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Wellness Movement to Transform Hotels

The next wave will be a lot more than spas, as Avison Young details in a new report.

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The concept of wellness in hospitality is quickly evolving to encompass so much more than the average fitness center or traditional spa, and within the next decade, the new definition of wellness will become a central factor in the hotel sector, according to The Future of Wellness in Hospitality, a new report by Avison Young.

The hotel sector had been ahead of the curve on wellness in a sense, but for quite some time, it failed to progress beyond spas and gyms. *“It is amazing how slow the hospitality sector is lagging behind other areas of real estate to take wellness seriously,”* Richard Gaunt, principal with Avison Young, told *Commercial Property Executive*. *“You only have to consider how central in the office sector having ‘well’ buildings can directly drive increased tenet revenue and also occupation.”*

Now, however, the hotel sector is catching up. The presence of the wellness factor in the hospitality industry is a trend that is on the rise. In the report, Avison Young points to statistics from the World Travel and Tourism Council, which notes that wellness tourism is the fastest growing segment of global tourism, accounting for more than 10 percent of the world's GDP and 10 percent of jobs. Hotels and resorts are recording the strongest growth as a result of the rise in wellness tourism, outpacing, day spas and salons, health resorts, medical facilities and thermal/mineral springs.

In the hotel industry, the wellness movement first became prevalent with the revitalization of the spa sector, but with demand on the rise, more hotel owners are accommodating guests with enhancements on the asset-light/soft wellness side and/or the asset-heavy/hard wellness side. Soft wellness or experiential elements include health and relaxation experiences such as yoga classes and running groups; environmental considerations, such as air quality and natural light; and self-care offerings ranging from apps for mental health or relaxation to yoga maps with online tutorials. Adoptees of the soft wellness or asset-light approach include [the Even Hotels by IHG brand](#), which provides in-room fitness equipment and health food restaurants, as well as Locke by SACO, which makes free yoga classes available to guests.

The asset-heavy/hard wellness side in the hospitality arena entails such offerings as treatment rooms, beauty clinics, state-of-the-art gyms and cutting-edge spa facilities with amenities such as hydrotherapy pools, experience showers and hammam. Hotel brands that

have embraced the asset-heavy option include Six Senses, which debuted in the U.S. with [the opening of a 137-key Manhattan hotel](#) in 2016, Aman and Banyan Tree. The [newly launched Signia brand](#) touts a list of wellness alternatives that includes infinity pools.

"Most owners in this space, although they like the soft side of wellness, see wellness as a 'fluffy' add on. In the right type of hotel, it will become as important as F&B as a revenue department," said Gaunt. "Many spas/'hard' elements are loss leading. This does not have to be the case and they can generate good profit."

A GLIPSE INTO THE FUTURE

Per Avison Young, hotels will increasingly see demand for both soft and hard wellness offerings; bringing together a combination of both the physical and experiential elements of wellness. Hyatt's Miraval Resort brand serves as an example of the union, providing expansive facilities with more than 100 wellness activities, as noted in the report. The wellness movement is producing a structural shift in the hotel sector, as evidenced by consolidations of hotel brands with fitness brands, such as Exhale. Hyatt acquired the Exhale Spa fitness brand in 2017. Additionally, fitness companies are opening their own branded hotels, Equinox among them. The first Equinox Hotel debuted at New York's Hudson Yards earlier this year.

Hotels of tomorrow will have a different look and feel, courtesy of the wellness movement. In 10 years, Avison Young predicts, wellness initiatives will have taken root as a core component of hotels, becoming a more comprehensive element. Spa and leisure areas will transform into spaces for both socializing and treatments. Bedrooms will accommodate resting as well as private exercise. Bathrooms will take on a greater spa-like atmosphere through lighting and product options. As Avison Young notes in the report, just as in-room technology has evolved to meet changing consumer demands, *"the spa is metaphorically 'coming out of the basement' and into every aspect of the hotel."*

And even amid fears of another economic downturn on the horizon, Avison Young believes that wellness in the hospitality sector can—and should—continue its upward trajectory. *"There is much that can be done around 'softer' elements of wellness, which have less capital spend. This is about changing the mindset of owners. It's shifting from 'nice to have' to 'must have' if you are not to lose market position moving forward,"* Gaunt said.

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