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Wellness Tourism: the case of Deyi Wellness Hotel in Hainan Province, China

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Master' in International Studies

Supervisor:

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SOCIOLOGIA
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Department of History

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Resumo

Em todo o mundo, as pessoas aspiram ao bem-estar e esta tendência sinaliza uma das mais interessantes oportunidades de mercado para os investidores. Na indústria do turismo, o turismo de bem-estar é um nicho específico de mercado para hotéis, e regiões com atrações naturais para atrair consumidores. Este estudo pretende agrupar as ofertas de bem-estar dos hotéis líderes mundiais e comparar as categorias de ofertas de bem-estar de estabelecimentos de 5 e de 4 estrelas com hotéis especializados com fontes termais na província de Hainan, na China. A análise visa extrair implicações para os investidores e proprietários de hotéis, relativamente às comodidades adequadas à melhoria do bem-estar dos hóspedes. Para este fim é adotada uma abordagem SWOT e o Deyi Hotel na cidade de Danzhou em Hainan é escolhido como estudo de caso. O estudo mostra que as ofertas relacionadas com o aumento do bem-estar têm um papel significativo entre os hotéis líderes mundiais, o que ainda não acontece nos melhores hotéis em Hainan, que denotam uma menor diversidade de ofertas de serviços de bem-estar, embora tenham um enorme potencial para o fazer. Com base nos dados analisados, são apresentadas ilações relativas ao desenvolvimento de produtos e serviços de bem-estar do Deyi Hotel.

Palavras-chave: Turismo, Hotéis, bem-estar, Hainan.

Abstract

Worldwide, the trend of people's wellness consciousness signals a critical market insight to business developers. In the tourism industry, wellness tourism is a specific niche segment that inspires hotels, destinations and regions to capture the opportunity to attract consumers. This study intends to cluster the wellness offers of world-leading hotels, and to compare with the categories of wellness offers of 5-star, 4-star, and several specialized hotels with hot spring facilities in Hainan province, China. This analysis aims to extract implications for hotel developers to equip their hotels with proper wellness amenities, and to create wellness products and services for travelers' wellness needs. A SWOT analysis of the wellness tourism in Danzhou City is made and the Deyi Wellness Hotel in Danzhou City in Hainan is taken as a case study. The research shows that wellness offers stand at a significant role among the world-leading hotels, while wellness offers in the top hotels in Hainan show less diversity, lacking a unified notion of wellness services offerings but with a huge potential to get upgraded. Based on the data analyzed, development of wellness products and services of Deyi Wellness Hotel are discussed.

Keywords: tourism, wellness, hotels, Hainan.

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Summary

This dissertation is organized as follows:

- I. **Introduction** and questions;
- II. **Chapter 1 - Literature Review**, that gives a literature review, drawing a general picture of relevant studies in wellness tourism and wellness hotels
- III. **Chapter 2**, that explains the methodology applied in this dissertation;
- IV. **Chapter 3, Presentation of Results**, organized in 3 parts:
 - (i) classification of wellness offers in hotels;
 - (ii) mapping of leading hotels with wellness products and services in Hainan;
 - (iii) application of a SWOT analysis on wellness tourism in Danzhou city.
- V. **Chapter 4, Discussion & case study**, that deals with the Deyi Wellness Hotel.
- VI. **Chapter 5, Conclusion**, that answers the questions of the introduction.

Introduction

Wellness industry is a comprehensive sector which provides services in rehabilitation, recuperation, health management, sports, leisure, culture and tourism (Popescu, Bădiță, & Șoșea, 2014). Under wellness industry, wellness tourism is the fastest-growing segment (Zaczekiewicz, 2019). Wellness tourism targets on the group of people who are health-oriented and balanced life style-guided, their main objective to travel is to preserve and promote their body's well-being (Šuligoj, 2020). Worldwide, wellness tourism has a long history, especially in the European countries, who own the deepest tradition of travelling for health and fitness reasons (Csirmaz & Pető, 2015). For the number of wellness tourism trips, Asia-Pacific region is ranked second to Europe (Chon, 2019).

The variety of wellness tourism products in European countries has been driven by the deep tradition of SPA tourism for therapeutic treatments, relaxation and entertainment reasons (Marinau, Csoz, Martin, & Ciolac, 2009). Also, stimulated by the demand of wellness services, hotels have started to innovate wellness offers for the customers' needs, which are usually provided by specific wellness amenities (Marinau et al., 2009). Health-related products mostly exist in up-scale and luxury hotels, the high level quality of hotel equipment and services ensures relaxation and overall guests' satisfaction (Šuligoj, 2020). It is necessary for business developers to get to know what exact amenities should be equipped to a hotel, so that the hotel is qualified for becoming a "wellness hotel".

