Sector Brief:

The Indian Wellness Industry: Winds of Change

Wellness is being heralded as the sunrise industry of the 21st century. Rising consumer income, along with increasing discretionary spending and changing lifestyles has given rise to individual awareness and spending on Wellness. But what does "Wellness" really mean? At first glance, Wellness is the overall fulfillment of an individual's needs, which could range from basic physical health, nutrition and exercise to esteem- and aesthetic-based needs such as beauty, social lifestyle and mental peace.

Although certain human needs are basic and constant, evolving lifestyle trends have revolutionized the human mindset, and a great deal of importance is now attached to concepts such as Wellness. Currently, the approach to Wellness is proactive rather than reactive. While Ayurveda, health foods and drinks and tonics have traditionally been integral to the Indian diet, Indians are now increasingly looking at new avenues of Wellness, in line with their proactive approach. In order to maintain and improve their Wellness, they engage in activities such as regular exercise, massage therapies and counseling.

The overall wellness market in India estimated at INR 590 bn in 2011, a 20% growth over the previous year. Driven by the country's current demand and supply dynamics, India's Wellness industry is poised to grow at a double-digit rate over the next five years, with certain sectors, such as spas and beauty treatments, projected to grow at more than 35–40%. The growing wellness industry has attracted a large number of domestic entrants and international players. Established players are pursuing revenue maximization through product and service diversification and are exploring new global and domestic markets. And while franchising is emerging as a popular option for scaling up, companies are actively seeking public and private equity investments to fuel their growth.

Change the only constant, manifests itself aptly in the significant shift in epidemiological concerns as the country braces itself to address the resultant effects of transitioning into a global superpower. Public health systems are now faced with the grim backdrop of changing epidemiological concerns. Tackling concerns of Polio, Malaria and Tuberculosis; we are now staring into concerns over Diabetes, Cardio-vascular diseases (CVD), Cancers, Mental health and Chronic Obstructive Pulmonary Disease (COPD). Increased stress on an overburdened care delivery system. Every year, an estimated 115 crore cases of ailments are reported and approximately 3 crore cases of hospitalization this is explicitly reflected in the expectancy of healthy life at birth. While life expectancy at birth is 63 years, healthy life expectancy is only 53 years – a gap in the expectancy of healthy life at birth of 10 years.

Necessitating a shift in focus from curative led Health corrective measures to preventive based Wellness initiatives. Demonstrated explicitly by the supply side, both private and public, which is increasingly moving away from "curative wellbeing" to "preventive and lifestyle wellbeing" by providing services ranging from health-oriented hospitals, pharmacies and alternative therapies to rejuvenation-based spas and yoga centres, scientifically designed gyms, and beauty-based salons and cosmetic procedures.

To facilitate the desired changes and encourage healthy growth of the Wellness vertical, a well-defined partnership between the government and the private sector is essential, with timely inputs from the

currently few organized players. The accreditation standards for Wellness Centres (Accreditation Standards for Wellness Centres – NABH, QCI) to provide standardization in service quality was the first step in this direction. India's Wellness story is at its tipping point, a period when players can tap into, exploit, and be part of, this potentially lucrative industry.

Objectives:

1. Provide networking and collaboration platform to facilitate dialogue between players of Wellness space to create organized approach
2. Acknowledge Wellness as a preventive healthcare measure in alleviating diseases and reducing the burden of curative healthcare infrastructure and cost.
3. Understanding investment opportunities in Indian Wellness Industry.
4. Increase training personnel from formalized training institutes with government regulation.
5. Establish wellness service providers under the system of organized healthcare.
6. Define roadmap for synergistic coordination between public and private sector
7. Provide Networking and collaboration Platform
8. Sensitize all stakeholders including the Central and the State Governments to catalyze the necessary policy changes that are needed to make this sector more vibrant and competitive
9. Recommend policy changes that would help corporatize the Industry
10. Make industry aware of global standards and benchmarks through international meets