



Asia: Thailand

WHAT ARE SOME CHANGES YOU HAVE NOTICED IN YOUR CUSTOMERS THIS PAST YEAR? ARE YOU SEEING ANY NEW REQUESTS FROM CONSUMERS?

The consumers continue to grow in sophistication and therefore are more and more discerning and demanding in terms of:

- Programs, treatments, and classes achieving wellness results
- Depth and range of therapists' and practitioners' expertise
- Authenticity, sustainability, and depth of the methods and processes

Consumers clearly show a growing interest and openness to try new methods and to embrace a truly holistic approach to their personal health and lifestyle. Consequently they take more responsibility for their health and are more involved in co-creating their individual life-enhancement process. They spend more time for repeat visits as well as for longer stays and make bigger commitments to lifestyle changes and even to long-lasting life transformation. Program individualization and flexibility are essential to retain this customer (rather than just a value added).

Customers ask for more education, in-depth and long-term development processes as well as more take-home value. They ask for innovations and a wider range of options such chelation, hormonal treatments and fertility programs. They learn rapidly, want to go deeper, and do not want to be limited in any way. As another example, the expectations regarding variety and quality of yoga and similar classes are increasing rapidly. We also have more guests asking for emotional support and healing. While the biggest demand continues to be on the more physical aspects, especially weight loss, fitness, and detox, an increasing number of guests want to work in tandem on the emotional and spiritual components and they are definitely more committed to pursuing an ongoing healthy lifestyle rather than a quick fix.

WHAT SECTORS DO YOU SEE ATTRACTING THE MOST INVESTMENT CAPITAL THESE DAYS? WHAT ABOUT WHEN IT COMES TO THE SPA AND WELLNESS ARENA?

In comparison with the still enormous capacity requirements for the coming years in the region's mainstream tourism segments (business and group leisure travelers), the wellness segment remains small. While basic spa/fitness/yoga services are now a minimum requirement for most mainstream hotels and resorts, wellness is still a niche that is sought after predominantly by the sophisticated and affluent traveller. The wellness segment requires sophisticated operators with real expertise and commitment: while many developers and investors recognize the attractions and long-term upside of offering wellness, they are aware of this and pursue the traditional mainstream priorities as long as their present demands for growth remain.

So investments in the wellness segment keep growing at a faster rate than in most other tourism segments, but they will not become a major sector in the industry in the foreseeable future.

WHAT IS THE FUTURE LOOKING LIKE FOR SPA AND WELLNESS IN YOUR COUNTRY?

Tourism in Thailand has been very unstable for several known reasons. Most importantly, the devaluation of the EUR and GBP vs. THB has led to a significant decrease in average rates and overall spending. While some of this decline from Thailand's prime European markets has been compensated with high volume, low spending and mostly Asian visitors, most upmarket service providers have seen a clear decline in average rates and revenues over the past couple of years. So this trend has surely affected Thailand's spa and wellness segment negatively in the short- to mid-term.

However, while macroeconomic and political stability are not expected to improve in the foreseeable future, there are numerous potential upsides that will benefit the country's tourism sector as fluctuations of currencies and other things will go both ways (not to forget that Thailand has seen much worse and is resilient particularly in tourism). In the mid- to long-term, Thailand's spa, wellness and health tourism sector has a head start and will become even more competitive. It is strongly positioned in this segment and recognizes its significant growth potential. The industry and government are fully aware of that and related private investments as well as government programs and investments are at an increase.

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