In order to take lessons from international experience, this paper clusters wellness offers of world-leading hotels. Therefore, the list of hotels on "Forbes 2021 Award Winners" was selected as representative of the sector, as it covers 35 five-star and four-star hotels in 26 different destinations of 18 countries. In Hainan province, until 2020 May 21, data of China Tourist Association (CTA) shows that there are 25 five-star hotels and 38 four-star hotels in Hainan (CTA, 2021). In Danzhou City, there is no listed star hotel. However, there are special hotels characterized by hot springs for health and recuperation. For Deyi Wellness Hotel to become a qualified wellness hotel, the outside environment must be studied, and the standards that enable a hotel to be recognized as a wellness hotel should be considered.

The questions of the research are as follows:

- 1) What role do local natural and socio-cultural environment play on the wellness offers?
- 2) How offers of natural healing factors impact on the hotel industry?
- 3) Why marketing of wellness products and services increases hotel competitiveness?

CHAPTER 1

Literature Review

The world has seen a trend of increasing health consciousness (Carrera & Bridges, 2006). The consumers' behavior, choices and spending decisions have been profoundly changed as wellness became a dominant consumer value and lifestyle driver (Zaczkiewicz, 2019).

Phrases relevant to wellness are rejuvenation (Popescu et al., 2014), recreation (Albayrak, Caber, & Öz, 2016), re-balance (Popescu et al., 2014), revival, revitalization (Popescu et al., 2014), renewal and refreshment (Chen, Liu, & Chang, 2013), relaxation (Popescu et al., 2014), leisure (Chen et al., 2013), entertainment, illness prevention (Carrera & Bridges, 2006), rehabilitation (Popescu et al., 2014) and detoxification (Popescu et al., 2014).

Wellness tourism is a new niche market under the tourism industry (Dillette, Douglas, & Andrzejewski, 2020; Popescu et al., 2014) and it is defined as a type of health-motivated tourism (Chen et al., 2013). The phenomenon of aging demographics (Hodzic & Paleka, 2018), fast-paced modern life and work stress (Marinau et al., 2009), people's rising awareness of their personal well-being and adopting healthy lifestyle (Carrera & Bridges, 2006), more affluent income and free time, have induced the boom of this kind of tourism, such as health tourism, medical or healthcare tourism, and wellness tourism, which ultimately aim at improving people's overall quality of life, according to the studies by Global Wellness Institute (GWI, 2018). The definition differences among sub-sectors are explained in many researches in this field.

The essence of medical tourism is to meet with the qualification of medical treatments, while wellness lies with preservation of health and reaching the harmony of body and soul (Carrera & Bridges, 2006). Health tourism is about the application of health facilities (Šuligoj, 2020). Healthcare tourism means extra healthcare services and facilities are added to normal tourist amenities (Šuligoj, 2020).

Health tourism is a dominant sector in Europe (Carrera & Bridges, 2006). It is even a national marketing strategy of some countries and regions, such as Hungary, who provides high quality medical and wellness hotels with various medical treatments including dental and plastic surgery treatments for guests from home and abroad (Carrera & Bridges, 2006). In this

country, health tourism is a leading tourism industry, generating significant financial incomes, with a potential to solve the seasonality problem of hotels (Carrera & Bridges, 2006). To give another country example, in Romania, hotels attract medical tourists with offers in cosmetic surgery and dental treatments (Popescu et al., 2014). Bali, the Maldives, Thailand, the Philippines, and Sri Lanka are also top wellness destinations (Zackiewicz, 2019).

Wellness hotel is a merging of hotel industry, wellness industry and tourism industry. Although wellness tourism has driven wide attention, the development of wellness hotels themselves is much less studied (Chi, Chi, & Ouyang, 2020), which reveals a gap of today's research on necessary criteria to formulate a 'well' wellness hotel. (Chi et al., 2020) proposed a method of measuring the level of wellness provided by a wellness hotel.

The assessment model is called the Scale of Wellness Hotel Amenities (SWHA), formed by indicators of three wellness dimensions: environmental, physical and mind. In wellness tourism, top popular activities include detox programs, private nutrition consultation, sleep therapy, personal trainer session, cooking classes, adventure sports, cultural excursions as well as wellness retreats with yoga classes and seminars (Zackiewicz, 2019). Innovations of wellness product development cannot go without innovative equipment, technology, and special designs (Carrera & Bridges, 2006).

However, the number of literature studying wellness facilities of hotels is limited. (Popescu et al., 2014), clustered 70 SPA centers in Romania and clarified that hotels opening SPA centers are usually 5-star and 4-star hotels. (Šuligoj, 2020), identified health services of 25 high-end hotels in Slovenia, the services being classified into medical therapy, physical activities, spiritual and mental activities and psychological and physical relaxation. (Jiao, 2020), proposed a construction strategy of a wellness products system of a wellness hotel for holidays.

