Panel Participants (left to right)

- **Amy McDonald**, (United States)
- **Mohammed Karim Jennane**, CEO, Sothermy – Group CDG (Morocco)
- **Alonso Burgos**, Executive Director, Colca Lodge (Peru)
- **Axel Valdez Martinez**, Director, Hotel Buenavista Beach Resort (Mexico)
- **Steve Chadwick**, Mayor, Rotorua District Council (New Zealand)
- **Erwan Madec**, CEO, Vichy Spa International (France)
- **Katherine Johnston**, Senior Economist, SRI International, (USA)
- **Charles Davidson**, Peninsula Hot Springs, Founder and CEO, (Australia)
- **Tomonori Maruyama**, Mitsui Knowledge Industries Co., Ltd, Chief Research Consultant / Manager, (Japan)
Estimated to be a $50 billion market, hot springs are one of the largest segments of the global spa industry and one of the fastest growing segments of the global tourism industry.

The first meeting of the Hot Springs Industry Forum took place during the 2013 Global Spa & Wellness Summit in New Delhi, India with hot springs industry representatives from Japan, China, Germany, New Zealand and Australia. 2014 presenters at the Global Hot Springs Forum came from USA, Morocco, Peru, Mexico, New Zealand, France, Australia and Japan. The 2013 forum resulted in the formation of the Global Hot Springs Initiative, a taskforce focused on uniting global leaders and stakeholders in this rapidly growing spa category.

The make up of this second Forum panel reflects the global nature of the industry. 2014 forum members included Mohammed Karim Jennane, Director General of Sothermy and the Royal Golf Club of Fez, one of the largest thermal spa centers in Morocco; Erwan Madec, Director General and CEO of Vichy Spa International; J. Alonso Burgos Hartley, owner/director, Colca Lodge in Peru; Steve Chadwick, the Mayor of Rotorua, a New Zealand city renowned for its geothermal and spa heritage; Axel Valdez Martinez, owner and director, Hotel Buenavista Beach Resort, Mexico; Katherine Johnston, Senior Economist, SRI International; and Tomonori Maruyama, Manager/Chief Research Consultant, Mitsui Knowledge Industry, Japan.

The forum was divided into three components. The first was a presentation by Stanford Research Institute (SRI) on new research commissioned by the GSWS to determine the size of the global hot springs industry. The second was a series of country update papers designed to provide a varied perspective on the state of the global hot springs industry and also to demonstrate the ancient and universal nature of hot springs use. The third was an open discussion that looked at the possibilities to grow and evolve the industry.

Charles Davidson, Founder and CEO of Peninsula Hot Springs (Australia) chaired the forum, providing an introduction to speakers. He reiterated that hot springs are a unique local phenomenon found in every country. They are the origin of the concept of healing waters and the spa industry and are embraced by cultures all over the world. Thermal waters provide a connection to the earth and humanity’s interaction with it and each other. The first two GSWS Hot Springs Forums have clearly demonstrated the universal nature of hot springs and its role as a connector and key driver for the tourism industry.
SRI research completed in September 2014 found the global size of the hot springs market was US$50 billion in 2013. China and Japan accounted for 51% of the economic value of hot springs while Europe had a share of 43%. Globally, 64% of the hot springs market is generated by venues also offering spa services.
Peru - Alonso Burgos, Executive Director, Colca Lodge

More than 500 hot springs are located throughout Peru of which almost half are registered with authorities. Most hot springs are located in remote rural areas. There is no national strategy and in most cases the infrastructure is quite simple.

Colca Lodge and its hot springs, located in the Colca Valley, provides a primary driver for regional tourism activity linking in with the alpaca farm, horse riding and tours to view the region’s major attraction, the condor vultures. The thermal pools at Colca Lodge are designed to provide a connection with nature and the surrounding environment, greatly enhancing the bathing experience.

At Aguas Calientes (‘Hot Waters’), the town at the base of the mountain that leads up to the ancient ruins of Machu Piccu, are some very scenic riverside hot springs which provide a major supporting attraction for visitors to the region.
Andean thermal experience – Colca Lodge

Exploring the area
In addition to the balneological use of hot springs, Colca Lodge also utilizes the heat in the thermal resource to heat the spa and new bathing complex.
In Mexico hot springs have long been respected as sanctuaries and healing places. As early as 1917 the Mexican Government enacted laws to protect natural waters. In 2004 the Comisión Nacional del Agua (National Water Commission) was established.

