

Original Article

# Progression factors of Wellness & Wellness Industry in Indian Market: A Conceptual Study

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**Abstract:** The concept of 'wellness' is more and more deep-rooted in conventional concepts of what makes a healthy lifestyle, enhancing the current modern scientific and curative medical measures to health. The 'wellness' concept is interlinked to several cultural traits via the traditional practices of yoga, Ayurveda and meditation which were born in foothills of The Himalayas. According to Global Wellness Institute, recent report of October 2018, the total global wellness industry is worth US\$4.2 trillion in FY2017 representing 5.3% of global economic output as compared to the Indian wellness industry which estimated US\$1.1 trillion in FY2017 having growth rate of 15% and forecasted to touch US\$24bn by FY20 as per report by FICCI and Ernst & Young. So this paper intends to explore the concept of wellness and wellness industry along with its growth factors. Recent trends of wellness industry has been also discussed and suggestions been stated for future growth in the sector.

**Keywords:** Wellness, Wellness Industry, Lifestyle Growth, Rejuvenation, Alternate Therapy, Nutritional Care etc.

## I. INTRODUCTION

In today's world due to the upcoming changes in society and daily lifestyle, the wellness thought has taken up a multifaceted definition comprising the aspiration for social acceptance, individuality and mutual wellbeing. This change has been advanced by external influences of globalization and more alertness on the necessity of total wellness sweeping the entire world.

**"Wellness is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity"- The World Health Organisation.**

The Wellness Industry in India is not so well-organized and is expeditiously stirring towards consolidation. Today the main sectors of wellness industry comprises of beauty, nutrition, physical fitness and alternative streams of therapy and rejuvenation which along with the other new extended wellness sectors is catering to the requirements of "The Wellness Consumer" of our country to safeguard their holistic health and in turn heading towards realizing complete potential of the Indian Wellness Industry.

Indian consumers are increasingly willing to spend money in order to look good and feel good, which can be accomplished by eating, working, and living healthfully. As a result, the country's wellness industry is thriving, which in turn is generating interest among entrepreneurs to introduce new wellness products and wellness services in response to consumer demand.

It is too remarkable to note the way in which this particular industry has made use of the potential of our traditional practices and home-based cures to move from being an idea related to luxury services to becoming a lifestyle essential. This is because people want to live lengthier and much healthier lives and so wellness cannot only be the relief of the rich category alone.

## II. METHODOLOGY

This Present study is descriptive in nature. Only the secondary data has been used. The secondary data has been referred from various published newspaper articles, company websites and Government official websites. Information has also been gathered from books and reports of GWI, Delloite, Ficci, PwC, KPMG, and Nielsen which correlated to the study.



### III. DEFINING WELLNESS & WELLNESS INDUSTRY

Since ancient times, Wellness concept is a trend in India. The traditional Ayurveda and Yoga health practices have further promoted the thought of mental wellness along with the physical wellness by giving stress on ‘a healthy mind in a healthy body’. The Ancient wellness thoughts were related to basic needs of health, nutrition and relaxation.

In 1960s/1970s, Wellness concept grew distinguishably under a network of US doctors and intellectuals which grew and flourished giving the aspects of healthy living, body fitness, nutrition, diet, self-care and spiritual practices which have emerged as a wellness movement in 21st era.

**The NABH (National Accreditation Board for Hospitals & Healthcare Providers) defines Wellness as “a state of a healthy balance of the mind and body that results in overall well-being.”**

The six core dimensions of wellness are physical, mental, Emotional, Spiritual and Social. It is with a blend of good bodily health and mental wellness that any individual is able to accomplish great heights of success and happiness in his life. This state of a good physical, mental and emotional health can be achieved by eating a balanced, healthy and nutritive diet and doing routine exercise and adoption of other lifestyle changes.

#### A. Wellness Industry

All the organisations and businesses that are operational to reduce the stress levels and help in prevention and cure of chronic ailments and aid to improve the overall quality of life are all part of wellness Industry. With the total wellness and “back to nature” concept gaining ground globally, wellness players have accordingly amended their offerings from a curative base to preventive wellness products, luxury wellness products and personalized wellness services.

The numerous wellness services and products are divided into categories based on the consumer's needs for hygiene, prevention, treatment, and enhancement :

- The bare minimum requirement for maintaining personal cleanliness is hygiene.
- To prevent diseases, treat afflictions, and maintain a healthy lifestyle, preventive and curative requirements are necessary.
- Enhancement criteria aim to increase a person's confidence and physical appeal.

