

# ASIA: JAPAN

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## 1. What is the latest spa and wellness news in your country?

Nippon Spa Association will reveal its latest market data, based on the growth rates of the relevant official statistics, at Spa and Wellness Japan 2014 in Tokyo. According to NSPA, the annual turnover of spa services in Japan as of 2013 was 733.4 billion yen (\$7.3 billion). It showed a year-on-year increase of 10.7 percent and this figure surpassed the 2007 level, which was the highest on record (708.8 billion yen) before the global economic turndown. It seems that the Japanese market has recovered from the earthquake of 2011.

This momentum would be sustained through the next couple of years. With the 2020 Tokyo Olympics only six years away, a stream of huge complex buildings and 5-star hotels are under construction in central Tokyo.

Senkyaku Banrai, a 1.7-hectare complex within walking distance of Olympic venues and the new Tokyo fish market, will be opened in 2016 and will feature one of Japan's largest thermal spa facilities. At the top of the seven-story tower will be an open-air bath with great views of Tokyo bay and skyscrapers. This complex is expected to attract up to 4.2 million visitors a year.

On the other hand, Andaz Tokyo (Hyatt hotel group) has opened its AO spa and club in the city's second-tallest newly built complex. Aman Resorts also plans to open Aman Tokyo near Tokyo Central Station before the end of the year. These foreign-affiliated hotels are targeting both domestic and foreign wealthy customers.

Domestic hotels are also trying to draw foreign visitors. Hotel Okura, a traditional prestigious hotel, plans to rebuild its main building for a hefty 100 billion yen (\$1 billion), with a grand reopening slated for 2019. Hoshino Resort group also is set to open Hoshinoya Tokyo, a ryokan-type facility with onsen (natural hot springs) in central Tokyo in 2016. According to the Japan Hotel Association, the average occupancy rate at member hotels in the Tokyo metropolitan area during 2013 rose to 82.9 percent, a level reminiscent of the bubble era. This will definitely offer great opportunities for spa businesses.

## **2. The industry is buzzing about wellness technologies. How do you see spa and wellness establishments in your country using wellness technologies now and in the future?**

Spa and Wellness Week (SWW), the only nationwide spa industry campaign and event, will take place at around 100 spa facilities in almost all areas in Japan, and guests can try various types of spa at discounted rates during the campaign period. Currently, the SWW committee is planning to provide smart photoplethysmography sensors to spas interested in utilizing it.

Currently, various smart wearable devices such as activity trackers (Nike+ Fuelband SE, Fitbit One, UP by Jawbone), smart watches, smart glasses and the other accessories are gradually getting popular in Japan. Although spas have yet to implement these devices, there are many pilot projects intent on making good use of these devices and other wellness technologies for creating valuable wellness solutions via inter-business collaborations. With the right business model, many wellness solutions could be deployed all over the nation.

## **3. What is happening in your country in terms of wellness tourism?**

Tourism agencies strongly promote onsen tourism for domestic and foreign travelers. 21 out of 29 representative health tourism promotion areas, selected by Japan Health Tourism Organization, utilize onsen in their wellness programs in combination with other elements — including medical checks, IT health management, anti-aging technology, macrobiotics, kinesiology, aromatherapy and Nordic walking — in each natural environment. The government aims to create and enhance new wellness industries by promoting more effective use of regional environments and resources, in collaboration with industries such as medical, agriculture, commerce and engineering.

Meanwhile, Hoshino Resort group unveiled their newly developed wellness destination program, which allows the guests to eat as much as they want during they stay at Hoshinoya Taketomijima (Okinawa), the group's destination resort in southern Japan. Astonishingly, guests can enjoy losing weight without vigorous exercise or by decreasing the number of meals because their brains are released from any stresses by satisfying every appetite. It is based on the unique research collaboration with a medical doctor at Yokokura Clinic and experts from Hoshino Resort, Onsen Medical Science Research Center, CIDESCO-NIPPON,

Mitsui Knowledge Industry and wellness journalism. This unique and effective wellness program will soon be implemented at the destination spa resort at Cape Muroto.

#### **4. Please provide one sentence that best describes the latest developments in your country for each of these categories:**

**Hotel spas:** With recovery of the entire economy, Japan has seen a rush of luxury hotel/spa openings and remodels not only in central Tokyo (Andaz, Aman, Hoshinoya and Okura) but also in Kyoto (Ritz-Carlton and Fourseasons), Osaka (Marriott Miyako, in Japan's tallest building) and Okinawa (Monterey and Hilton Okinawa-Chatan).

**Destination spas:** Hoshino Resort has implemented a Japanese style destination spa program at their ryokan (traditional Japanese hotel) in Kyoto. The oriental medicine doctor coaches about native lifestyle and the guests can experience Zen meditation and ascetic practices in a genuine traditional temple.

**Hot springs spas:** In preparation for the Tokyo Olympics, several huge or flagship natural hot springs bathing facilities are under development even in central Tokyo, some in the area of Tokyo Central Station, others at Shinjuku (the largest skyscraper city in Japan) and the Tokyo Bay area.

**Medical spas:** iMedical, a joint venture established by Resorttrust group and Mitsui group provided a new healthcare-hospitality model that draws upon their medical information with IT as a tool. iMedical will use healthcare information to provide various types of services to medical/wellness facilities in the Resorttrust Group, including the luxurious Midtown Clinic, which caters to 200,000 patients a year, around 60,000 of whom undergo medical checks.

**Wellness living communities:** More than 26 townships and cities in Japan have signed on to a new initiative known as Smart Wellness City. The project encourages the building of a system to encompass the clinical realization of health promotion, medical systems, regional cooperation society and life science. (In some trial cities, the residents will get health-happiness mileage points through their pedometers that can be used to obtain discounts at participating stores.)

**Corporate or employee wellness programs:** Konami Sports, a major fitness group, provides a networked IT wellness management system for corporate members and collects personal health records such as fitness data (via machines), vitals and self-exercise data (via private devices) in order to recommend the best life style for the members.

## **5. Fast-forward five years and tell us what you think the spa and wellness industry in your country will look like.**

The six years to the 2020 Tokyo Olympics will be a golden opportunity for the city to boost its international competitiveness not only as a business center but also as a smart wellness city through a series of large-scale re-development projects sprinkled throughout Tokyo. It is obvious that demands for sporty and healthy lifestyles will increase among young and elderly people there.

Meanwhile, in order to cope with a severely aging society by establishing “the society of healthy longevity,” the government aims to create and enhance new wellness industries, by promoting more effective use of regional environments and resources, in collaboration with industries like medical, agriculture, commerce and engineering. Additionally, Prime Minister Shinzo Abe also promotes deregulation of the medical field to reduce barriers to industrial progress in designated special areas. Over eight million Japanese baby-boomers (born in 1947-1949) have retired recently, and they would be the target market for spa and wellness industries.

Furthermore, the government also strongly encourages inbound tourism. In 2013, the number of foreign visitors to Japan exceeded 10 million for the first time, and the government is working to attract 20 million foreign visitors in 2020. Given this, many tourism businesses, even the traditional onsen ryokans, must be able to cope with foreign languages within five or six years. In that event, the spa and wellness industry will enjoy bigger and wider opportunities for their business than ever before.

In conclusion, for at least the next five or six years, the spa and wellness industry can savor a lot of opportunities in central Tokyo as the entire city will be rebuilt with lots of hotel/commercial complex developments and inter-business collaborations to create a new wellness industry. Furthermore, the spa and wellness tourism industry in each region will also take chances to be more internationalized for acquiring foreign wellness tourists.

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