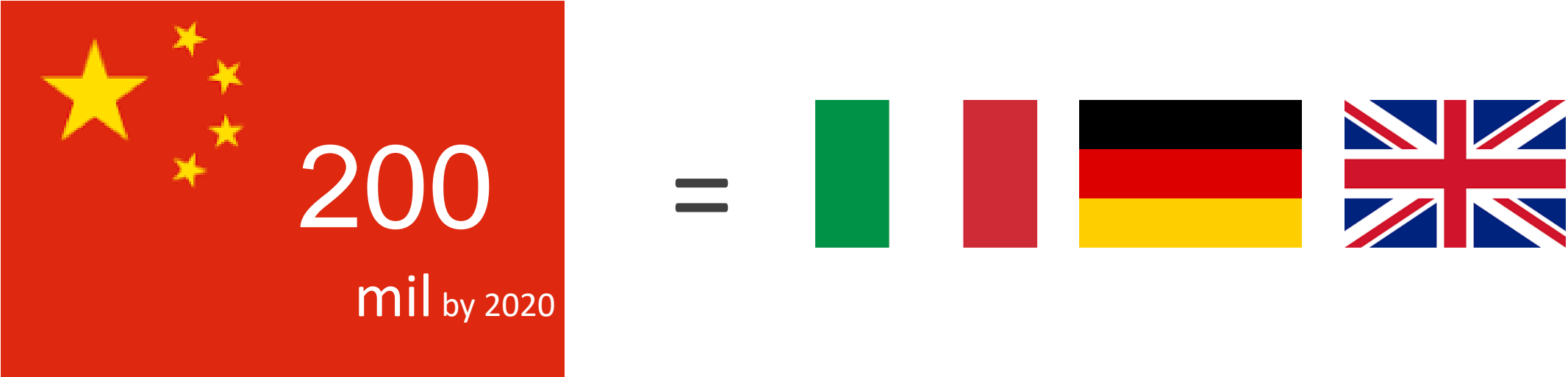
*travels*

Napoleon Bonaparte  
Crazy Rich Asians

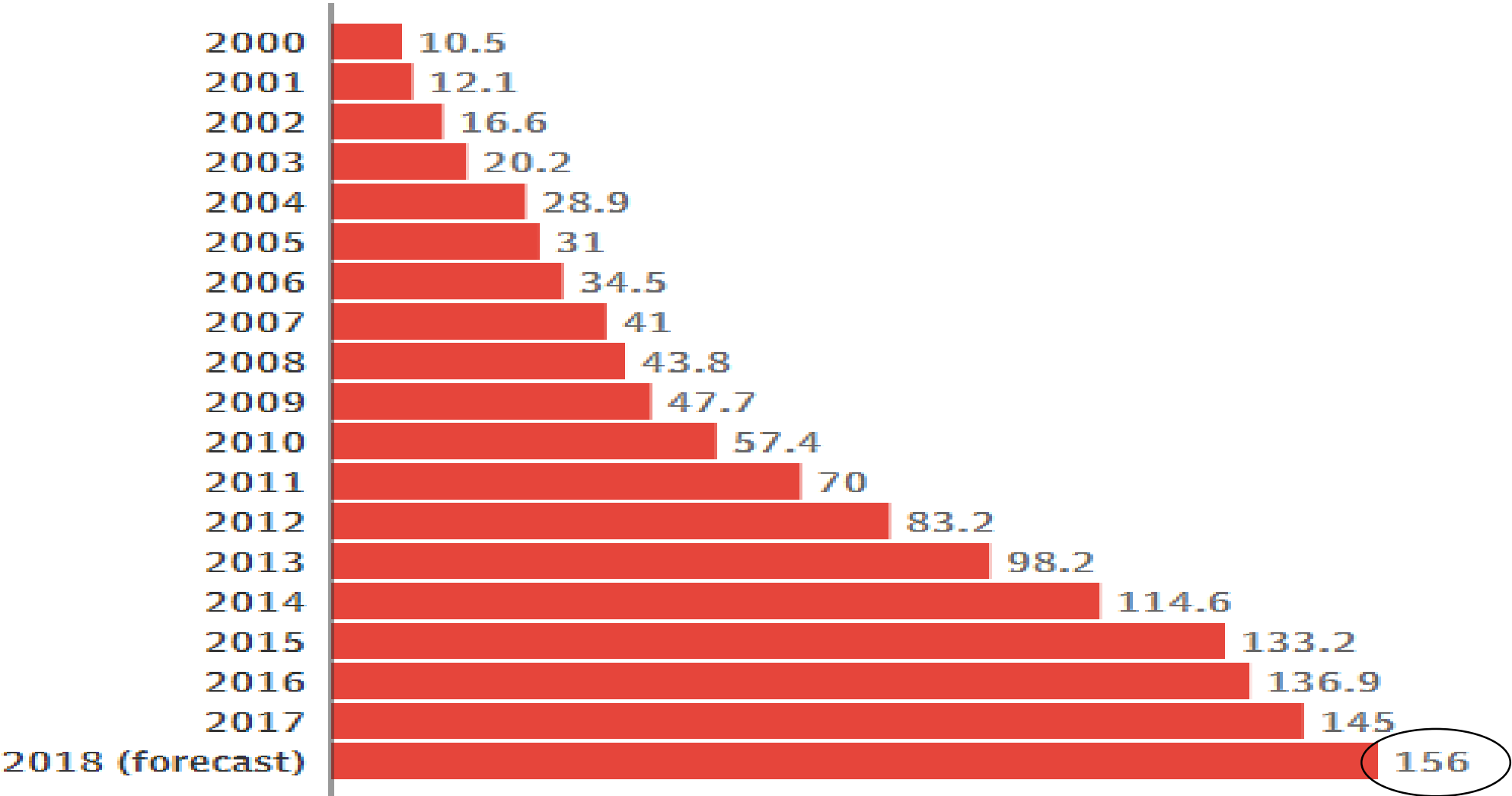
## NUMBER OF OVERSEAS CHINESE TRAVELLERS BY 2020



