



Wellness Tourism Congress

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7th Annual Global Spa & Wellness Summit

New Dehli, India

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**Keynote speech by Amitabh Kant, CEO & MD,
Delhi Mumbai Industrial Corridor
Development Corporation**

**The Birth of Wellness Tourism: An Incredible
Story**

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[START RECORDING]

MR. AMITABH KANT: Distinguished guests, ladies and gentlemen, I hope you're all having a wonderful stay in India. Thank you for being here. On behalf of India I welcome all of you here. Actually the Honorable Minister for Tourism was supposed to be here. He just resigned two days back.

In many ways, like the great scientist Einstein, he won the Nobel Prize for Science. He was being honored in Britain. He went to about 250 universities, gave speeches. He was widely appreciated everywhere. Wherever he used to go his driver used to go along with him. Then for the first time he was invited by the Columbia University. He had never been to America and his driver said, "Einstein, I've always traveled with you and I've heard you about 250-odd times and actually I can give a better speech than what you can ever give in your life." So Einstein said, "Okay. I challenge you."

And so they were at Columbia University and this driver took the mic and he gave a brilliant speech. I mean it was a stupendous performance. It was a speech far better than Einstein had ever given in his life. Everybody got up, standing ovation for this driver. Then he sat down and then the dean said that we will now have a question-and-answer session. This young student got up and he asked him a very difficult, very complicated perplexing question. This driver got up and said, "This question of yours is so simple, so easy, so easy that even my driver sitting in the audience can reply." Ladies and gentlemen, let me speak and if you have any questions please direct them at the minister later.

There is a French proverb which says that the more things change the more they remain the same. But there is one sector which defies this logic; that's the world of travel and tourism. Last year about a billion tourists traveled across geographical boundaries. That's one seventh of your humanity. One in eleven jobs are created by the tourism sector; seven percent of the global GDP comes from the tourism and almost 30 percent of the trade in services comes from the tourism sector.

But the tourism sector is going through some revolutionary changes. It's very important to discern them. It's important to discern them because in many ways they'll shape

this world of wellness and spa as well. I think the most important thing to understand is the source of tourism is changing. For many years this traveling tourism industry was designed for the world of Europe and America. That is because the world was being driven, the growth was being driven by Europe and America. If you look around today, in 2011 the Brit countries actually created in one year, in 2011, they created Italy. One Italy, one country, in one year.

Actually in 2013, despite the slowdown, China created increase in twelve and a half weeks. In twelve and a half weeks China has created an Italy. Therefore, if you travel around like I did to the Louvre you will find Chinese speaking guides. You will find exhibits in Chinese. You will see their websites in Chinese and the New York Times has come out with a digital version of the Chinese who can read the whole New York Times in Chinese. Therefore last year despite the slowdown there were about 16 million Indians traveling abroad.

Therefore much like the Americans in the 50s when they moved out in the 70s many of us have this image of a Japanese guide leading the Japanese. The Japanese were traveling with one guide in front with the flag and all the Japanese following him or the Koreans. You will see a lot of Chinese and Indians moving abroad. I think what is happening is that the source of tourism is changing. It's the world is the emergence of the Asian tigers in many ways. It's the reemergence of the Asian tigers in many ways.

I think the second key trend that is happening is the demographics. It's important to discern this because to my mind this is the most salient, most critical. It's a revolutionary and an astonishing change that is taking place. The aging of the population in Europe and America, 77 million Americans retiring from 2010 onwards. 8,000 Americans retiring a day. 8,500 Germans retiring a day. The aging of the population and the population getting younger and younger. Almost 76 percent of the population less than the age of 32 in India.

That is this window of demographic transition which rarely ever happens in history happening in India. Therefore it's very important to understand that the age of Baby Boomers in Europe and America who drove the growth, who brought in economic prosperity, who brought in new style, who brought in

new cars, new perfumes, etcetera that's an aging population in Europe and America now.

I think the third key trend, which is important to understand, is the rise of the urban middle classes. That's a huge, huge trend taking place. It's a big trend because the latest McKinsey study shows that actually 750 million Indians will get into the process of urbanization by 2050 and actually from 78 onwards China has created 500 new cities, an astounding number; 500 new cities in China from 78. That's the reason they grew at rates of 10 percent per annum year after year. If you grow at that rate you double your income in seven years time. China demonstrated that from 10 percent growth consecutively over a three and a half decade period.