Products of wellness tourism could be categorized into seven types: (i) 'Living wellness', which is dedicated to create a tranquil living environment; (ii) 'Entertainment wellness', which targets people with good health condition, the activities being relaxation and educational; (iii) 'Cultural wellness', which is based upon traditional culture; (iv) 'Medical wellness', which promotes Chinese and Western medical principles and develops medical rehabilitation or physical massage recuperation; (v), 'Culinary wellness', which focus on food

and cuisine; (vi) ‘Sports wellness’, that combines sports activities and professional guidance; (vii) ‘Beauty wellness’, that benefits the body and facial skin, and creates rejuvenation effects.

In response to this typical demand of wellness experience quest, hotels, to be more competitive, develop specific facilities to provide wellness products and services to customers, which further contributes to customer satisfaction (Albayrak et al., 2016), and to the extension of the hotel stay (Albayrak et al., 2016). Some studies indicate that wellness tourists spend more than usual tourists (GWI, 2018). Some hotels market their wellness offers in an apparent and effective way, but others do not market it well (Mikulić & Prebežac, 2011). Swimming and gymnasium amenities and recreation facilities are two of the factors that are “more important” in customer satisfaction and in their willingness to re-visit the hotel (Song, Li, van der Veen, & Chen, 2011). Wellness travelling helps visitors develop feelings to the region, therefore purchasing more services in the area and even buying properties (Carrera & Bridges, 2006).

Over the world, most of the hotels make efforts to enrich their services with wellness offers (Albayrak et al., 2016), resulting in health resorts and SPA hotels (Chen et al., 2013). In the Mediterranean area, there are various sports programs for children and fitness activities for adults (Mikulić & Prebežac, 2011). In the areas along the sea, such as some places in Turkey, water sports and activities depending on wind power, such as wind surfing, are popular (Mikulić & Prebežac, 2011). Europe, North America and Southeast Asia offer the most remarkable wellness services (Csirmaz & Pető, 2015). Natural resources such as hot springs, mineral water, thermal and medical water (Carrera & Bridges, 2006), or climate (Chen et al., 2013), are the resources that support wellness activities.

CHAPTER 2

Methodology

To obtain a general picture of wellness offers of world top hotels, the list of ‘Forbes 2021 Award Winners Hotels’ was chosen to identify the wellness services and programs provided by these hotels.

In order to assess the present development of wellness offers in the leading hotels in Hainan province, especially in Danzhou City, geological distributions of all the target hotels in a map and categorization of their wellness services and programs was done, to allow a comparison with world-leading hotels’ offers.

Since there is no star hotel classification in Danzhou, hotels that are specialized in taking advantage of local hot springs were chosen, with the information being mainly extracted from the hotels’ official websites, and other promotional materials from the internet.

A SWOT analysis of wellness tourism in Danzhou was applied. Data is mostly from secondary sources and from the database of the Hainan Provincial Bureau of Statistics. The Deyi Wellness Hotel was chosen as a case study, with the discussion of possible wellness offer’ ameliorations.

Therefore, methodology follows a mixed quantitative-qualitative approach.

CHAPTER 3

Presentation of Results

3.1 Wellness offers of world top hotels - ‘Forbes 2021 Award Winners’ hotels

The 35 ‘Forbes 2021 Award Winners’ five-star and four-star hotels are comprised of 24 five-star hotels and 11 four-star hotels in 26 different destinations of 18 countries (Guide, 2021).

The general profiles of these hotels are described below in Table 3.1. And the types of wellness offers are clustered in Table 3.2.

Table 3.1

Descriptive statistics of ‘Forbes 2021 Award Winners’ hotels

| Characteristics | Number | Percentage |
|--------------------------------------------------------------------------|--------|------------|
| Five-star hotels | 24 | 68.6% |
| Four-star hotels | 11 | 31.4% |
| Hotels with indicators such as ‘wellness SPA’ suggesting wellness offers | 31 | 88.6% |
| Hotels with SPA facilities and services | 32 | 91% |
| Hotels with wellness services techniques developed in China | 3 | 8.6% |

Source: Author’s research

The specific items displayed on the hotels’ websites leading to the information of their wellness offers are different, but the most used word among various expressions is ‘wellness’ (22.8%). ‘Wellness’ on the main page of the hotels’ websites is an independent window that guides to a special web page for wellness services and programs.

The second most used word as a separate window for wellness offers information is ‘SPA’ (20%). And there is 1 hotel that applies the single word ‘fitness’. 7 hotels have set up separate windows for both ‘fitness’ and ‘SPA’, or one combined window for ‘SPA and fitness’, or ‘SPA and wellness’, which means that there are different wellness-related items that coexist on the hotel’s main page.