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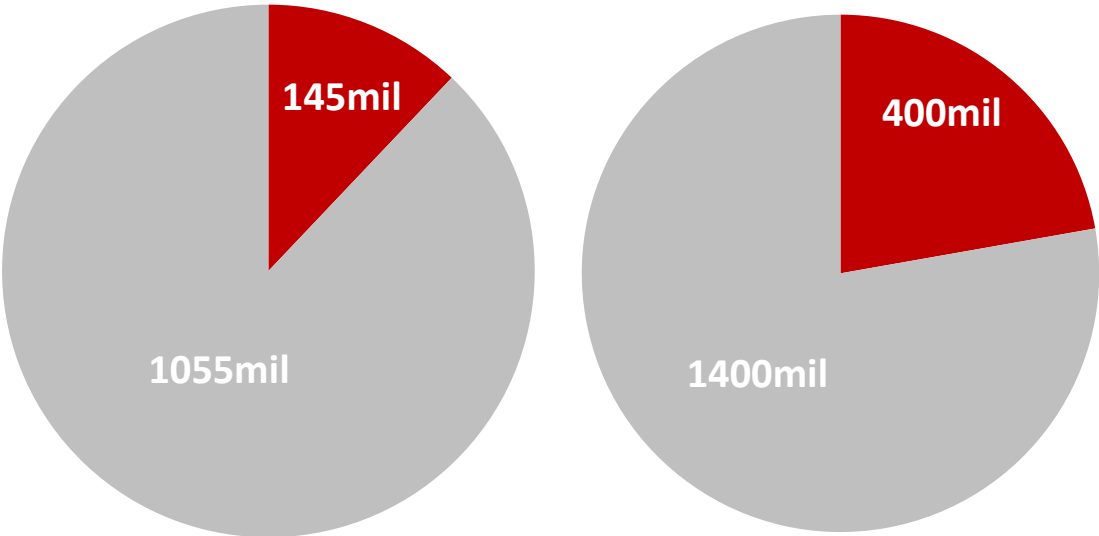
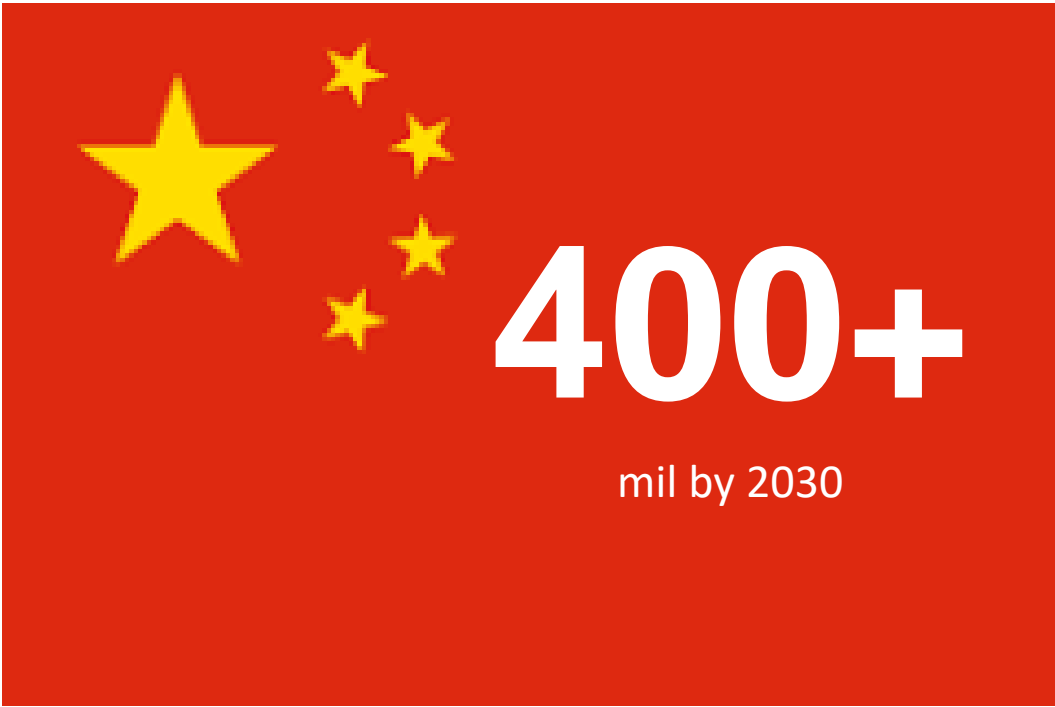


