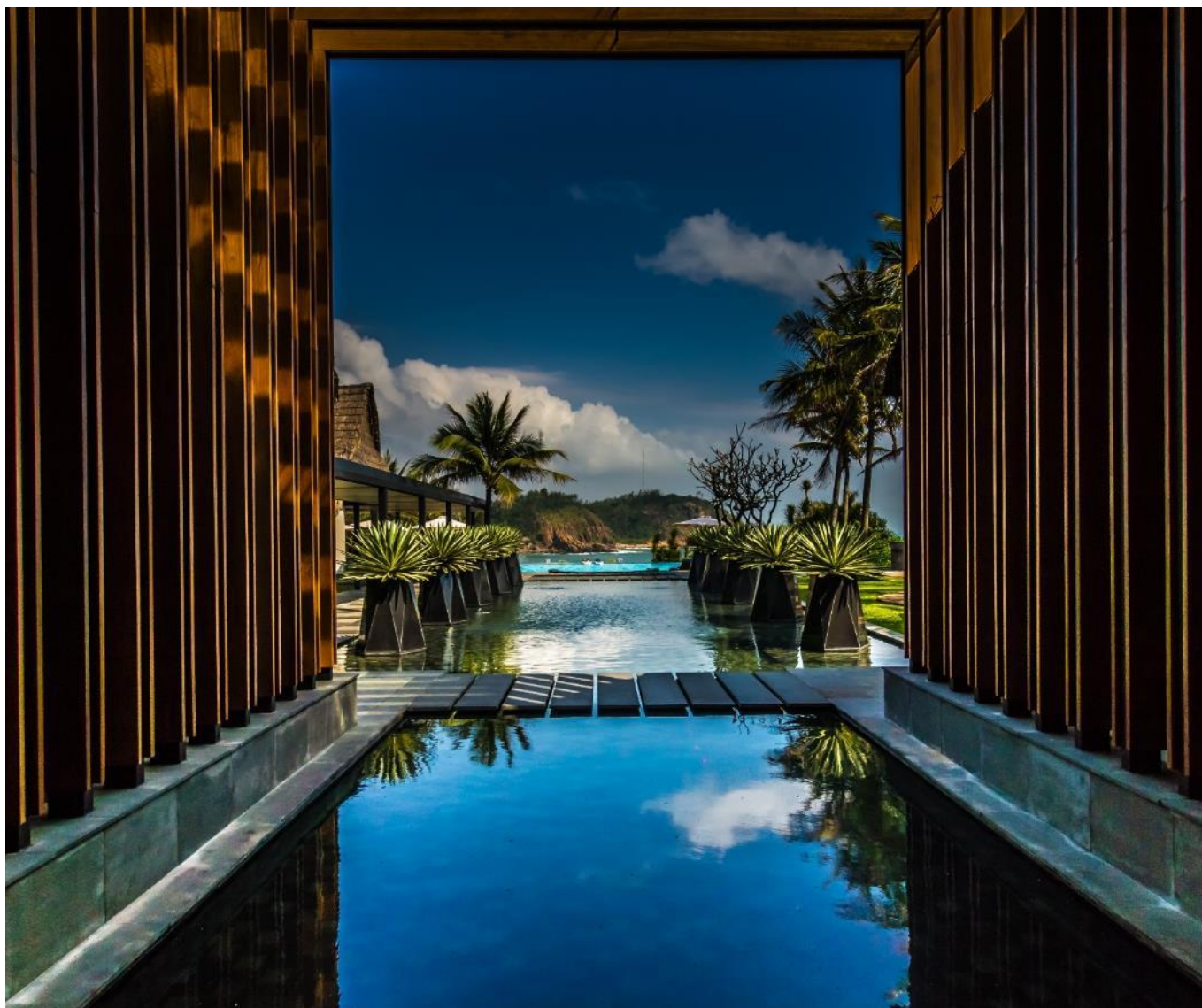


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Indonesia Tourism and Destination Management Journal | Vol II | End 2020



Rethinking Wellness Real Estate and Tourism

One of the new issues emerged in many parts of the world is health. Wellbeing. Wellness. Taking care of our physical and mental health is becoming major. Not only it is associated with medical treatment, but more people now are getting aware of maintaining their state of wellbeing, their stress level, and also their food nutrients.

Wellness is actually not a new trend, particularly in the tourism industry. Many countries have embraced the trend and we have seen developments that incorporate wellness across the world. Some properties are benefitting from their geographical assets to implement their wellness concept, but many also build in facilities such as spa, in-room features and amenities, as well as providing consultation services.