Some other phrases are also used such as ‘activities’ ‘culinary & amenities’ ‘offers’ ‘services & facilities’ that further lead to SPA, fitness and wellness services. There are 4 hotels (11.4%) that have no special window guiding to wellness services. One of these four

hotels is in Japan, the other three in the United States and Mexico. Among these four hotels, two of them are 4-star hotels. Therefore, there is no apparent link between the indication of wellness services and geographical location, or the rating of the hotels.

The close relationship between SPA and wellness reflected on the world top hotels is in concert with the illustration that the concept of ‘SPA’ is tightly related to wellness (Csirmaz & Pető, 2015). Besides, the significance of fitness, beauty and body care treatments in wellness products and services are also validated in the hotels research that was done, the phenomenon being stated in (Carrera & Bridges, 2006).

Statements like ‘re-balance, renew, rejuvenate, refresh, relaxation, revitalize, restoration, detoxification, tension melting, purification, replenish, detoxification’ are wildly used on the hotels’ web pages of wellness services description in their slogans and promotions.

Many of the descriptions of wellness services emphasize ‘to benefit’ or ‘to dedicate to yourself’. A few hotels’ wellness offers stand out by its rich variety and high-level customization and profession. Only one hotel has its professional staff profiles on the website.

The professional staff include trained therapists, visiting practitioners, certified medical specialist, such as Nutritionist and Balance Wellness Consultant, Master of Wellness, etc. Only one hotel has indoor fitness facilities, the hotel provides a fit room with Technogym Bike & Technogym case. Feng Shui, Tui Na, one type of Chinese massage techniques, are the philosophy and techniques employed in three luxury hotels.

In general, Hotels that market themselves with wellness facilities and services are common among top hotels, since one of their common missions is to create ‘a pleasant stay’.

The next table shows wellness services and programs offered by Forbes.

Table 3.2

Wellness services and programs offered by ‘Forbes 2021 Award Winners’ hotels

| Facilities | Number | Percentage |
|-----------------------------------------------|--------|------------|
| SPA | 32 | 91% |
| pool | 23 | 66% |
| jacuzzi | 4 | 11% |
| sauna | 10 | 29% |
| steam room | 8 | 23% |
| nutrition | 2 | 6% |
| massage | 16 | 46% |
| weight reduction | 1 | 3% |
| yoga | 7 | 20% |
| fitness center | 28 | 80% |
| fitness classes (including personal training) | 17 | 49% |
| water sports | 3 | 9% |
| beauty treatments | 19 | 54% |
| yachting & boating | 1 | 3% |
| children’s activities | 4 | 11% |
| beach | 5 | 14% |
| art | 1 | 3% |

Source: Author’s research

SPA, pool, fitness center and beauty treatments are the most offered (more than 50%) wellness services and facilities among these hotels, followed by massage and fitness classes. Offers like nutrition, weight reduction, water sports, yachting & boating and art are rare (less than 10%). Jacuzzi, sauna, steam room, yoga, children’s activities and beach are the less provided services, but still exist in a number of hotels.