# ANNUAL OVERSEAS VISITS (MILLIONS)



COTRI (China Outbound Tourism Research Institute)

# NUMBER OF OVERSEAS CHINESE TRAVELLERS BY 2030



2017

2030

- Overseas trips by Chinese residents
- All other overseas trips





China's Middle-Class

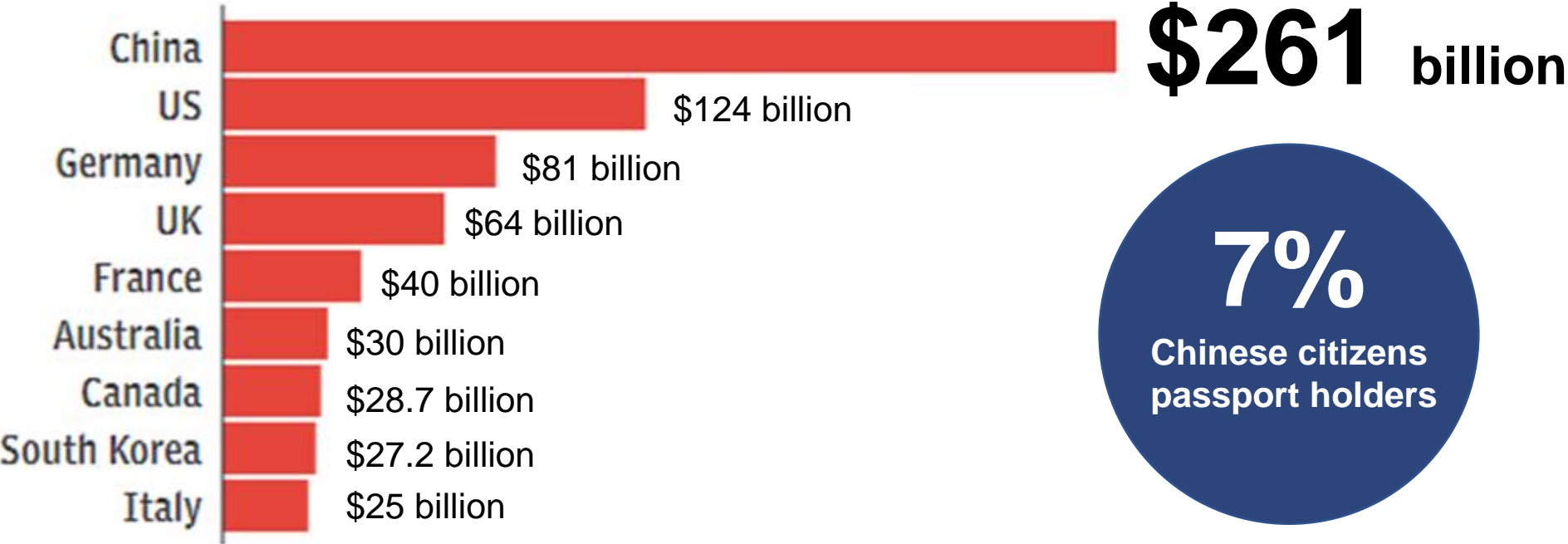
**430** mil (today) → **780** mil (mid-2020s)



