

THE PLANNING “CRITERIA” FOR A THERMAL CLUSTER

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Abstract:

In our days thermal clusters seem to act as key organizations to help the development of all the economic activity of this particular field of health tourism. In fact the integrated contribution of different organizations from multiple areas of interest and vocations, with the involvement of an enormous variety of professionals with great experience and competence in their particular jobs has a high relevance for this development.

In our presentation we express our perspective about how to plan and implement a thermal cluster in order to define practices and strategies to facilitate an optimal management of mineral water natural resources promoting health, science, culture, environment, local employment, economy and quality of life.

Thermal clusters proposed measures may have several levels of implementation. They may be applied both on a local or general level; in a regional, national or international plan. They also may target different markets, ages, publics.

We underline the relevance of Medical Hydrology and Thermal Medicine in thermal clusters. Education, research and good practice are their main contributions to optimize the health benefits of natural mineral water, steam gases and peloids for our populations. By treating many chronic conditions and promoting health education and health behaviour thermal resorts may play a very important role in National Health Services.

Within this perspective thermal clusters should be related simultaneously to Health and Economy ministries. There are some good examples and experiences of this.

Finally we conclude for the perfect fitting of these ideas with our so called AQUANET project, showing how they cope so well and pointing possible actions and ways to establish a consistent reality in a near future.

INTRODUCTION: Thermal clusters today

According to the latest assessment of the Global Wellness Economy Monitor (GWI) *, published in January 2017, Wellness is one of the markets with the highest levels of growth and has been more resilient in recent years. In fact, this evaluation points to the fact that the market grew 10.6% between 2013 and 2015, when it generated US \$ 3.7 billion, or 5.1% of the global output of the economy (IMF, data for 2016) and about half of total health expenditure (WHO, data for 2014).

The wellness cluster (s) includes 10 sectors:

- 1) Beauty & Anti-Aging,
- 2) Healthy Eating, Nutrition, & Weight Loss,
- 3) Wellness Tourism,
- 4) Fitness & Mind-Body,
- 5) Preventive & Personalized Medicine and Public Health,
- 6) Complementary & Alternative Medicine,
- 7) Wellness Lifestyle Real Estate,
- 8) Spa Industry,
- 9) Thermal / Mineral Springs,
- 10) Workplace Wellness.

As we may see from this list the work of the Global Wellness Institute (GWI) integrates the Natural / Thermal Mineral Water Springs (thermalism) as one of the ten sectors that form part of the wellness cluster. The spa sector involves around 27,500 establishments in 109 countries, generating US \$ 51.0 billion in 2015. The GWI assessment highlights the potential for spawning investment attraction, following the growing trend of consumers seeking the natural mineral water properties and contact with nature for health promotion and healthy lifestyles. According to GWI's projections for 2015-2020, this sector will grow at an annual average rate of 4.8%, above the projected growth rate for world GDP (IMF, data 2016). It is estimated that the same rate is 7.5% / year for wellness tourism and 6.0% / year for the SPA industry. In our days thermal clusters seem to act as fundamental tools to help the development of all the economic activity of this particular field of health tourism. In fact the integrated contribution of different organizations from multiple areas of interest and vocations, involving an enormous variety of professionals with great experience and competence in their particular jobs has a high relevance for this development.

****The Global Wellness Institute (GWI) is a non-profit organization headquartered in Miami, United States, with the mission of empowering the public and private sectors on the preventive health and wellness market***

In this article we express our perspective about how to plan and implement a thermal cluster in order to define practices and strategies to facilitate an optimal management of mineral water natural resources promoting health, science, culture, environment, local employment, economy and quality of life.

LEVELS OF IMPLEMENTATION AND TARGETS

Thermal clusters proposed measures may have several levels of implementation. They may be applied both on a local or general level; in a regional, national or international plan. They also may target different markets, ages, publics.

We underline the relevance of Medical Hydrology and Thermal Medicine in thermal clusters. Education, research and good practice are their main contributions to optimize the health benefits of natural mineral water, steam, gases and peloids for our populations. By treating many chronic conditions and promoting health education and health behaviour, thermal resorts may play a very important role in National Health Services. Within this perspective thermal clusters should be related simultaneously to Health and Economy fields (so politically they should involve these two ministries).

There are some good examples and experiences of this. We present here the recent Portuguese experience where an inter-ministry working group was created *“...to identify the constraints and instruments that contribute to dynamize the thermal activity, as well as to evaluate the economic and financial impact of the activity and study on the expenditure on health care in the users who use the baths”*.