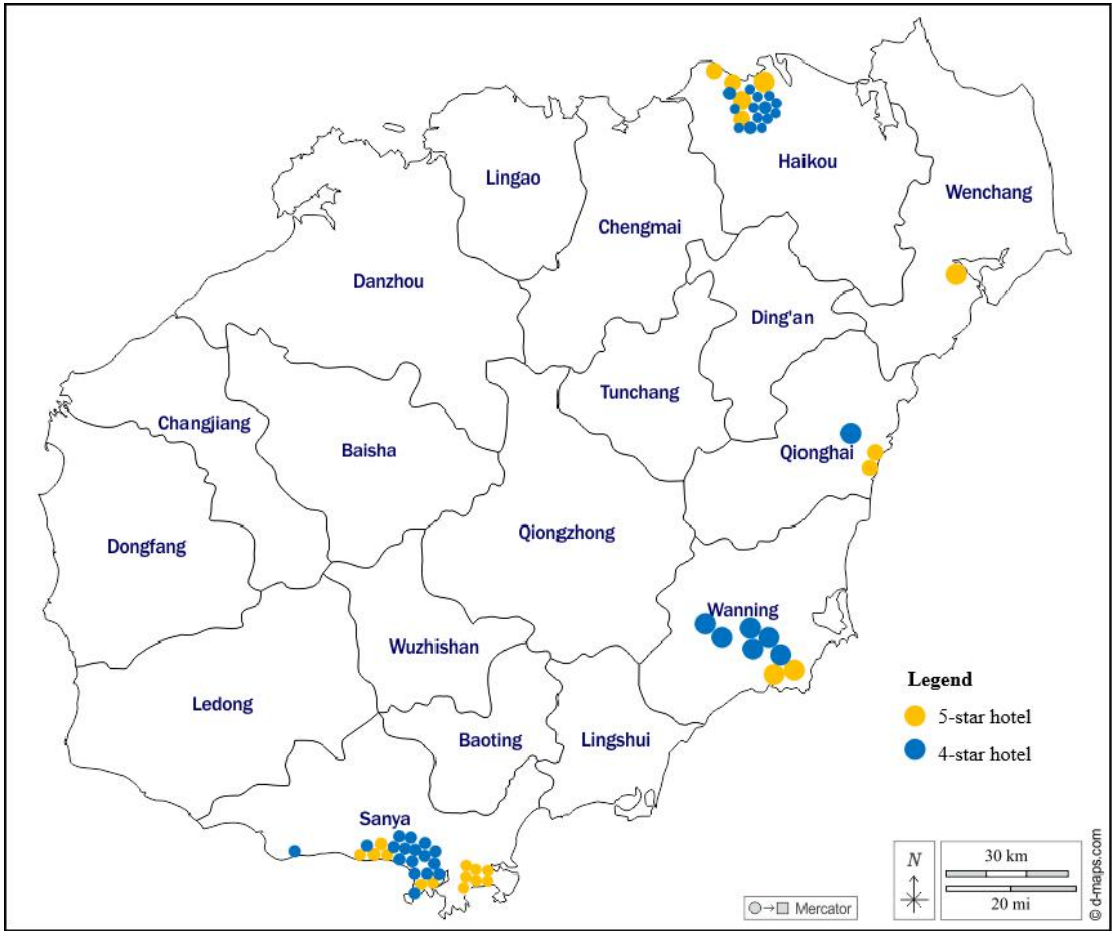
As the collection of the wellness services information are from promoted materials, it is possible that some services are provided by the hotels, although not displayed on their website.

3.2 Wellness offers of leading hotels in Hainan

Among the 63 top hotels in Hainan, 25 are five-star hotels and 38 are four-star hotels (during the time this research was being done, 2 five-star hotels have been closed, leaving 61 for our

research). In Danzhou, there is not a list of star-hotels, reason why 2 classical hot springs' specialized hotels were chosen for this research, meaning that although the 63 hotels are considered in the sample group, those 2 specialized hotels are separately discussed. The spatial location of the 5-star and the 4-star hotels in Hainan is presented in Figure 3.1. The general profiles of these hotels are described in Table 3.3. and the types of wellness offers are in Table 3.4.

Figure 3.1
Spatial distribution of leading hotels in Hainan



Source: Author’s research

By searching on the hotels’ official websites and gathering information from platforms of travel agencies such as Ctrip, China’s largest travel agency and booking.com, one of the more known international platforms, wellness offers by hotels in Hainan were investigated. Phrases in relation with wellness offers used by hotels are as follows: ‘fitness & wellness’; ‘fitness and recreation facilities’; ‘health and recreation facilities’; ‘Health Assembly Hall’;

‘Recreation City’; ‘well-being and fitness’ – these expressions were literally translated from Chinese.

In Hainan’s hotel market, most of the SPAs are not mentioned, they are under the SPA service category in general. Special therapies like hydrotherapy, fish therapy or aromatherapy are mentioned by some hotels. Information about wellness offers on the hotels’ websites are noted in various ways, there is not one unified expression, fitness and SPA services are the two main indicators of wellness services.

Table 3.3
Descriptive statistics of 5-star, 4-star hotels in Hainan

| Characteristics | Number | % |
|--------------------------------------------------------|--------|-------|
| Five-star hotels | 23 | 37.7% |
| Four-star hotels | 38 | 62.3% |
| Hotels with wellness indicators such as ‘wellness SPA’ | 40 | 65.6% |
| Hotels with SPA facilities and services | 14 | 23% |

Source: Author’s research

Table 3.4**Wellness services and programs offered by 5-star, 4-star hotels in Hainan**

| Wellness services and programs | Five-star hotels (%) | | Four-star hotels (%) | |
|------------------------------------|----------------------|-----|----------------------|-----|
| | Number | % | Number | % |
| swimming pool | 19 | 83% | 20 | 53% |
| massage | 6 | 26% | 17 | 45% |
| SPA | 8 | 35% | 6 | 16% |
| TCM (traditional Chinese medicine) | 2 | 9% | 1 | 3% |
| gym | 19 | 83% | 23 | 61% |
| sauna | 8 | 35% | 24 | 63% |
| hot spring | 3 | 13% | 3 | 8% |
| fish therapy | 2 | 9% | 0 | 0% |
| hydrotherapy | 10 | 43% | 3 | 8% |
| Barber/Beauty center | 5 | 22% | 5 | 13% |
| sunbathing | 2 | 9% | 2 | 5% |
| medical support | 1 | 4% | 0 | 0% |
| fitness classes | 1 | 4% | 0 | 0% |
| aromatherapy | 1 | 4% | 0 | 0% |
| foot bath | 2 | 9% | 9 | 24% |
| beach | 2 | 9% | 3 | 8% |
| acupuncture | 0 | 0% | 1 | 3% |