# INTERNATIONAL TOURISM EXPENDITURE BY COUNTRY



Total Spending by Tourists in 2016



UNWTO

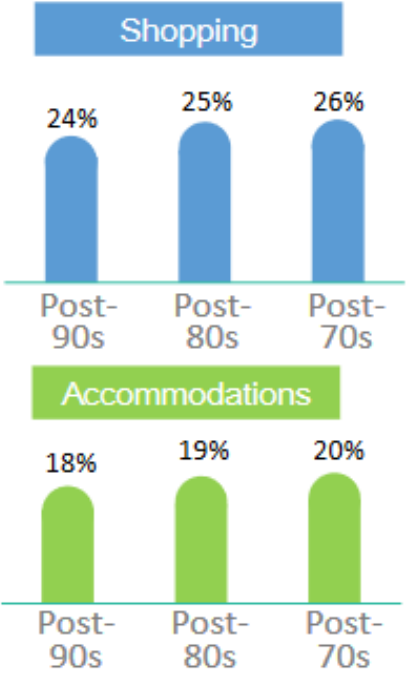
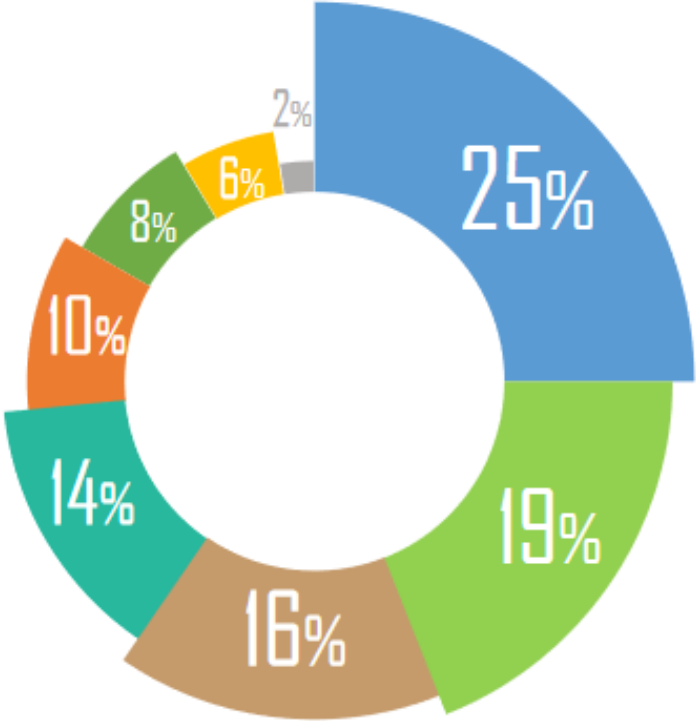
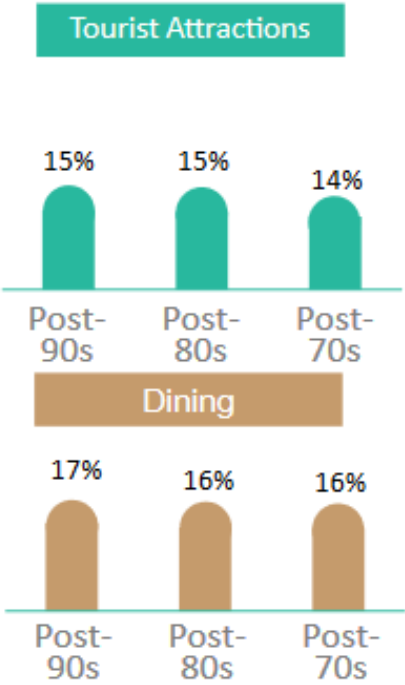
7%  
Chinese citizens  
passport holders