Wellness real estate has also continued to show potential opportunities especially when integrated with tourism sector.

WELLNESS REAL ESTATE

Rethinking Wellness Real Estate and Tourism



Wellness Tourism

Wellness trips now represent 6.5% of all tourism trips taken worldwide. Asia Pacific has become the fastest growing wellness market today. (GWI)



Wellness Real Estate

Wellness real estate was estimated at \$134 billion in 2017, growing by 6.4% annually since 2015, and making up about 1.5% of the total annual global construction market. (GWI)



Indonesia Market

Wellness real estate in Indonesia currently are still concentrated in Bali and Bintan, which has been gaining popularity for international tourism market since years ago.



Outlook

Once we have done away with the Covid-19 pandemic, the global wellness market is set to continue growing along with the growing consciousness of health and wellness.

Wellness: Introduction & Definition

There is a difference between health and wellness. Health is a state of being, whereas wellness is the state of living a healthy lifestyle.

Wellness encompasses broader dimension to the physical health. It is multidimensional with many elements captured: physical, emotional, intellectual, social, spiritual, environmental, and occupational ¹. Health and wellness are generally described as a process that an individual follows to achieve positive mental health and physical wellbeing. This report will focus on the wellness tourism and wellness real estate.

Health is currently one of top priorities of many people. Nowadays, more people throughout the world have deeper attention to their health and wellbeing, not only caused by the ongoing Covid-19 pandemic which gave considerable impact to the global community in 2020, but also driven by the growing awareness of having a better quality of life. More and more people are changing their lifestyle towards healthier life through involvement of physical activities, seeking of healthy food, going for sport and experiential tourism, and in the rise of healthy lifestyle apps that enable people to get information about nutrition, diet menus, online workouts, stress relieving, even sleep analysis. Outdoor activities and healthy

environment become favorable along with the growing consciousness of health and wellness. On the other side, home is becoming more important, not only for a place to live or as a symbol of belonging, but more as a place to retreat, relive, re-energized. Our homes, neighborhood, communities, and environment directly affect our daily behaviors and lifestyles, and thus affecting our health and wellness. This thus has propelled the new trend in both property and tourism sector – the wellness real estate.

For clarity in project planning, development, and marketing, the Global Wellness Institute (GWI) in its 2018 Build Well to Live Well report proposes the definition of wellness lifestyle real estate as “homes that are proactively designed and built to support the holistic health of their residents”, that continue to foster wellness communities that is defined as “a group of people living in close proximity who share common goals, interests, and experiences in proactively pursuing wellness across its many dimensions, that can be rooted in a purpose-built physical space, or can be cultivated around shared culture or social networks without purpose-built structures” ².

In this report, we will define wellness real estate as “homes (in any types of it), commercial buildings, or hospitality developments that are designed incorporating wellness elements into their built environment”. This report will elaborate more on this wellness real estate.

Indonesia Wellness Real Estate Market

Asia Pacific has become the fastest growing wellness market today, including Indonesia. On the other hand, Covid-19 has also pushed the real estate market to go forward. With the growing health-conscious mind, more people are looking for better built environment to support their life. Hence developers and investors are also seen to take advantage and develop freehold properties embracing wellness trend.

Unlike in other countries where wellness real estate has already developed into a wide array of development, the wellness market in Indonesia is growing at a more conservative pace with limited development type.

Apparently, wellness in Indonesia is much associated with spa. We have seen so many upscales and luxury hotels and resorts in Indonesia that offer wellness to brand themselves in the industry with majority providing spa facilities. Some of the developments may include residential units that being offered for luxury vacation or second homes, predominantly for the upper-end segment buyers.

We have also seen a limited number of elderly communities and nursing homes being built in Indonesia. This senior living trend is however still seen to be in its early development stage in the country. Nonetheless, development of residential compounds that can be individually owned and truly embody intentional wellness elements is still very limited.

The majority of wellness real estate in Indonesia can be found as follows:

- (1) Upscales and luxury hotel and resorts with spa facility. We call it “hotel and resorts”.
- (2) Luxury vacation or second homes as part of wellness resorts. We call it “branded residences”.
- (3) Luxury condominiums as part of a resort or master-planned communities equipped with spa destination. We call it “wellness condominium”
- (4) Elderly community and nursing homes. We call it “senior living”.

While it is not a new case for Indonesians – particularly those in the upper-end income bracket – to have a second home, many of them are individually bought and organically developed. What we are trying to elaborate here is second home property developed in a master-planned community and designed with wellness elements.