Source: Author's research

Among the wellness amenities and services offered by five-star and four-star hotels in Hainan, swimming pool, gym, sauna and massage are almost omnipresent, few of them provide sunbathing, foot bathing, aromatherapy and fish therapy. Particular wellness and recreation projects or centers have been developed in a few hotels. Except for massage, sauna and foot bathing, the proportion of five-star hotels that provide the other wellness services are all higher comparing with four-star hotels. One 5-star hotel emphasized medical support, being the only hotel that brings a medical-related service. Since the medical-related regulations have been tightening in China, it is more difficult for services' providers to develop offers of a medical kind.

Of the hotels collected above, two of them are stressed in this research: Danzhou Lanyang Geological Hot Spring Hotel and Danzhou Lanyang Hot Spring Resort. Danzhou Lanyang Geological Hot Spring Hotel's hot spring leisure area promotes swimming pools for adults and children, natural hot spring pool, hot spring fish recuperation and hot spring Traditional Chinese Medicine (TCM) pool (Hotel, 2021). Danzhou Lanyang Hot Spring Resort offers wellness hot spring pool, outdoor swimming pool, children's water park, Turkish dry steam room, black jade wellness board and fish therapy pool (Ctrip, 2021).

Comparing with wellness offers of world-top hotels, for the same type of wellness services such as SPA, massage, fitness center (gym), beauty treatment and beach, the percentage of world-leading hotels that provide these services are higher than leading hotels in Hainan, but the proportion is lower in services such as swimming pool and sauna. Services with higher level of customization are more common in the world luxury hotels, including weight reduction, fitness classes and nutrition, while acupuncture is a characterized service in Chinese hotels.

3.3 SWOT Analysis of Wellness Tourism in Danzhou

Hainan is located in the southernmost of China and is one of the most visited province for tourists among all the provinces in the country, and the role of tourism is indispensable to the local economy (Lin, Li, Jiang, Yu, & Wei, 2020). In June 2020, the nation published a Master Plan for the Construction of Hainan Free Trade Port, declaring Hainan as a Free Trade Port and the largest special economic zone, enjoying the highest level of opening-up policies. The future pictures Hainan as an international tourism and consumption center, therefore Hainan will need to learn from international experience to create the "frontier" region in China. In the Master Plan, it is encouraged to integrate tourism with culture and sports, medical care, elderly care and health promotion. Moreover, tourism enterprises established in Hainan Free Trade Port are entitled to corporate tax exemption for income from newly increased overseas direct investment before the year of 2025 (Hainan, 2020).

Danzhou is located in the northwest of Hainan. The remarkable state-level development zone Yangpu Economic Development Zone, the country's fourth bonded port Yangpu Bonded Harbor Area, the Hainan University Danzhou campus and the Chinese Academy of

Tropical Agriculture are located in Danzhou (Danzhou, 2020). Famous tourism sites include Shihua Karst Cave, Egrets Paradise, Hainan Tropical Botanical Garden, Lumuwan Waterfall, Yunyue Lake, Songtao Reservoir, Zhonghe Ancient Town, Lanyang Hot Spring, Longmen Mountain, Millennium Ancient Salt Fields and Dongpo Academy (Danzhou, 2015a).

Danzhou is a city famous for the presence of natural hot springs, the water resources are unique. Located in Lanyang Farm, Lanyang Hot Spring is one of the largest hot springs in Hainan, with 2000 tons of daily flow. There are tens of natural spring mouths with average temperatures of 78.4°C. The spring waters contain rich trace elements conducive to health improvement, such as zinc, strontium, lithium and bromine. Proper spring bathing can have therapeutic benefits to treat neurasthenia, cardiovascular and rheumatic diseases (Danzhou, 2015b). According to 2020 annual statistics, the hotel room occupancy rate in Danzhou Area is 75.59%. During the year of 2019, Danzhou received over 1.7 million overnight tourists by tourist hotels, while the city received over 2.7 million overnight tourists (Danzhou, 2021).

The potential of the wellness tourism market in Danzhou is reviewed by carrying out a SWOT analysis (see Table 3.5). The conclusions and recommendations for developing a wellness hotel in Danzhou are generated combining analysis of international experience in wellness offers of hotels and the current situation of wellness hotels in Danzhou.