# CHINA'S INTERNATIONAL TOURISM EXPENDITURE

**\$261**  
billion  
2016

**\$429**  
billion  
2021

# BREAKDOWN OF ON-LOCATION SPENDING HABITS BY OUTBOUND CHINESE TOURISTS



Source: Nielsen

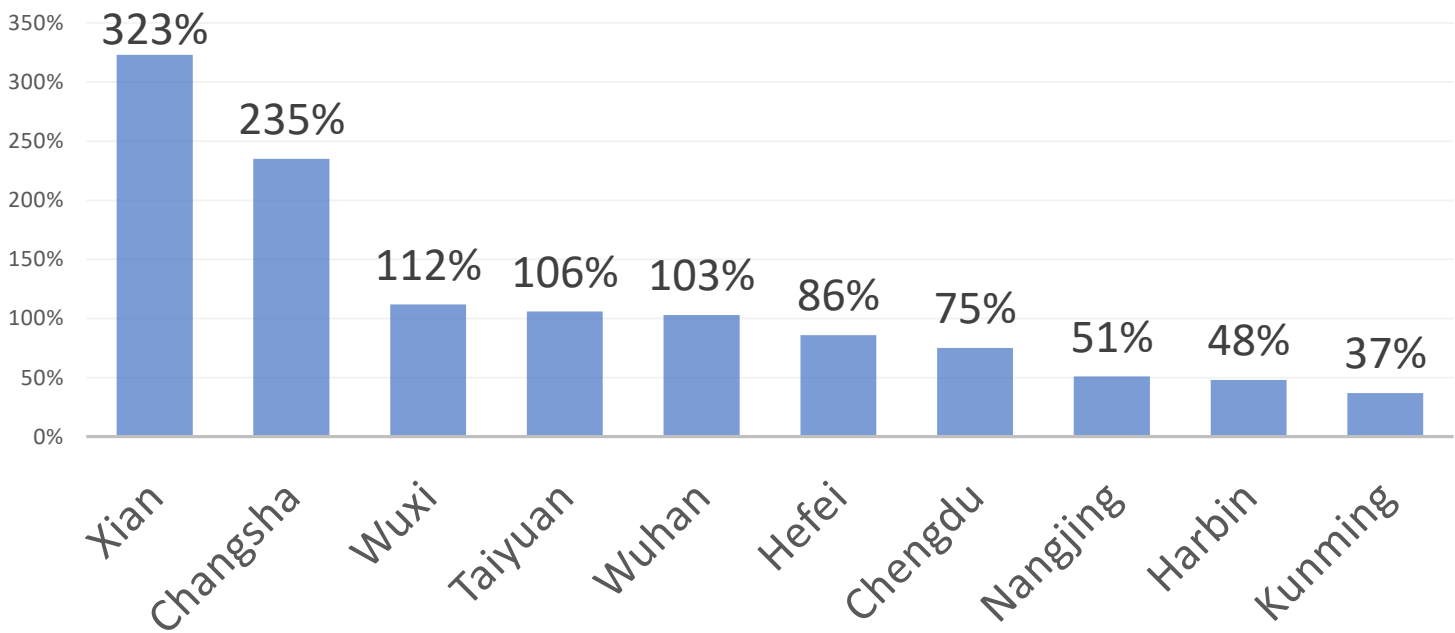


# FEEDER MARKETS

## Top 20 Departure Cities (2017)

- |              |               |
|--------------|---------------|
| 1. Shanghai  | 11. Changsha  |
| 2. Beijing   | 12. Chongqing |
| 3. Chengdu   | 13. Xiamen    |
| 4. Guangzhou | 14. Kunming   |
| 5. Shenzhen  | 15. Wuxi      |
| 6. Hangzhou  | 16. Harbin    |
| 7. Nanjing   | 17. Shenyang  |
| 8. Wuhan     | 18. Hefei     |
| 9. Tianjin   | 19. Fuzhou    |
| 10. Xian     | 20. Zhengzhou |

## Top 10 Departure Cities in terms of Growth Rate (2017)





**Travelers from second-tier cities tend to spend more than those from first-tier cities.**

## 20 MOST POPULAR DESTINATIONS

- |                                   |               |
|-----------------------------------|---------------|
| 1. Thailand (unchanged from 2016) | 11. Cambodia  |
| 2. Japan                          | 12. Russia    |
| 3. Singapore                      | 13. The UAE   |
| 4. Vietnam                        | 14. Italy     |
| 5. Indonesia                      | 15. Egypt     |
| 6. Malaysia                       | 16. Australia |
| 7. The Philippines                | 17. Germany   |
| 8. USA                            | 18. Sri Lanka |
| 9. South Korea                    | 19. Turkey    |
| 10. Maldives                      | 20. The UK    |



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| 6. Malaysia                       | 16. Australia |
| 7. The Philippines                | 17. Germany   |
| 8. USA                            | 18. Sri Lanka |
| 9. South Korea                    | 19. Turkey    |
| 10. Maldives                      | 20. The UK    |

■ Fastest growing markets in tourist numbers

## MEDICAL TOURISM

Drivers:

- Growing middle class & urbanization
- Strained healthcare system
- Rapid aging market
- Distrust in domestic healthcare



## MEDICAL TOURISM



**500,000**  
2017

**900,000**  
medical travellers  
2020

## Top 10 Destinations

- 
1. Japan
  2. South Korea
  3. US
  4. Taiwan
  5. Germany
  6. Singapore
  7. Malaysia
  8. Switzerland
  9. Thailand
  10. India



A high-angle, wide shot of a massive crowd of people floating on a body of water. The water is densely packed with hundreds of people, mostly young adults, each occupying a colorful inflatable ring. The rings come in various shapes and colors, including blue, yellow, pink, orange, and green. Some rings have patterns or designs on them. The people are mostly shirtless or wearing swimwear, and they appear to be enjoying the activity. The overall scene conveys a sense of a large-scale, popular recreational event.

# “Overtourism”

Rafat Ali, SKIFT






# THE COMPLEXITY OF CHINESE TOURISTS





The background is a red-tinted image of a financial chart. It includes a line graph with several data points marked by yellow stars. The stars are arranged in a slightly curved path from the top left towards the center. Various numerical values are scattered across the background, some in red and some in white, suggesting a stock market or financial data theme. The text "THE (TRAVEL) FUTURE IS..." is centered in a white, bold, sans-serif font.

**THE (TRAVEL) FUTURE IS...**



# THE FUTURE IS F.I.T.

(Frequent Independent  
Travellers)



# 78 mil Independent Travellers vs 52 mil Group Travellers

- Online bookings
- Multiple entry visa
- Higher disposable income
- Chinese FIT are time poor not money poor
- Digitally savvy





# THE FUTURE IS



# THE FUTURE IS FEMALE

- 73mil female travellers vs 57mil male travellers
- 34mil more males than females yet females are the majority travellers
- By 2019, 59% of outbound travellers will be female





**DESTINATION  
WEDDINGS**



**THE DECISION MAKERS**



**GIRLFRIEND GETAWAYS**



**MULTIGENERATIONAL  
TRAVEL**



# THE FUTURE IS



A man and a woman are walking on a pier. The man is wearing a white short-sleeved shirt with a red collar and a pattern of small red squares, and dark trousers. The woman is wearing a blue and white plaid short-sleeved shirt, dark trousers, and sunglasses. They are both looking towards the right. In the background, there is a wooden pier structure and a clear blue sky.

# THE FUTURE IS

A woman with long dark hair, wearing a white t-shirt, green pants, and a black backpack, is standing on a pier. She is holding a camera up to her eye and taking a photo. The background shows the wooden structure of the pier and a clear blue sky.