Based on our data, it is seen that the growing momentum of wellness real estate in Indonesia is in the period between year 2006-2010. As of end 2020, there are approximately 750 existing units of villa (luxury second home) units and senior housing that are considered as wellness real estate in our basket. Going ahead, we might see more supply coming with a total of around 1.000 units, majority from the luxury residential projects in Bogor and Bali. Yet with the pandemic hit, delayed on delivery is much anticipated.

Most existing villa developments are located in Bali and Bintan, with only one senior housing found in Bogor area. On the proposed development side, we are expecting a large number of supply coming from Bali, Bintan and Bogor. Several projects are supposed to be completed on 2020, nevertheless because of the pandemic hit, they are expected to be delivered in 2021 onwards.



Wellness Real Estate Development

Hotel & Resorts

Historically, wellness in Indonesia were manifested in spa treatments as part of mostly branded – upscale and luxury – hotels and resorts. Benefiting from its natural elements and authentic traditional culture that can be packaged into unique spa treatments, Bali has been popular for people looking for a retreat, refreshment from daily routines, and then grew further to spa destinations. Several luxury hotels and resorts in Bali are known for their spa facilities and treatments as it seemed to be a ‘mandatory’ to have a spa facility to attract the high-spending market. Such concept is highly popular in hotel brands like Four Seasons, Accor, Marriott, Ritz Carlton, Hilton, etc.

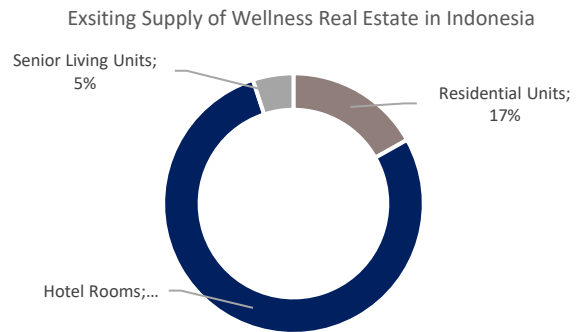
Based on our data, the trend of luxury hotel and resorts that intentionally provide wellness elements enjoyed its booming momentum at year 1991-2000 with large supply of rooms came from big hotel developments with sound operators. The next decade recorded a different shift where wellness accommodation developments mostly in a more compact shape, more private and intimate, ‘resort-feel-like’ with fewer rooms or villa units in their compound. The period of year 2000s was seen as the carried forward trend of ‘resort-feel-like’ in the previous years, yet also the regenerated trend of big hotel developments incorporating new concepts to offer unique experiences to visitors.

Generally branded hotels that comprises of large number of rooms – can be reaching to 400 rooms – and with land area ranges at around 8-12 ha. For resort-type development that has fewer rooms (villa units), land area may be smaller, around 5-8 ha, nonetheless there are also some branded operators that offer luxury villas occupying an area of more than 20 ha, offering high quality design, dramatic view and lush ambience for visitors.

This luxury hotel and resorts development type commonly provide spa facilities in which some even offer unique and distinctive treatments to attract wellness-segment travelers, crafted to rebalance their health and beauty through authentic and comprehensive wellness programs.

Wellness elements in luxury hotel and resorts may range from the basic salon treatments to signature treatments, fitness class, yoga and meditation, traditional rituals, healing treatments for stress and emotion, as well as physical exercise and comprehensive wellness retreat programs.

Figure 1



Source: TASK

Figure 2



Source: TASK

Figure 3



Source: TASK

Each property offered various facilities and treatments, ranging from the basic packages to the signature treatments that distinct them from the rest, such as Thalasso Seawater Therapy in Aquatonic Pool, Lava Stone Reflexology and Spa on The Rock in Ayana Spa – Ayana Resort and Spa Bali, Verena Bamboo Spa in Bamboo Spa by L'Occitane – Kupu-kupu Barong Hotel Jimbaran, and Detox/Oxygen Room in Away Spa at W Hotel Seminyak.

Branded Residences

Branded residential projects were traditionally defined as hotel and resorts with integrated or linked residences, both villa type and condominium type. The development of branded residences that incorporate wellness elements were seen to continue accelerating, yet gained its momentum in year 2000s.