Table 3.5**SWOT Analysis of Wellness Tourism in Danzhou City, Hainan Province**

| Strengths | Weaknesses |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Reputation and tradition for being a wellness destination • Natural resources such as hot springs, forests and solar resources • Excellent environment for the development of wellness tourism • Accessibility advantage, high-speed railway and scheduled Danzhou airport to be completed in 2022 | <ul style="list-style-type: none"> • Weak development of quality and standard of healthcare services • No unification of definitions • Difficulties with applicable data for analysis • Seasonality problems that result in empty occupancy in low seasons • Reputation lower than cities like Haikou and Sanya |
| Opportunities | Threats |
| <ul style="list-style-type: none"> • Increasing demand for health and wellness tourism products • State support for the development of tourism and health and wellness tourism • Tax incentives for health and wellness tourism • Danzhou as a strong competitor in tourism | <ul style="list-style-type: none"> • Strong competition both at home and abroad • Lack of legislation • Increase of quantity and decrease of quality • Lack of talents and trained personnel |

Source: Author's research

The strength of the wellness tourism market lies in the long reputation and tradition of Danzhou city for being a wellness destination, especially due to its hot spring, forest and solar resources (Cai, 2020). Natural resources are the fundamental basis of developing wellness tourism products. As for the environment, the air in Danzhou is humid and sunny, the proportion of days with excellent air quality reaches to 99.4% (Cai, 2020). The excellent living environment is suitable for the development of wellness tourism. Danzhou enjoys convenient accessibility with high-speed railway, and the under-construction airport is scheduled for completion in 2022, built to handle the increasing number of tourists.

However, one of the major weaknesses of wellness tourism development in Danzhou is the region's relatively weak development of quality and standards in providing healthcare

services, making it a challenge to attract consumers that seek for health-related services of high quality. There is a lack of clarity expressed in the inexistent unification of terms to define wellness tourism, this phenomenon can be seen on the hotels' websites, where the indications of wellness offer vary from each other.

At the same time, there are no specific statistics available for wellness tourism to track. The well-known seasonality problem has been drawing attention for this tourism destination. People that come to visit the region only in cold seasons are called 'migratory birds' (Cai, 2020), and high rates of empty occupancy for properties and hotels exist in summer, therefore the development of wellness tourism meets with the instability problem. As for the reputation as a holiday city, Danzhou is weaker comparing with the capital city Haikou and the internationally famous city Sanya.

The analysis of opportunities in Danzhou's wellness tourism industry demonstrate the increasing needs for health and wellness tourism products. Stimulating factors include the aging population, work and life stress, health consciousness (Cai, 2020) and growing incomes.

A significant support is coming from the state's preferential policy granted to Hainan Free Trade Port and tax incentives for sectors including healthcare, wellness and tourism, as well as the province's encouraging policies for wellness industry (Hainan, 2019). Danzhou has a lot to offer as a strong competitor in tourism. Its tourism demands are robust due to famous sites already mentioned - Hainan University Danzhou campus, the Chinese Academy of Tropical Agriculture, Shihua Karst Cave, Egrets Paradise, Hainan Tropical Botanical Garden, Lumuwan Waterfall, Yunyue Lake, Songtao Reservoir, Zhonghe Ancient Town and Lanyang Hot Spring. The future demand is supposed to increase, considering the stimulation of new projects including the construction of Danzhou Airport, and the newly-built high-end tourism project Haihua Artificial Island, with an investment of 24.8 billion US dollars (Sanya, 2015).

The rich geological span of the country enjoys enormous natural resources of distinguished characteristics. For Danzhou city, its competitors lie in all corners of the country, not only cities in Hainan province, but also wellness tourism destinations that are world-famous, such as Thailand, Malaysia, Maldives and European countries that are popular for Chinese tourists. Lack of wellness tourism legislation brings risks of low-quality products as well as blurred lies concerning medical services. There are numerous entities that have

noticed the business perspectives in wellness tourism industry, but not all of them create qualified products or wellness offers with clear quality. One of the biggest concerns is the lack of talents, while this sector requires talents in tourism, wellness, and proper knowledge of healthcare and medical treatments. And usually the top talents gather in more developed cities like Haikou and Sanya (Cai, 2020).

CHAPTER 4

Discussion & Case study

The experience of international hotels in providing wellness products and services reveals the gap between world-leading hotels and top hotels in Hainan. While 88.6% world-top hotels provide wellness services, only 65.6% luxury hotels in Hainan promote wellness offers. In aspects of diversity, customization and special facilities for children, hotels in Hainan should learn from international cases. Since Hainan has become the region that enjoys the highest degree of openness, establishing collaborations with international corporations is a fast approach to take lessons of the innovation and development of wellness products for hotels, and to usher in more international tourists. Taking the results extracted from the SWOT analysis, a number of implications for the development of wellness offers for the case study of Deyi hotel are discussed below.