# FILIAL

- 4-2-1 family nucleus
- Continued rise of multigenerational travel





# Health & Fitness Boom in China



“Wellness”



# “Wellness”

Nurture

Nutrition



Life

Vitality

A background image featuring traditional Chinese medicine (TCM) elements. It includes a white mortar and pestle with ground herbs, a rolled-up scroll with Chinese text, and several small white bowls containing various dried herbs and roots. The scene is set on a dark wooden surface.

**TCM**









China's new luxury status symbol:  
"A curvy butt"

SCMP





- Gym memberships doubled since 2008 to 6.6mil in 2016
- More than 37,000 fitness clubs in China
- More than 100 marathons held last year compared with 51 in 2014.
- Number of football pitches will rise from roughly 50,000 to 70,000 by 2020



- Sportswear sales rose 11% to \$27billion in 2017
- Greater China is the 2<sup>nd</sup> largest market for Adidas and Nike, which together account for about a third of the country's sportswear sales.
- Fitness apps





# CHINA: The New Yoga Superpower

- 10,800 yoga schools
- 12mil practitioners (from 4mil in 2009)
- Affluent females between the ages of 25-40
- An estimated 3,000 Indian yoga teachers in China







“China’s First  
Yoga Village”





No Muscle Definition

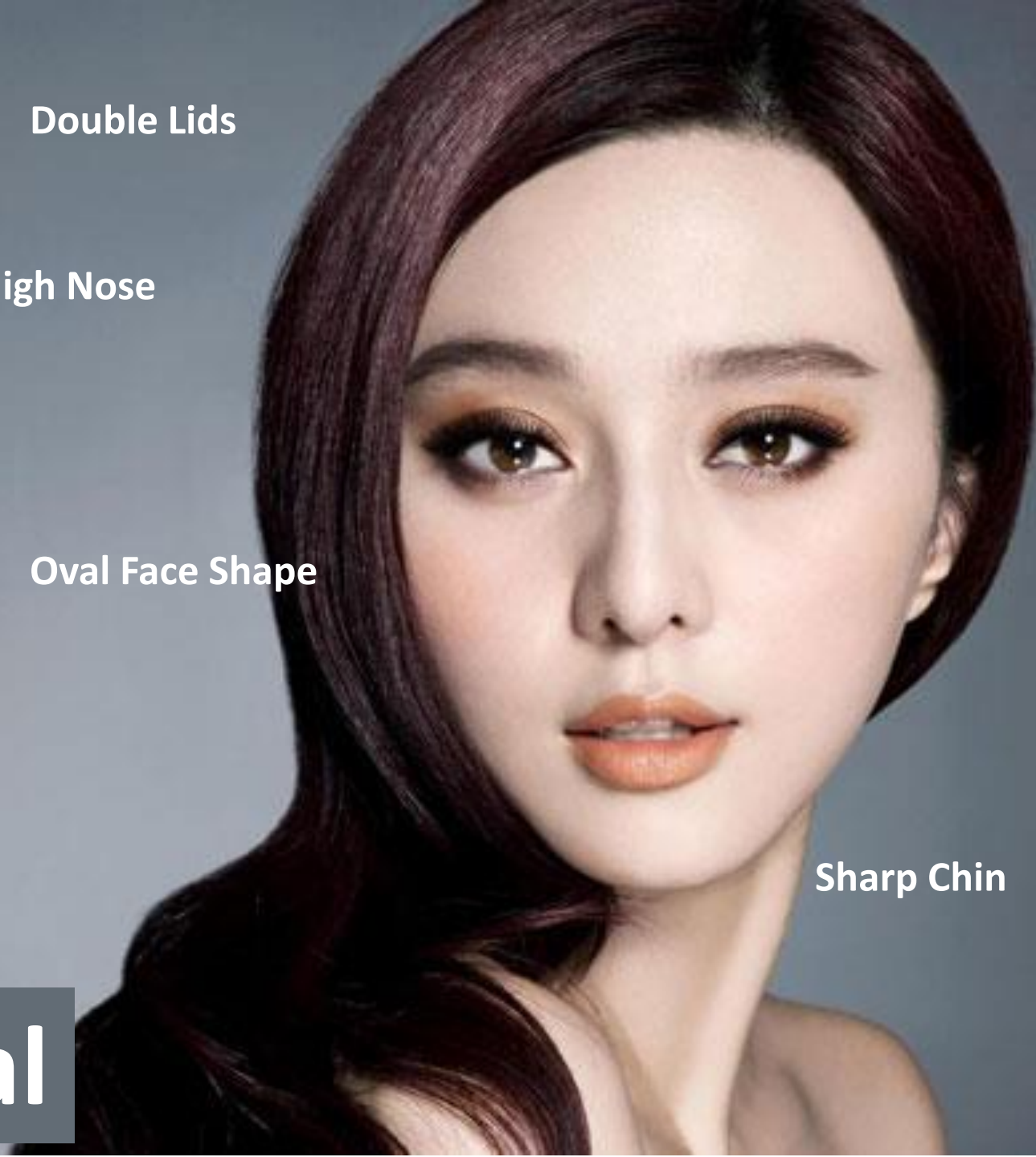
Double Lids

High Nose

Oval Face Shape

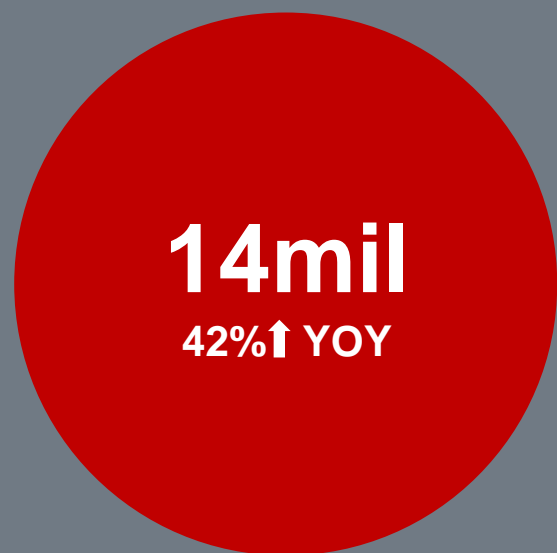
Sharp Chin

China's Beauty Ideal



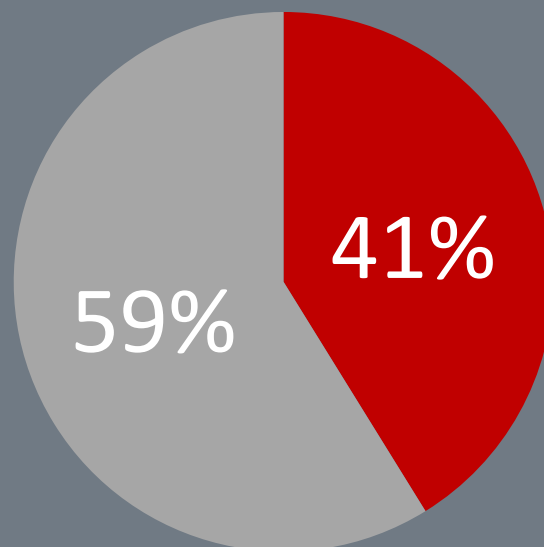


## COSMETIC SURGERY IN CHINA



# of Chinese people receiving  
some form of cosmetic surgery  
(2017)

Global Total Breakdown



■ China  
■ Rest of the world



## COSMETIC SURGERY IN CHINA

- China ranks third in the world, behind the US and Brazil
- Growing 6x faster than global average
- 14 million Chinese people were expected to receive some form of cosmetic surgery in 2017
- Consumers under the age of 35 account for 96% of total treatments