The major categories of Wellness Industry are as shown below:

<b>Cosmetic Care</b>	Beauty and salon services Cosmetic procedures and products for the hair, nails, and skin Cosmetics of colour and fragrances
<b>Fitness and weight loss</b>	Fitness Equipment Slimming Products (Topical and Ingestible) Slimming / Weight Management Services Fitness Services
<b>Rejuvenation</b>	Spas
<b>Alternative Medicine</b>	Services in Alternative Therapy Therapeutic Alternatives
<b>Food-Based Care</b>	dietary supplements, foods, and beverages for wellness

Source: FICCI-<http://ficci.in/sector.asp?sectorid=83>

As per GWI Report 2018, the wellness categories are further extending to other five wellness economy sectors of Wellness Real Estate, Workplace Wellness, Wellness Tourism, Thermal/Mineral Springs and Preventive & Personalized Medicine.

As mentioned in the various reliable research and industrial reports and as observed from the everyday television commercials, the major international and domestic FMCG players are catching up the trend of natural, herbal by introducing

new product lines like “with antioxidants”, “high in fibre”, “with whole grains”, “with multigrain”, “with no artificial colours and flavours”, “with no preservatives”, “low in cholesterol”, “gluten free”, “with healthy and natural ingredients” like honey, aloe-vera, turmeric or fortified with calcium, vitamins, minerals or organic in origin. This is being done as the health attributes in products are greatly influencing the purchase decisions of the consumer. The wellness product offerings under AYUSH sector is made by many established FMCG giants like Dabur, Patanjali Ayurveda, Himalaya, Marico, Amway etc. and wellness services are offered by players like Dr.Batra’s, VLCC, Talwalkar’s, Gold’s Gym India, Fitness First, Jawed Habib Hair and Beauty, Sparsh Spa etc.

The wellness industry is now amongst the world’s fastest-growing and the most resilient marketplace as evidenced by GWI, report titled “Global Wellness Economy Monitor October 2018”, the global wellness industry estimated worth US\$4.2 trillion in 2017 signifying 5.3% of global economic output whereas Indian wellness market valued INR1,10,000 Crore in FY2017 as per FICCI. Since 2015-2017, the wellness economy advanced from \$3.7 trillion to \$4.2 trillion, or by 6.4% yearly, a growth rate nearly two times as fast as global economic growth (3.6%).

The entire Indian wellness industry is projected to touch US\$24bn by FY20, up as of US\$13bn in FY15, as per the report prepared by FICCI and Ernst & Young titled – “Wellness and beauty: An ecosystem in the making”.

#### **IV. GROWTH FACTORS**

The Indian wellness industry has progressed speedily since its initial unstructured start in the early 1990s and has become an all-inclusive ecosystem at present. This ecosystem includes a combination of consumers, providers, adjacent industries, facilitators and the Government.

Consumers of wellness market in India include young population of India which is more than fifty percent of total Indian population who are relatively more conscious of their personal appearance and thus creating a strong demand base for wellness products. According to IMF data, GDP in India grew at 7.3% in the Fiscal year 2018-19 and is expected to be 7.4% in FY2020. As per Ministry of Statistics and Programme Implementation (MOSPI), per capita income of India has grown up at a CAGR of 10.8% over the FY14-18. These rising incomes along with the trend to stay fit while looking good and feeling good is directing their purchasing power to go for the required wellness solutions. The percentage of Indians living in urban areas accounts for more than 34 percent of the total population of India which are aware and updates them on the current markets and these urban consumers make use of the readily available world class brands of wellness products and services for enhancing their well-being.

Providers provide the wellness products and services to the consumer to fulfil the requisites of cleanliness, curative and enhancement. The Expansion of Tier-2 along with Tier-3 cities and the new store additions is one of the drivers of growth of this industry. The entry of new players and rising competition among the providers also contribute to the growth of the wellness sector. The beauty sector is advancing at a fast pace to take hold on the men’s market by offering grooming products and services for men which is very much evident from the figure of CAGR at 18.6% stated in NSDC report Vol.4 “Sector Skill Gap Study: Beauty and Wellness Industry in India”.