Considering the weaknesses of Hainan's wellness tourism development, one priority seems to be to create products and services of quality, which is an essential determinant of a hotel's business success. The success is decided by the customers' satisfaction, since the services quality is highly related with the tourists' perspectives. In addition, the development standards for wellness industry are needed, like the system of hotels' star-rating, therefore wellness offers of hotels could follow a rating mechanism.

Taking 'Forbes 2021 Award Winners' for example, hotels are ranked according to a comprehensive standard, while SPAs are rated in a separated list only for SPA services. It seems that, in order to accelerate the development of wellness offers, each type of wellness product should be categorized and standardized. The same applies to the lack of definitions' unification, a measure that could be accelerated with the support of more academic studies in order to normalize the industry. Until today, the government's reports do not establish the

statistic caliber of wellness tourism, only tourism in aggregate. However, according to the future plan, wellness tourism, medical tourism, medical expenditure of tourists are new necessary statistical calibers.

Medical or wellness treatments are not limited by seasons. The analysis done points to the need of finding appropriate solutions for the seasonality problem of tourism in Hainan, including more diversified wellness offers, incorporated to normal tourism services, in order to attract tourists of all ages, not only the seniors, but also children. International comparisons point to the need to distinguish children activities from adults activities, as they serve two different guest segments (Mikulić & Prebežac, 2011). Besides, the youth group is more inclined to target healthy lifestyles.

In regard to the localization question, the building of a hotel in Danzhou is not as strong as in building facilities in Haikou or Sanya. To circumvent this geographical weakness a ‘boutique strategy’ could possibly produce uniqueness. Facing up with a niche market in a less-well known city, the region’s characteristics should enter the equation and be explored as a strength, to attract people seeking for fresh and unique experience.

As for customization, personally developed services are what the visitors aspire for (Albayrak et al., 2016), time spared out of work needs to be arranged ideally, therefore personalized offers have the potential to please the participants. Comprehensive service packages that include fitness, beauty care, nutrition and diet, relaxation and meditation, and mental activities are required, specialized hotels would gain being equipped with appropriate professional knowledge and personal care (Chen et al., 2013).

Due to its long history of tourism development, the hotel industry became a business tradition in Hainan. Facing up this strong competition, Danzhou could take the opportunities of government’s beneficiary policies to accelerate its development. A hotel with qualified products could easily stand out and spread fast through social media. Additional recreation activities developed at resort destinations are expected to improve customers’ holiday experience, and to enhance the feelings of engagement (Lee, 2010), and to gain competitive advantages for one hotel against the others (Albayrak et al., 2016), since strong customer service increases competitive advantage (Chen et al., 2013). Moreover, swimming and

gymnasium facilities, the design of the hotel, in-room audiovisual equipment should also add to competitiveness.

The problem of ‘people’, meaning qualified talents and experts is a core challenge. Even in the world-leading hotels, few have their expertise named and marketed on their website. Talents that provide wellness advice and services in hotels, who could provide comprehensive nutrition, exercise and lifestyle suggestions might prefer to work in medical institutions, which could emphasize their medical professionalism. Comparing with medical organizations, places like hotels are sites for leisure experience, it is a difficulty for the business developers to decide to what extent their hotel should be equipped with medical professionalism. Therefore, professional training and long-term cooperation with education and health institutions could be part of the solution to solve the problem of lack of talents in the future.

Conclusion

The wellness tourism market is stimulated facing up with today’s aging population. This research investigated wellness offers in world-famous hotels, and compared them with Deyi Wellness Hotel offers in Danzhou, Hainan. Comparison with present wellness products and services developed in typical hotels in Hainan were done. Through the research, wellness offers provided in the hotels were classified. Based on a SWOT analysis wellness tourism offers in Danzhou were compared with international and national experiences.

Notwithstanding some limitations experienced with the absence of wellness tourism data, major findings and conclusions arose from the research.

The following are answers to the questions presented in the Introduction:

- 1) local natural and socio-cultural environment should be further explored to create health-related products and services;
- 2) offers of natural healing factors that enable climotherapy and balneotherapy, swimming in natural hot spring, and physical activities like bike rental are factors of competitiveness;
- 3) more effective marketing approaches for wellness products and services should make part of a comprehensive tourist, hotel strategy.

Further research of interest to health policymakers, wellness resorts and destination developers could focus on the contribution of wellness hotels in complementing the public health system and in establishing Hainan as a “Health Island”.

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