This group gathered the following “players”:

- Ministry of Health, / General Directorate for Health
- Ministry of Economy (through the Assistant Secretary of State and Commerce, the Secretary of State for Energy and the Secretary of State for Tourism, who coordinated) / General- Directorate- for Energy and Geology
- Doctor's National Association
- National Association of Portuguese Municipalities
- Tourism of Portugal, I.P.
- Portuguese Thermal Springs Association – Associação de Termas de Portugal (ATP)
- “Inatel” Foundation
- Portuguese Society of Medical Hydrology and Climatology (SPHM)

Its mission was to identify the current constraints of thermal activity, to evaluate the economic impact of the activity and health expenses and to propose measures to boost the thermal activity. Within this perspective of a Health and Economy common strategy thermal clusters should be related simultaneously to both Health and Economy fields (so politically they should involve these two ministries).

First of all it was essential to carry out a diagnosis of the activity in Portugal and abroad, assessing also the existing supply and demand, as well as the trends of evolution recorded. Then we could develop a plan to stimulate thermal activity, in the first place.

TWO SEGMENTS: “THERAPEUTIC” AND “WELL-BEING”

The thermal activity comprises two different segments both in operation and in the target audience: the classic thermal (therapeutic or conventional) and the wellness and leisure spa. It was within the scope of conventional thermalism that the installed supply was built, based on the therapeutic aspect of the use of the natural mineral waters (for curative and preventive purposes), reason why this part assumes special projection in the results of the thermal activity. Accordingly, the work developed focused the approach in the component of Classic Thermalism, not forgetting other forms of business such as wellness and leisure spa. Being the

classic thermal offer that is based on more than 85% of turnover, this is the segment with the greatest potential for promotion and market capture

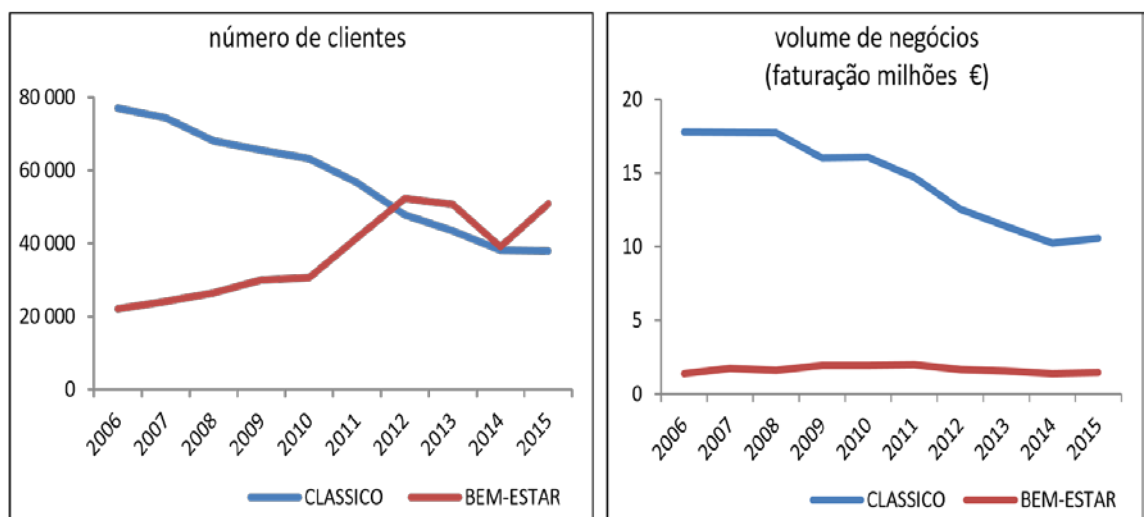
PORTUGUESE THERMALISM: EVOLUTION 2006-2015



Fonte: DGEG

“THERAPEUTIC vs. WELLNESS” EVOLUTION

no decénio 2006-2015



Fonte: ATP

Why this decrease? The decrease in demand and results in the sector arises as a consequence of a difficult economic environment and the adjustments made by several economic agents, both public and private, of which the following were highlighted:

- the termination of the thermal treatment reimbursement by the Portuguese national health system on 2011;
- the significant reduction of health expenses accepted in the IRS and, finally,

- the lack of programs with public subsidies of Senior and / or Junior Thermalism, developed by the “Inatel” Foundation until 2011

The main constraints to the development of thermal activity in recent years have been identified: the lack of a strategy of information / communication and articulated promotion by the administration, but also by the different economic agents and tour operators. However, the constraints that have most influenced the decline in Portuguese spa outcomes in recent years have resulted from policy options in 2011.