The number of hot spring spas opening for commercial use has grown dramatically in the past decade growing from 50 to 250. It is said there has been a reawakening to the ancient wisdoms.

Mexico has thousands of hot springs located throughout the country in four broad regions: The Mayan Region (Southern Mexico); Central Region (location of ancient civilisations); Gulf of Mexico (North East); and the Pacific and Sea of Cortez Region (North West).
Natural Hot Springs
Regions in Mexico

Source: CICESE & CONACYT
New Zealand - Steve Chadwick, Mayor, Rotorua District Council

Located at the meeting point of the Australian Plate and the Pacific Plate New Zealand is geologically on the move constantly, providing a plentiful supply of thermal waters. The most concentrated area of hot springs in the country is the town of Rotorua in the center of the North Island.

The evolution of the hot springs industry in Rotorua has a strong cultural focus that respects and embraces the indigenous Maori Culture.

Rotorua is considered the birthplace of tourism for the country with its famous thermal Pink Terraces that were abruptly destroyed in the eruption of Mt Tarawera in 1886.

Hot springs are used for recreation, health, wellbeing and also for the production of geothermal energy and direct use heating. Hot springs have spearheaded the formation of a tourism activity cluster. Examples of other complementary regional tourism activities include: mountain bike riding, jet boating, bungy jumping, hiking, sheep farm experiences, zorb
rides and luge rides.

the birthplace of tourism in New Zealand
Japan has 3,085 hot springs areas and over 27,000 hot springs. In 2012 there were 13,521 accommodation facilities with hot springs providing accommodation for over 124 million guests.

Japan has defined hot springs (onsen) as either:

- water that contains a minimum level of total dissolved solids (TDS) of 1000 mg / litre or has of specific minerals that supass defined standards

or

- a natural source of water with a temperature of at least 25°C.

Throughout Japan hot springs are classified into categories based on the minerals of the waters and the therapeutic uses associated with each.

The value of the hot springs business is greatly enhanced by the provision of ancillary services, in particular accommodation. It was estimated that the value of overnight stays in accommodation facilities
with hot springs was US$8 billion in 2012, while the value of day visits to hot springs was US$4 billion in the same period.

There is significant value adding possible in the hot springs industry by including ancillary services and products such as spa treatments, food & beverages, education and wellbeing services.

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**Added-values with Onsen facility**

<table>
<thead>
<tr>
<th>Day-Visit Onsen</th>
<th>Ryokan, Hotel etc.</th>
<th>Destination Resort</th>
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<tbody>
<tr>
<td>+ Food &amp; Beverage</td>
<td>- Environment</td>
<td>- Environment</td>
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<tr>
<td>+ Treatment</td>
<td>- Hospitality</td>
<td>+ Hospitality</td>
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<tr>
<td>+ Amusement etc.</td>
<td>- Room</td>
<td>- Room</td>
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<td>- Food &amp; Beverage</td>
<td>- Food &amp; Beverage</td>
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<td>- Treatment</td>
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<td>- Activity etc.</td>
<td>- Activity</td>
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<td>- Education</td>
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<td>- Wellness Program etc.</td>
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Customer Transaction:

- **Day-Visit Onsen**: 2-5 hours, $10-80
- **Ryokan, Hotel etc.**: 2-3 days, $150-1500
- **Destination Resort**: 4-8 days, $1200-8000

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**Onsen with therapeutic effects**

- Hot springs for **therapeutic treatments** are defined by the **Mineral Spring Analysis Law**.
- And are divided into the following **4 categories**.

<table>
<thead>
<tr>
<th>1</th>
<th>Saline springs</th>
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<td>- chloride springs</td>
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<td>- carbonated springs</td>
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<td>- sulphate springs</td>
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<th>2</th>
<th>Simple springs</th>
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<td>- simple springs</td>
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<tr>
<th>3</th>
<th>Simple cold / hot springs that contain special components</th>
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<td>- simple carbon dioxide springs</td>
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<td>- simple iron springs</td>
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<td>- simple acidic springs</td>
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<td>- simple sulphur springs</td>
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<tr>
<th>4</th>
<th>Salt springs that contain special components</th>
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<td>- acidic springs</td>
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<td>- aluminum springs</td>
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<td>- sulphurous springs</td>
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<td>- radioactive springs etc.</td>
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Source: [http://www.jspn.or.jp/](http://www.jspn.or.jp/)
France - Erwan Madec, CEO, Vichy Spa International

The hot springs in France are primarily used in conjunction with medical and health treatment programs which are paid for by a combination of the government (65%) and insurance companies (35%). There are a total of 102 thermal spa resorts which operate under the subsidized health program model.