The adjacent businesses like that of Sports, healthcare, Retail, hospitality take advantage of the wellness sector growth to generate their additional profits, show their competencies and offer a wide range of products and services to customers. Facilitators comprises of businesses, schools and insurance companies who inspire and train and reassure pro-wellness practices among the users to turn them into wellness consumers. Government has a multifaceted role of provider, facilitator, enabler and regulator of the wellness industry.

As per WHO, India is having the highest diabetics and the rising costs of medical care is making consumers look for food and beverages that would help them to treat or prevent specific conditions of diseases like obesity, diabetes, heart related diseases.

The support of Indian Government is giving a push to the wellness industry with the launch of Make in India, giving tax exemption in yoga, setting up of wellness centres under the scheme of “Ayushman Bharat” program and setting the Ministry of AYUSH for the promotion of alternative medicine etc.

#### **V. RECENT TRENDS IN WELLNESS INDUSTRY**

The expanding Indian wellness market has involved a large number of home entrants and global players. Established companies are doing revenue expansion through product and service modifications and development and are trying to

explore the new worldwide and inland markets. In order to increase their growth, the enterprises are actively looking for public and private equity funds. Franchising is also becoming a popular choice.

The Health Supplements market is led by Amway India followed by Pfizer and the Fortified packaged food segment is held by players like Glaxo Smith Kline. Under the health and wellness food sector and personal and beauty care sector, there is emerging trend to use chemical-free alternatives and organic options due to the rising inclination for genuine unadulterated products.

According to a recent KPMG analysis, the size of the Indian beauty and wellness industry at the start of 2019 was predicted to be INR 80370 crores (inclusive of the beauty goods, salon, and spa industries). India ranks in the top five global markets for beauty and wellness, and it has a good chance of becoming the most popular "Wellness" travel destination for tourists from around the world.

According to the 2016 research "Value Added Service - Wellness and Preventive Healthcare" by the FICCI and EY Consulting, the Indian wellness market is expected to develop at a CAGR of around 12% over the following five years. Its current size is anticipated to increase to INR 1, 50,000 crores by FY2020 due to its immense development potential and ability to become the primary driver of the Indian economy.

Corporate wellness programmes can help Indian businesses save \$20 billion annually, according to a 2018 ASSOCHAM report titled "Corporate Wellness Programme: Benefits to Organisation & Economy." Companies save money on the cost of absenteeism and receive back 6.62 and 132.33 rupees, respectively, for every rupee spent on employee wellness programmes.

The wellness sector has developed into one of the heavyweights in terms of job creation today, acknowledging the lack of qualified talent needed to keep up with the development of the wellness business. For wellness establishments and institutions offering yoga training and certification programmes, the Quality Council of India advanced a programme in 2016 called "Voluntary Certification of Yoga Professionals" with support from the Ministry of AYUSH.

Companies are making use of several digital platforms like apps and social media to absorb the customers into their brands like Dr. Batra's and Gold's Gym has YouTube Channel blog and Instagram page to increase the awareness. Digital tracking and usage of AI and machine learning aids to give improved service. Dabur has exclusive website "mybeautynaturally.com" and VLCC makes use of mobile apps for loyalty programme and other innovative offerings. Buyers will purchase what they trust and have faith in out of the existing options that are beneficial for their body and health. The future demand is making a bend towards customized and personalization of the products and services.

A constituent board of the Quality Council of India (QCI) is the National Accreditation Board for Hospitals and Healthcare Providers (NABH). Regardless of ownership, legal status, size, or independence, NABH has established standards for the voluntary accreditation of all organisations offering wellness services, including gyms, spas, skin care centres, fitness centres, immunisation clinics, and executive health check-up centres. A "Mark of Excellence" will be given to the accredited centres. The NABH certification will provide residents and visitors confidence that these institutions are offering services in accordance with international standards and by competent and knowledgeable personnel, preserving consumer rights, and maintaining infection control and ecological safety practises.

## **VI. FUTURE PROSPECTS**

The wellness consumer of today is a "conscious consumer", so the wellness brands have to fine-tune their products and services and make them attractive and nourishing and satisfying along with restructuring their marketing plans and business models to ensure a good market share along with continued growth and profitability.

Government and private sector participants working together to take coordinated action to develop a respectable talent pool that is trained, certified, and reliable for the sector and to enhance the effectiveness and efficiency of the mechanism to monitor and regulate the industry's quality standards in order to enable the industry to reach its full potential.

A thorough commitment to quality and compliance will also be essential in maintaining faith in India's skills among international consumers in the current wellness era.

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