Therefore this is the rise of the urban middle classes. What we see in India is exactly the same now. 14 million mobiles a month. The rate of credit card growth is about 40 percent per annum. This is despite a slowdown. All this is happening. The rise of the urban middle class and consequent to that is this huge rise of urbanization of people moving from rural areas to city and one of my key jobs right now is to create 24 new smart cities in India. This is going to happen in a very big way, this process of urbanization, people moving from urban rural areas to urban areas.

Of course the role of technology. We are in the midst of revolutionary changes. We've seen this happening in the travel and tourism sector. We'll see the slow demise of tour operators and travel agents were not able to provide an experience. Actually many ways mobile will become the key driver in travel and tourism and it will be travel anywhere, any time on the basis of your mobile, which will then become your search engine, your travel agent, your booking engine, everything together.

But I think to my mind the biggest change and the most radical factor that is happening in the world of tourism is this shift towards what I would term as experiential tourism. That is the shift towards people going for self-fulfillment. The U.N. World Tourism Organization in the late 80s got a person called Peter Altenberg - - that the top 10,000 people, the top 10,000 upper end of the market, the elite class and said what do you want to do in the 1980s. Do you want to have a great holiday? What do you want to do? You won't believe it. 97 percent of them said, "We want to go for a triple S holiday in the sun, sand, and the sea."

In 2010 end they got another researcher to look at the same segment of the population, 10,000 people and they said what do you want to do in 2010. They said, "We want to go for a holiday which is self-fulfilling where we can contribute to the destination where we can learn something from that destination." Actually we are getting fed up with this five star world; every room is the same, every feature the same. We want to experience tourism. We want to experience destination as it exists. Therefore what we are witnessing today is what I would term as the rise of the alert, independent traveler.

This alert, independent traveler is going to be the big changer of travel and tourism. What we are actually witnessing is slowly the demise of mass tourism. The mass tourism has actually led to, in many ways, uneven development, cultural invasion. It had led to destruction of culture and several destinations. In many ways this alert, independent traveler is one who is going to be the big value spender. The alert, independent traveler, he wants to travel at his time. He wants to experience a destination and he wants a unique self-fulfilling experience. I think that is what to my mind travel and tourism is driving towards.

These are big changes which are taking place. Some of these experiences I learned from what I did in Kerala and India. Susan wanted me to take you through some of that. I'll quickly try and take you through this.

When we started this campaign for branding India, India was pretty badly rated. It was very low in travel and tourism competitiveness. Its image perception as a tourism-friendly country was extremely low. But at the same service India was rated very high in terms of culture and heritage. It was very high in terms of authenticity, history, art, and culture. The challenge for us was how do you brand and position India as a high value destination for the alert, independent traveler for the discerning travelers of the world.

My view has always been that you should focus on the high value as a high value destination position and brand yourself as a unique destination based on your unique features, which I'll come to. The World Travel and Tourism Council had then predicted that actually during the spirit of 2018 India could have an annualized real growth of 9.4, which is higher than China. There is a huge potential for growth. My own

experience came from Kerala, which is a small strip of land, but it is unique for its - - and it's absolutely green. We moved away from, it was a beach destination. We used to get a charter load of flights of garbage collectors and peddlers [phonetic] from Manchester and London. We stopped beach tourism. They destroyed. They used to pay 18 pounds a night and they used to enjoy worth about 300 pounds of night, the sun, sand, and sea, so we stopped that.

We created two new, unique products; the backwaters of Kerala, houseboat, which not a single name is used. We created another unique product, the ayurveda that's an alternate of medicine as a way of life, as a regimen, not as a massage. This became a unique product.

We said Kerala was home to ayurveda because it had a continuous, unbroken tradition. It had a very rigorous scientific approach. It was home to the ashtavaidya, the traditional physicians. It had all the eight branches of ayurveda treatment. It had very advanced stages, terrain and climate, which is very critical. It was very good. During the monsoon it had rich biodiversity. In many ways ayurveda was a way of life in Kerala.