Going forward, it is expected that larger number of branded residential units to enter the market with majority coming from massive master-planned estate developments in Bali and Bogor. Other than that, we also recorded several development plans of luxury hotel and residences in Bali in the next three years, such as The Residences at Mandarin Oriental Bali and The Cliff at Alila Villas Uluwatu, Bali, and also in Bintan such as Alila Villas Bintan and Chiva-Som Bintan, a wellness destination brand from Thailand.

On most cases, the residential units are built by the same developer that build the hotels, then the developer sell the units to individual investors with offer to be leased back under their management. Developers are seemed to keenly attracted tapping the promising demand from individual investors that are interested to own a private property under a trusted management (or operator) in an enticing location in what Bali offers as a beautiful tourism and wellness destination, owing to the rapid growth of global wealth over the past two decades.

In this type of development, hotel guests and residents share facilities together, as such developers and investors need to consider the value of developing the facilities that meet the economic of scale for both segments yet ensure the sensibility factors of occupiers.

Based on our data, hotel linked - branded residences generally comprises of smaller composition units than the hotel rooms, averaging at about 20-50 units per projects with land area ranges between 2-14 ha.

Similar to hotel & resorts type, the dominant feature of these branded residences is also spa facilities, where some are managed by professional spa operators, while others are self-managed by the hotel operator.

Some signature spa facilities and treatments are Tropical Rainmist in Banyan Tree Spa Bali - Banyan Tree Ungasan, Cliff Spa experience in Karma Sea Spa, Karma Kandara, also traditional and spiritual retreat in Como Shambala Spa.

Senior Living

We have also seen limited developments of senior living communities in Indonesia, predominantly found in Jakarta and its surroundings. Senior living communities in Indonesia is still growing in the slow pace, compared to the rising trend in other countries such as North America and Europe region.

Without taking into account the old style *panti werdha*, we only recorded two developments of senior living developments that are operated by private management and have stay-in or live-in properties – Rukun Senior Living in Sentul and Jababeka Senior Living (previously named D'Khayangan Senior Living) in Jababeka, Cikarang.

There are also other senior communities such as Senior Club Indonesia and Citra Premier – both in Jakarta – which accommodate the gathering and other activities for elderly people, based on membership program.

“Wellness real estate is more than just a house for living. In another viewpoint, it is also more than just a hotel with spa facilities. Developing a wellness real estate should start from its very ground philosophy to create a purposely-built environment that has immersive wellness elements to support the overall health and wellbeing.”

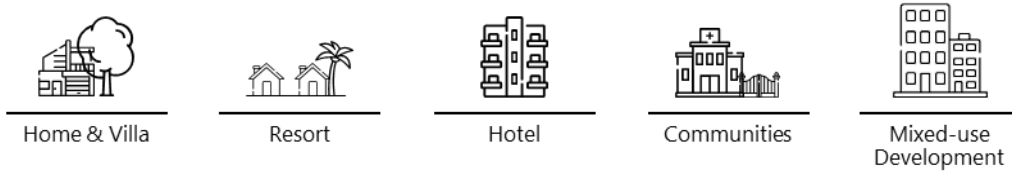
Wellness Real Estate Categories & Types

With its multidimensional term, wellness real estate can be found in many forms. Based on the current trend in Indonesia, we categorize wellness real estate based on several parameters:

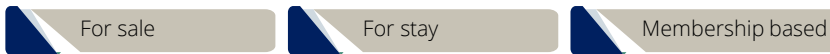
- By property type
- By ownership status
- By location
- By features and facilities

Figure 4

By property type, wellness real estate can be classified into several groups:



By ownership status, wellness real estate can be divided into 3 groups:



By location, wellness real estate can be classified into several groups:



By features & facilities, wellness real estate can be classified into several groups:



Source: TASK

Select Wellness Developments



Project: **Como Shambala Estate**

Location: **Banjar Begawan, Melinggih Kelod, Kabupaten Gianyar, Bali**

Year of Opening: **1998 (Most recent renovation 2004)**

Operator: **Como Hotels and Resorts**

Wellness facilities: **Como Shambala Wellness (spa & beauty treatments, ayurvedic treatment, hydrotherapy, exercises, expert sessions, etc)**

Total rooms & units: **25 rooms & 5 residential units**



Project: **The Villas at Ayana Resort Bali**

Location: **Jl. Karang Mas Sejahtera, Jimbaran, Kabupaten Badung, Bali**

Year of Opening: **1996 (Most recent renovation 2018)**

Operator: **Ayana Resort and Spa BALI**

Wellness facilities: **Ayana Spa (Spa On The Rocks, thalassotherapy, ayurvedic treatment, Balinese healing, spa, beauty & wellness treatments, etc)**