- 10% were men – hair, beard and breast transplants & Botox







## **CHINA'S BEAUTY & SPA MARKET**

<b>Beauty &amp; Body Shaping</b>	<b>\$52.6 billion</b>
<b>Nail &amp; Eyelash</b>	<b>\$17.5 billion</b>
<b>Medical Beauty</b>	<b>\$26.3 billion</b>
<b>Hotel &amp; Resort Spas</b>	<b>\$3.3 billion</b>





Spa







**HIGHLY COMPETITIVE:  
39% new openings vs 34% closures**

High labour costs  
Lower than expected revenues  
Difficulty in recruitment



# Born in '70s

- “Spiritual Health”
- TCM
- Essential Oil Massage



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- Anti Aging
- Acne Removal
- Body Shaping



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## Born in '90s

- “Try Everything”
- Facials
- Acne Removal
- Body Shaping
- Fitness
- “Selfies”

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- “Selfies”

**“89% of hotel and resorts spas today offer treatments aimed at satisfying the 1970s generation only. This is why customers say their treatments lack innovation.”**

Fifi Kao, Spa China





**Aging  
Population**



**Urbanisation**

**4**

**Drivers of Health and Wellness  
in China**



**Growing  
Middle Class**



**One Child Policy**



8

## “Hot Button” Issues / Opportunities

Obesity

Device  
Addiction

Sleep  
Deprivation

Spirituality

Dental & Oral Care

Healthy Aging

Food Safety

Pollution



# Obesity

Largest overweight  
population in the world  
10.8% men  
14.9% women



# Device Addiction

800 Million Internet Users

98% Mobile

“Internet Addiction Disorder”

24 mil sufferers

300 Centres

China Internet Network Information Center (CNNIC)



A photograph of a woman sleeping on a red-painted wooden bench. She is wearing a light-colored t-shirt and blue shorts. Her head is resting on her arm. Behind her is a dark grey wall. On the wall, there is a round analog clock showing approximately 10:10, and a calendar with a red border. The bench is set against a wall made of grey bricks at the bottom.