We said that in the monsoon season, which used to be our off season, it's the best time to go for ayurveda and therefore soon we found that monsoon season became packed. We used to get people for 21 days. The off season really became the main season for ayurveda. We followed a very rigorous scientific approach. Kerala has about 16 ayurvedic medical colleges where ayurveda is taught and research is done.

Ayurveda became one of the key drivers of Kerala tourism. Today there are about 119 government run ayurveda hospitals. There are dispensaries and so on. We have a very large pool of qualified, trained professionals. We have doctors. We have therapists. Kerala really grew as an ayurveda destination. Today because we follow very stringent, quality control process of certification of green leaf ayurveda and olive green ayurveda centers, ayurveda has gone across the world. Actually, all over Kerala is also India's most advanced society. It is a very high physical quality of life index. It's got 100 percent literacy. We say when life gets tiring apply Kerala.

One of the things we did was we differentiated Kerala. We said we will never - - the West. We'll go back to - -.

Whether you look at its culture of holidays, whether you look at its elephant patients, whether you look at its boat races, whether you look at its tiger trail where we've converted poachers into guides, whether you look at its tree huts, whether we look at its mother of martial arts, its unique cuisine, travel and tourism, brought it altogether. Brought them all back.

Soon Kerala was declared by National Geographic Travelers one of the 10 exotic paradises of the world. One of the 50 must see destinations of the world. I moved on from Kerala to India. The challenge was then to brand and position India. Again, we went back to the roots of India. We went back. We again said, what is it unique about India.

If you look at India's yoga and you look at how we played with the - -, if you look at ayurveda, if you look at yoga, ayurveda, if you look at reflexology, if you look at meditation in the Himalayas, if you look at reflexology in the deserts of Rajasthan or ayurveda in the backwaters of Kerala, or you say get rid of 21st century stress done for 5,000 years or we said what time weakens nature can strengthen. We also brought in this tiger and we said not all Indians are polite, hospitable, and vegetarian. We also said, don't panic; there's always rebirth.

We said leave your body to ancient science. We said on your way back you might find it easier to read this. We said all medicines have a manufacturing date. This one for instance was made in 3,500 B.C. We looked at yoga and just to give you this little feel by Deepak Chopra on spirituality.

[START VIDEO]

DEEPAK CHOPRA: India is a very diverse country. It's an ancient civilization. It has an exquisite combination of contemporary, fashionable living along with very traditional values. Health is all inclusive in the Indian sense. It's a state of physical, mental, emotional, and spiritual well-being. There's nothing artificial about India. Its people radiate a simple, unaffected humanity. You could spend many lifetimes here. India is holy. It is whole. It is healing.

[END VIDEO]

MR. KANT: Ladies and gentlemen, what is India's brand power? I'll turn back to this great Harvard professor, Joseph Nye, who talks about soft power. In many ways there's the hard

power when there's information technology, there's manufacturing, there's urbanization, there's growth. But I think in many ways India's growth will be driven by its soft power, its yoga, its ayurveda, its meditation, its culture, its Bollywood, its cuisine, and so on. As India becomes a modern, contemporary nation, grows, and advances it's very important for it to retain its heritage, its culture, its core values, and especially its great spirituality.

Ladies and gentlemen, you know this concept of spa as it grew and evolved in Europe and America, it was a curative science. In the concept of India it's about spiritual harmony. It's about soul nourishment. Actually beauty is the ultimate in consciousness as far as the Vedas say. The India treaties, the Vedas say beauty is the ultimate. It's the path to the origin of life. Beauty is to be respected.

In the Indian context we believe that the gods reside within us. We need to assuage our gods once in a while through breathing on a regular basis through meditation, through yoga. Only when you have this perfect harmony between the mind and the body, when you have this perfect harmony between the mind and the body and they are both in parallel universe you can't have a track where the mind is on another wavelength and the body in another wavelength. If they are in two different wavelengths you will never be beautiful. Therefore, the mind and body connect is the key to the ultimate achievement of beauty.

Therefore, for us it's that cosmic connection. It's that cosmic connection. That is what you call as the spa is what we Indians said was the ashram. In the ashram it was about being reborn during this life itself through this perfect connect between the mind and the body. That is what spiritual harmony and soul management is all about. That was the ultimate level of beauty. Thank you very much.

[END RECORDING]