Total rooms & units: **78 rooms**



Project: **Four Seasons Resort Bali at Jimbaran Bay**

Location: **Jimbaran, Kuta Selatan, Jimbaran, Bali**

Year of Opening: **1993 (Most recent renovation 2008)**

Operator: **Four Seasons Hotels and Resorts**

Wellness facilities: **The Healing Village Spa at Jimbaran Bay (spa & beauty treatments, holistic healing, color therapy healing, exercises, etc)**

Total rooms & units: **147 rooms & 9 residential units**



Project: **W Bali Seminyak**

Location: **Jl. Petitenget, Kerobokan, Seminyak, Bali**

Year of Opening: **2010**

Operator: **Marriott**

Wellness facilities: **Away Spa (spa & beauty treatments, decompression (detox/oxygen) lounge, The Escape Cabana, etc)**

Total rooms & units: **158 rooms & 79 residential units**

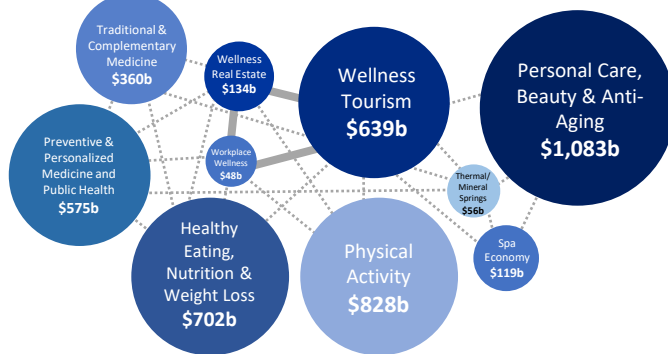
Global Wellness Market

Wellness itself has developed into one major industry in the global economy. It covers many areas from personal care, beauty and anti-aging, physical activity, tourism, healthy living and nutrition, medicine, and also real estate. Wellness is now positioned to have its biggest impact ever on the world stage. According to the GWI, the global wellness economy was estimated at USD \$4.5 trillion in

2017. The global wellness industry grew 12.8% from 2015-2017, from a \$3.7 trillion to a \$4.5 trillion market. To put that in economic context, from 2015-2017, the wellness economy grew 6.5% annually, nearly twice as fast as global economic growth (3.6%). Wellness expenditures (\$4.2 trillion) are now more than half as large as total global health expenditures (\$7.3 trillion). And the wellness industry represents 5.3% of global economic output.

Figure 5

Global Wellness Economy: \$4.5 Trillion Market



Source: GWI

The Key Drivers

What's driving the shift? The world is evolving. People are getting more stressed out right now than ever before. The pressure from work, lifestyle, daily life, has put more negative impact to everyone's physical and mental health quality, which in turn push them to find ways and place to refresh, rejuvenate, and retreat. Below are several drivers that are fueling the health and wellness trend:

■ Pull factors.

Pull factors address external motives, the force from the uncontrollable or inevitable circumstances, such as the quality of environmental health, the spread of diseases, the (naturally) one's aging process, and also the availability, affordability and accessibility of wellness facilities that drive reactions to life quality improvement, healing, or simply find treatments of certain conditions.

■ Push factors.

Push factors comprised of the personal needs/wants that could be arisen from the physiological, social or psychological aspects and address internal motives that stimulate one's effort to live in balance, relieve from stress (works and routines), self-reward, travel enjoyment, or self-enhancement.

Wellness Tourism

The \$639 billion wellness travel market's annual growth rate of 6.5% from 2015-2017 is more than double the 3.2% growth rate for tourism overall. World travelers made 830 million wellness trips in 2017, 139 million more than in 2015 – and these trips represent 17% of total tourism expenditures.

Over the past five years, Asia is the top gainer in both wellness tourism trips and revenues with China lead the highest growth worldwide.

The GWI's 2019 report also shows that wellness trips now represent 6.5% of all tourism trips taken worldwide, growing by 15.3% annually from 2015 to 2017, reaching 830 million trips each year. It goes hand-in-hand with the rise of worldwide tourist arrivals, which is expected to continue increasing by 43 million annually and will reach 1.8 billion arrivals by 2030, according to the United Nations World Trade Organization (UNWTO).

Wellness tourism market is highly concentrated in several countries in (North) America, Europe, and Asia Pacific. The top 5 (five) countries (US, Germany, China, France, Japan) represent 59% of the global market, and the US alone generates over one-third of world revenues. China leads the market in Asia Pacific region, continuously grew over the past 10 years, in term of both wellness trips taken and expenditures.