The industry pays 2 Euro per program prescribed treatment customer into a research fund to provide evidence-based research behind thermal cure programs. Over the past 8 years this fund has generated 9.5 million Euro in research, a great deal of which has been published in English.

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**2013 Key figures**

- **Number of days of treatments in 2013:** 9 729 306
- **Number of thermal stays in 2013:** 540 517
- **Average length of stays:** 18 days
- **Progression in 2013:** + 2,68%
- **Evolution 2009 - 2013:** + 9,59%
- **Progression since 2009:** + 48 000 curists

Source: CNEHT, June 2014

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France, like most of the western world, is facing considerable ageing of the population requiring significant investment in healthcare and a hollowing out of the taxation revenue base. Thermal cures are being championed as one cost-effective means of providing health care.

The growth opportunity in the thermal industry in France is considered to be the provision of passive health programs for the recreation and
tourism market.

Map of Thermalism in France

12 major therapeutic areas have been defined by the French Social Security
- Rheumatology
- ENT
- Cardio-vascular diseases
- Phlebology
- Neurology
- Psychosomatic diseases
- Urinary disorders
- Gynecology
- Digestive disorders and metabolism
- Dermatology
- Growth disorders in children
- Mucosal diseases

Thermalism combines a soft and natural medicine with a touristic development scheme.
Morocco - Mohammed Karim Jennane
CEO, Sothermy – Group CDG

There are 117 recognised sources of thermal water in Morocco of which 29 are used for commercial purposes.

The town of Moulay Yacoub, which has hot springs as its primary attractor, receives over 1 million visitors a year. A large re-development of the main public bathing facility is under construction and in the next year the Vichy group from France is commencing construction of another thermal centre with a hotel.
Source thermale de Moulay Yacoub

Soins ORL - station moderne

Source thermale de Moulay Yacoub

La piscine de la station moderne
Open Discussion Forum

Professor Marc Cohen suggested that the Hot Springs Industry could collaborate to support a competitive PhD scholarship (this requires a commitment of around US $30K/yr for 3 years) to facilitate hot springs research. Potential scholars from any university could then submit research proposals and a committee (made up of the funders) would select the best candidate. This research would focus on the social, economic and health impacts of hot springs.

Erwan Madec from Vichy International provided details for the evidence-based research into thermal practices. The coordinating organisation is The French Association of Thermal Research http://www.afreth.org/

Thermal Research documents are located at:
http://www.afreth.org/docprojet/suivi.htm

Examples of research available in English include:

Spa therapy in the treatment of knee osteoarthritis, a large randomised multicentre trial, 3 Sep 2009.

Sessile Legionella pneumophila is able to grow on surfaces and generate structured monospecies biofilms.

A multicenter randomized controlled trial evaluating balneotherapy in patients with advanced chronic venous insufficiency.

Results of PriSMe, a French cohort study investigating multidisciplinary care on the one-year improvement of metabolic syndrome.

Long term improved quality of life by a 2-week group physical and educational intervention shortly after breast cancer chemotherapy completion. Results of the ‘Programme of accompanying women after breast cancer treatment completion in thermal resorts’ (PACThe) randomised clinical trial of 251 patients.
Conclusion

A clear theme to arise from the 2014 Global Hot Springs Forum was the key role hot springs provide as a primary and secondary attractor for the tourism industry for the regions in which they are found.

The Global Hot Springs Initiative, a think tank for the global hot springs industry, was established after the first GSWS Hot Springs Forum to provide a coordinating role for the industry. It is dedicated to explore the diverse values of geothermal waters for health, recreation, tourism and community. It seeks to connect global communities involved with geothermal water and to help grow consumer, industry and political awareness of this unique segment of the global recreation, health and tourism market (industry and community). See: http://www.globalwellnesssummit.com/spa-industry-resource/global-hot-springs-initiative

The first two Global Hot Springs Forums have clearly demonstrated the universal nature of hot springs and their role and significant potential in the tourism, health and recreation market. The Hot Springs Forum, and the Hot Springs Initiative, are now focused on activities and actions that can foster the industry’s sustainable growth through collaboration.

Charles Davidson
CEO, Founder
Peninsula Hot Springs
Australia
E-mail: charles@peninsulahotsprings.com
www.peninsulahotsprings.com