# Sleep

6.5 hours per night (8.8 hours in 2013)

Nearly 40% have sleeping issues

60 mil with sleep apnea

Lack of medical facilities



# Spirituality

New Moral Compass  
“Christian Revival”  
Buddhism Boom





# Dental & Oral Care

YUE MINJUN

**“Golden Age for China’s Dental and Oral-Care Market”  
2017-2021**

**RMB100 billion (US\$14 billion)  
RMB400 billion by 2020**



# Healthy Aging

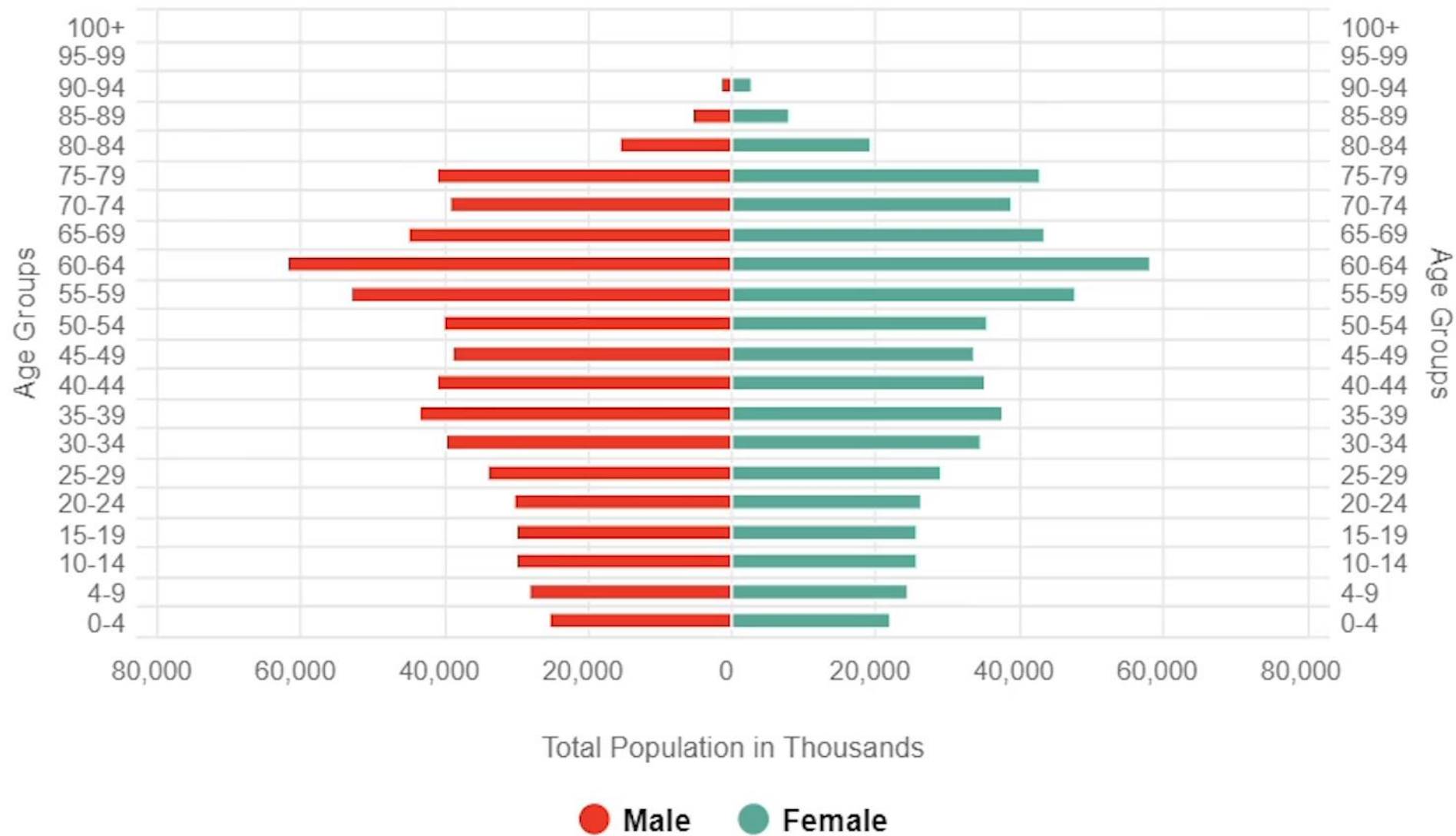


35% of China's population will be over 60 by 2050

China National Committee on Aging (CNCA)



# POPULATION HISTORY AND PROJECTIONS FOR CHINA (1970 TO 2050)





# Food Safety

Food Scandals have increased demand for:  
Foreign food brands  
Organic farming  
Breastfeeding  
Proof of Provenance





# Pollution

Year 5 “War on Pollution”

Environmental Tax

Green Investments

Global leader in Electronic Vehicle sales since 2015

7 million annual sales target by 2025





# Perils, Pitfalls & Potential



**Heightened regulatory impediments**

**Shrinking labour pool**

**Intellectual property laws**

**Bureaucracy**



# Perils, Pitfalls & Potential

## Fastest Growing Sectors:

Technology

New Energy

Healthcare

Entertainment

Culture

Biotechnology

Heightened regulatory impediments

Shrinking labour pool

Intellectual property laws

Bureaucracy



**“As China opens wider to the outside world, its transition to a new model of development means huge opportunities for many new industries. It means opportunities for businesses not just in China but across the world.”**

Vice Premier Liu He, World Economic Forum, Jan 2018







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[www.catchonco.com](http://www.catchonco.com)