Wellness travelers are very high spending. In 2017, international wellness tourists on average spent \$1,528 per trip, 53% more than the typical international tourist. The domestic wellness tourists also spent higher than average domestic tourists, at \$609 per trip, 178% more than average domestic tourist.

The wellness real estate figure captures expenditures on construction of residential and commercial/institutional (e.g., office, hospitality, mixed-use/multifamily, medical, and leisure) properties that incorporate intentional wellness elements in their design, materials, and building as well as their amenities, services, and/or programming.

According to GWI, there are now more than 740 wellness real estate and community developments built or in development across 34 countries – a number that continuously grows.

These developments include master-planned communities, multi-family housing, urban districts, mixed-use projects, and resort/spa-based real estate. Increasingly they are undertaken by larger, professional development companies with portfolios of multiple properties, some of which have codified a set of core principles focused on human health and wellbeing used to shape their community design and marketing approaches.

Additionally, many destinations of spas and wellness resorts are adding a wellness component for customers looking for a second home or vacation properties – or even to live a full-time wellness lifestyle.

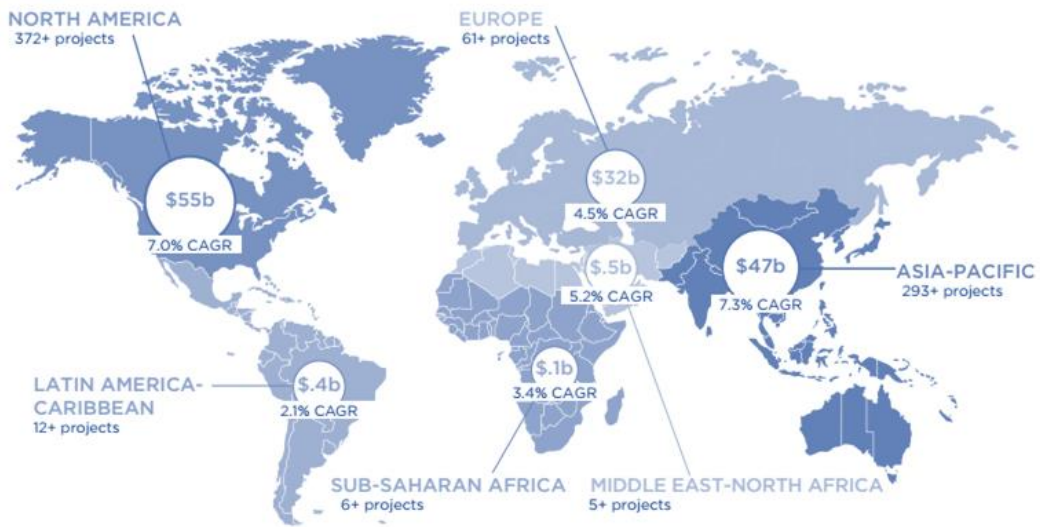
Demand Profile

The wellness market overall has been characterized by its niche market, people who possess substantial beliefs and understanding of their physical and mental health and thus try to cultivate their lifestyle into acts and movements that support their view of holistic wellbeing.

In term of age bracket, overall, in the early year 2000 or before, wellness is considered something luxury and much associated with adults and elderly people, age 40 and above. This group might have been correlated with maturity and deeper perspective of health and mind-

Figure 6

Wellness Real Estate is a \$134 billion global industry in 2017
Over 740 residential projects in the pipeline, across 34 countries



Top 10 for Market Size

United States	\$52.5b	India	\$6.1b
China	\$19.9b	France	\$5.8b
Australia	\$9.5b	South Korea	\$4.2b
United Kingdom	\$9.0b	Canada	\$2.4b
Germany	\$6.4b	Japan	\$2.2b

Notes: Market size figures include the construction of residential and commercial/institutional properties that incorporate intentional wellness elements. Growth rates reflect the compound annual growth rate from 2015-2017

Source: GWI

fulness. Nevertheless, this is not the case we found lately, in the past 3 to 5 years, where wellness has also been a trend in younger generation. Along with the growing economy, the improve health-conscious mindset, and also lifestyle changes, more people are taking steps to maintain and improve their quality of live, and seek for ways on how they apply wellness to everyday routine.

