



BACKGROUND NOTE

Women and Small Businesses in the Wellness Economy

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The wellness economy and its subsectors are not only growing fast, their ascendance also can support small businesses and women in developing Asia. Many service-oriented wellness sectors are dominated by small and locally owned enterprises, including lodging, restaurants, and retail; tour operators and guides; spas and yoga studios; and local products and crafts. Increasingly, wellness consumers are favoring organic, locally sourced, and sustainable products, as well as experiences that are authentic, place-based, and come with unique, compelling stories. Thus, they are often willing to pay a premium for these kinds of offerings. These can include local and traditional culinary experiences and food, healing modalities, herbal and traditional remedies, skincare and personal care products, textiles, crafts, and performing arts. The rising demand for these types of wellness industry offerings can stimulate entrepreneurship and encourage micro and small enterprises to leverage local heritage and indigenous plants and raw materials to create products and experiences that target wellness consumers.

Also, small businesses can play a critical role in promoting physical activity within their own communities. Many of today's large branded and franchised fitness chains started out as small, independent studios. Small-scale gyms, yoga and dance studios, or boxing gyms can be launched with relatively modest investments and can operate in a small footprint and, as such, can be tailored to local needs and price points. While large and multinational branded chains tend to focus on first-tier and higher-density urban areas, independent entrepreneurs—many of whom began as instructors or personal trainers—often launch new businesses in their own communities. Indeed, small business dominates the fitness industry in lower-income countries, in second-tier cities of middle-income countries, as well as in suburban and lower-density areas in higher-income countries. Beyond fitness, independent, non-branded businesses and local proprietors are dominant, especially in industry segments such as yoga and Pilates, martial arts studios, dance studios, and local sports leagues and clubs.

The majority of wellness consumers are women, and many wellness-related occupations are traditionally dominated by women (e.g., massage therapists, complementary medicine practitioners, traditional healers, tourism and retail workers,). Therefore, the growth of the wellness industry supports job creation for women across Asia. The Global Wellness Institute estimates that spa facilities employed more than 900,000 people in Asia and the Pacific in 2017, including over 500,000 spa therapists and 90,000 spa managers and directors, the majority of whom are women.¹ Spa employment is projected to increase to 1.2 million in 2022, which means that the region will need an additional 160,000 trained therapists and 30,000 experienced managers and/or directors in the spa industry alone within the next several years, and female workers will benefit from this growth. Looking more specifically at occupational employment in Asia, women represent the majority of employment in occupational categories related to personal services and personal care across a number of countries (73% in the Lao People's Democratic Republic,

¹ For example, in the United States, women comprised 83% of all massage therapists, 92% of hairdressers/hairstylists/cosmetologists, and 84% of other personal appearance workers (e.g., manicurists, skincare specialists) in 2018 (according to data from the Bureau of Labor Statistics' *Current Population Survey*, <https://www.bls.gov/cps/cpsaat11.htm>). These kinds of granular occupational breakdowns are not readily available in Asia.

84% in Mongolia, 53% in Myanmar, 57% in the Philippines, and 69% in Thailand). In these same countries, women represent only 38%–47% of employment across all occupations.²

In addition, traditional wellness knowledge (healing modalities, herbal remedies, etc.) is often transmitted through matrilineally based lines, passing from grandmother to mother, and from mother to daughter. The rise of the wellness industry creates economic and entrepreneurship opportunities for women in many communities at all levels, while strengthening the preservation of cultural heritage and indigenous knowledge. However, there is an ongoing challenge with the perception of many wellness sector jobs as requiring traditionally “female” skills (such as hands-on caring, healing, serving, teaching, food production, gardening, and craft making), and therefore many occupations in the wellness industry are undervalued in society and pay below-average wages. Worse, wellness occupations sometimes face stigma and misunderstanding (e.g., conflating massage therapists with sex workers), and that may discourage women from pursuing jobs and careers in these fields. The dominance of female workers in the wellness industry may also increase the risks of worker exploitation and abuse. Therefore, regions that seek to promote and support the development of the wellness industry need to be mindful of the role, condition, and needs of female workers in the industry.

² These figures are estimates by the authors, combining two ISCO-08 occupational categories: 51-personal service workers (including travel guides, cooks, waiters, hairdressers, beauticians, and housekeeping supervisors) and 53-personal care workers (including personal care workers in health services, and childcare workers and teachers’ aides). Data are for 2017 and 2018. Very few Asian countries are available in this dataset for conducting analysis, and more granular breakdowns of occupations are not available. International Labour Organization, Employment by sex and occupation – ISCO level 2: Annual, *ILOStat*, <https://ilostat ilo.org/data/browse-by-subject/>.