THE IMPORTANCE OF THE REIMBURSEMENT

In this context, it is important to emphasize the importance of the recognition of thermal therapies by the National Health Service in terms of promotion and dissemination, but essentially, through the reimbursement of the contributions to the SNS users that perform treatments in thermal establishments, returning to the sector importance and the dynamics withdrawn in 2011, with the political option taken to suspend them.

EUROPEAN MARKET

Data from the European Spas Association (ESPA) 2014 indicate that the European market is characterized by more than 1400 thermal destinations, corresponding to around 10,000 spas, natural spas and thalassotherapy centers. The European spa market represents more than 750,000 jobs (direct and indirect), is responsible for 200,000,000 tourist nights and generates revenues in the order of € 45,000 million.

PORTUGUESE PRESENT SITUATION

In Portugal, there are around 50 thermal establishments, but only 34 in operation, the great majority in the central and northern regions of the country. The sector directly employs around 2000 people and generates annual revenues of € 13.3 million. It is an area of activity with direct economic results that are not very expressive, but that generates significant induced impacts in several areas of activity, such as in commerce and tourism, leveraging the economies of the places where it is installed. A recent study on Medical Tourism concludes that the *"demand for medical procedures carried out in an outpatient clinic is between 3 and 4 times higher than the search for medical treatments performed in an inpatient regimen."*

THERMAL MEDICINE AS A NEW TREND

This means that alternative treatments to hospital stays are preferences for citizens, and the options for healthy lifestyles, prevention and medicines alternative to traditional ones in Europe have recently increased significantly. Thermal Medicine in line with the new trends in the fight against disease, less intrusive, and can be an effective ally of the National Health Systems in the treatment and prevention of chronic diseases

RESEARCH + EDUCATION + TRAINING

So, there is a need to strengthen the research associated with thermal activity and the benefits of thermal baths in chronic diseases, including health promotion, which has not been explored to date, and to strengthen the dissemination of existing national and international research within the scope of medical hydrology. Thus, training and sensitization of the medical class to

the benefits of thermal therapies, as well as the recognition of the benefits of these therapies by the National Health System and by the general public, seem to be decisive for better results in this sector of activity.

HEALTH TOURISM PERSPECTIVE

In a tourist perspective, the thermalism should be considered in terms of the recovery and well-being of those who visit spas, reinforcing the national tourism offer. In 2007, Health Tourism was considered in the PENT - National Strategic Tourism Plan, as one of the 10 strategic products for Portugal. More recently, the Health Tourism report held in 2014 and the "Tourism Strategy 2027" highlighted the thermal activity as a means to economically develop the interior regions of the country, considering the thermalism as a factor of cohesion of the national territory, consequently aligned with the National Program for Territorial Cohesion, recently approved by the Government.

CONCLUSIONS

We suggested 20 measures to develop Portuguese thermalism. We think that they may be applied to other countries or at least may serve as reference for similar programs in different regions. Here they are:

- 1 - Awareness of entrepreneurs for networks and partnerships.
- 2 - Innovation in products, services and processes.
- 3 - Quality certification.
- 4 - Structuring of thematic offers.
- 5 - Consolidation of the "*Termas de Portugal*" brand. .
- 6 - Promotion of the thermal offer for the domestic market and international target markets.
- 7 - Monitoring of the therapeutic activity in the baths.
- 8 - Evaluation of the impacts of thermalism in Health and Economics.
- 9 - Evaluation of the impacts of thermalism on the economy.
- 10 - Sensitization of the medical class for thermal therapy
- 11 - Strengthening undergraduate and postgraduate training in medical hydrology.
- 12 - Strengthening of hydrological medical research.
- 13 - Strengthening technical and professional training.
- 14 - Education and training of entrepreneurs.
- 15 - Spa integration in health policies.
- 16 - Contribution of thermal treatments.
- 17 - Recognition of thermal treatments in the framework of the European NHS.
- 18 - Socially-friendly spa programs.
- 19 - Reduction of context and exploitation costs.
- 20 - Simplification of the legal regime.

AQUANET project

Finally we conclude for the perfect fitting of these ideas with our so called AQUANET project, showing that thermal clusters should be also partners of this aimed network