Looking at the income-spending group, in the past years, it is seen that majority of demand of the wellness market comes from the upper grade income and above. Thus, with the vast availability of wellness facilities years after, we can find more interest and familiarity of young generation with spa and other wellness activities now, including joining fitness membership, do regular exercise such as running, trekking, etc, or simply have a retreat trip from daily routines. Spa-based accommodation like hotel and resorts are also seen to experience a growing momentum with more packages and state-of-the art treatment offered, to attract wider market segments.

The wellness real estate instead has different types of market as it also correlated to the property investment perspective.

Wellness Real Estate – Asia Pacific

Asia Pacific has become the fastest growing wellness tourism market today with Australia been the pioneer of the wellness real estate development in the region. In Asia, China has a rapidly growing number of wellness real estate projects in its development pipeline and is poised for robust future growth driven by its growing middle/upper class. Aside form that, there is also rising concerns about unhealthy urban pollution in the country. Another country that is also positioned for strong growth is India, but is less than China in terms of its development pipeline, yet the country's interest in developing healthier environment has rapidly emerged in recent years. Developments in these countries are taking several forms:

- (1) Master-planned or community developments in rapidly-growing area that is tapping higher-end market;
- (2) Luxury vacation or second homes that is built as part of wellness resorts and destination spas;
- (3) High-rise buildings in urban centers (such as apartments, which are more likely to apply wellness offerings);
- (4) Co-livings that attracts young people to live in cities.

Wellness Real Estate – The Business Perspective.

Wellness real estate is more than just a house for living. In another viewpoint, it is also more than just a hotel with spa facilities. Developing a wellness real estate should start from its very ground philosophy to create a purposely-built environment that has immersive wellness elements to support the overall health and wellbeing.

On business perspective, hotels with significant wellness elements may seem to outperform other standard hotels in term of value growth.

Based on data from Hotstats about wellness real estate, total revenues per available rooms generated by hotels with significant wellness elements can reach 43% more than others which has no wellness offerings with surprisingly, even more than those hotels with minor offerings. This higher revenue generated by hotels with major wellness components is predicted to be connected to the ADR they can offer by having such offerings.

On the cost sides, it is understandable that hotels with major wellness components generally have higher operation cost than those with zero or minor wellness offerings. This variance relates to higher energy consumption, utilities, construction design and materials, and also human resources. While cost for energy can be reduced by a more eco-friendly and technology solutions, cost for human resources seems to be a lot more substantial to the total cost structures.

For the residential sector, leisure, wellness and spa has been main drivers for branded residences, allowing developers to apply premiums for the residential unit price. Combined with well-perceived operator brand, branded residences in excellent locations can lure more buyers and investors and enjoy profitable value for developers. Despite the deviance between markets in the region, RLA mentioned that market price differentials compared to non-branded residences are in the wide span of between 5% to 50%, depending on location and brand.

Wellness Residences Potentials

According to Knight Frank’s Global Wealth Report 2020, Asia is projected to outperform the growth of global wealth compared to other regions with 44% growth between 2019-2024. The number of Indonesia’s UHNWIs (Ultra-high-net-worth individual – someone with a net worth of over US\$30 million including their primary residence) is expected to jump by 57% to 1,060 individuals over the next four years, the second highest increase in Southeast Asia after Vietnam and the fifth-highest in the world, substantially higher than the global and Asia averages of 27% and 44%, respectively.

The Knight Frank report also featured that around 41% of the global ultra rich aimed to diversify their assets, mainly because of economic uncertainty. Around 70% of wealth managers in Asia are actively adjusting their clients’ portfolios in response to the global economic slowdown and uncertainties, with around nearly 30% of investment portfolios allocated to the property sector considering it as a safer and less risky asset.

One of the most interesting trends that happened in the global wealthy communities is the growing focus on wellbeing, whether it’s the investment for residential that supports more balance and healthier lives as well as peaceful minds, or to capitalize on commercials that provides healthy environments to their occupiers and even bigger communities.

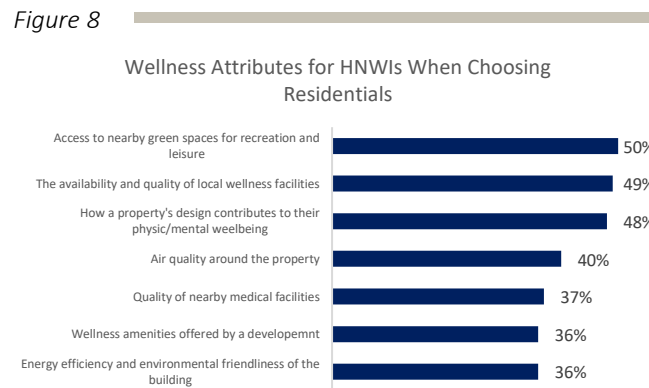
We have seen that most favoured areas for branded residences in Indonesia are so far Bali and Bintan, as the two remained popular for tourism destinations and consequently for branded accommodation developments having high exposure to foreigners and high-profile tourists. Going ahead, we are expecting two massive developments of higher-end, mixed-use, master-planned developments in a rapidly-growing urban/suburban region Bogor area and Bali entering the market.

Based on our data, the market prices of branded residences in Indonesia – including those developed within a community with intentionally wellness elements - currently is between US\$1,300,000 and US\$3,900,000 per units, with majority ranging from 1 bedroom villa to 4 bedrooms villa. On the other side, the offering price of proposed branded residences as of 2020 is between US\$700,000 to US\$5,500,000 per units, ranging from 1 bedroom villa to 5 bedrooms villa. It is seen that

developers are trying to offer a wider continuum of unit sizes to attract larger market segment. Location wise, Bali has bigger options of branded residences in term of size and price, but despite the limited availability of options in Bintan and Bogor, the offering price of branded residences in Bogor is seemingly far higher, owing to the premium brands used.



Source: TASK



Source: Knight Frank

Key Strategic Development Points

Developing wellness real estate needs an integrated understanding about the whole elements, and when it comes to residential property development, there’s more to wellbeing than just adding a spa facility. It needs nitrated planning. We have to continue shifting our mindset and perspective that built environments are as important as vaccines to our wellbeing, and open spaces, trails, and greeneries are as powerful as therapies.

Location

Location correlates to the specific area where the land is located, accessibility, exposures, views, and other important assets. Wellness residence that is built on the strategic tourism area is predicted to be perceived as a good investment and might be easier to put up on the market.

Embrace nature

According to The Wealth Report Attitudes Survey by Knight Frank, when choosing a home or residential, the most important attribute for most of the respondents is access to nearby green spaces, and how it contributes to their physical and mental wellbeing. Therefore, developing a residential that intentionally embody greeneries and natural elements is clearly benefitted to attract potential buyers.

Integrated design

Invest in quality-unique design to create experiential wellness, from a well-crafted masterplan, creating a comfortable circulation, as well as pleasurable landscape that allows greeneries, shadings, air flows, noise barriers, which in turn give therapeutic effects to occupiers. On the building side, cross air ventilation, using natural materials and certain technology can elevate the wellness ambience for users, such natural stones, bamboos, or technology like circadian lighting, air purification, etc.

Sound management/operator

Running a wellness real estate that is integrated to a wellness community needs more than just a hospitality service as in common hotels. Teaming-up with a specialized wellness management or operator may give superior standard of services when developers intend to run a major wellness property.

Variety of facilities and activities

A wide array of wellness features and facilities beyond spa will be beneficial to buyers and investors. These features can be standard facilities like gym and pool, or a more authentic attributes like off-path walking and cycling trails, community gardens and organic farms, social and community spaces with locals, or other elements that allow active lifestyles, social interactions, and community-building activities.

Wellness Residences Outlook in Indonesia

Despite the globally plummeting travel and tourism sector due to Covid-19 pandemic, we see the potentials of wellness development in Indonesia remain huge and is merely being subdued by the situation. The global travel and tourism is predicted by UNWTO to rebound in 2021 and return to 2019 level between 2023 to 2024. We share that UNWTO's optimism and predict that Indonesia tourism sector outlook is to return slightly faster, as Indonesia has a huge potentials of domestic travelers.

We are confident that there is huge potentiality for development of wellness branded residences in other areas of Indonesia, along with the growth of domestic travel (and later on the global travel) and growing middle class which gave impacts to changes in lifestyle, benefiting from the fascinating nature and culture this country has.

A good planning and careful considerations of the targeted market of the development is needed. Some locations may offer advantages for smaller sized property developments with more affordable price, while others can benefit a more extravagant price for high-end market segment. However with great growth potential lies for wellness and tourism sectors, a sensible solutions should be performed to make the best of value and operation for wellness hotels and resorts and give substantial value for developers, operators, and buyers. ■

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About TASK Cikaldana

TASK Cikaldana is a consulting services company providing advisory services mainly on tourism destination development and tourism destination business. TASK Cikaldana can help provide tourism related research, conduct market studies, project feasibility studies, develop branding and marketing strategies of destination, as well as build financial strategies on your corporate finances.

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