

Support for Saint Lucia to Implement the Gender-Responsive National Strategy for the Development of the Four Priority Services Sub-Sectors



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Market Pointer – Exporting “Spa & Wellness” Services to the United States

Demand

The ITC does not have data on the Spa & Wellness sector in line with other sectors discussed so far. The Global Wellness Institute (GWI) provides some data that gives an indication of the size of global demand. The wellness economy encompasses industries that enable consumers to incorporate wellness activities and lifestyles into their daily lives. According to GWI ten sectors in the global wellness economy taken together were worth \$4.2 trillion in 2017, representing 5.3% of global economic output. From 2015-2017, the wellness economy grew from \$3.7 trillion to \$4.2 trillion, or by 6.4% annually, nearly twice as fast as growth in the world economy for the same period.

The U.S. government recognizes that the U.S. has a shortage of nurses. In order to encourage more foreign nurses to come to the country, the U.S. government has, over time, established various procedures that may facilitate nurses' ability to work and reside in this country.

Market entry requirements

Below is an assessment of the requirements of Saint Lucian Spa services providers seeking to render their services in foreign jurisdictions on a temporary or permanent basis.

Hairdressers of extraordinary talent can apply for an O1 visa that will allow them to work in the United States. If the applicant is working on photo shoots, then the case rests almost entirely on the number of tear-sheets they can compile. Anything upwards of 40, puts the applicant in a good place to consider this visa. The O1 visa is for 'people of extraordinary ability'. Its scope includes artists like hairdressers, make-up artists, designers, and musicians.¹ While the term 'extraordinary ability' can seem daunting or unattainable, many more people do qualify for this visa than one might think.

When a foreign national seeks admission to the United States specifically to work as a *physical therapist*, USCIS requires the individual to have a Health Care Worker Certification (HCWC) prior to obtaining a visa which allows an individual to work. The HCWC is not a visa. However, there are at least four types of visas that require the HCWC, three of which Saint Lucians are eligible to apply for: H-1B; EB2; and EB3. For a *physical therapist*, a master's degree is now the minimum requirement. An individual may have an entry-level BS, but will be required to have an additional MS. The HCWC is for immigration visa purposes only and is not used for licensure.²

Physical therapists are also eligible to apply directly for a green card since they have already been designated by the U.S. Department of Labor to be an occupation for which there is a national shortage (Schedule A). Therefore, they are allowed to file for their green cards by showing that they have a permanent job offer to work as a physical therapist in the United States, speak English sufficiently well, and meet other criteria. They can work at a facility anywhere in the United States. They do not have to work in any kind of "shortage" location.³

Foreign nurses who want to work in the U.S. on a temporary basis (without receiving a U.S. green card), might be able to obtain an H-1B visa. An H-1B visa is a popular temporary work visa for foreign nationals who have a job offer from a U.S. employer to work in a "specialty occupation." To obtain an H-1B visa for a foreign nurse, the U.S. employers would file an I-129 petition with United States Citizenship and Immigration Services (USCIS). This agency decides whether or not to approve the employer's request for H-1B status for the worker. The prospective employer would need to demonstrate that the nursing position applied for is in a specialty occupation. USCIS uses a four-pronged test to determine whether a position qualifies as a specialty occupation. The position must meet one of the four prongs: (1) A bachelor's or higher degree or its equivalent is normally the minimum entry requirement for the position. (2) The degree requirement for the job is common to the industry or the job is so complex or unique that it can be performed only by an individual with a degree. (3) The employer normally requires a degree or its equivalent for the position. (4) The nature of the specific duties is so specialized and complex that the knowledge required to perform the duties is usually associated with the attainment of a bachelor's or higher degree.⁴

Foreign nurses can also enter the United States via the green card channel. First, the U.S. employer must offer the applicant a full-time, permanent nurse position. Second, the U.S. employer must complete a process known as "labor certification" on behalf of the applicant (more commonly referred to as PERM). To file the PERM for a foreign nurse, the U.S. employer completes the usual ETA Form 9089, but submits the form, along with an I-140 petition, to USCIS—not with the Department of Labor, which is the agency

¹ <https://www.hji.co.uk/careers/visas-for-hairdressing-work-in-the-usa/>

² <https://www.fsbpt.org/>

³ <http://www.usimmigration101.com/>

⁴ <https://www.alllaw.com/articles/nolo/us-immigration/nurses-work-visas-green-card-options.html>

that reviews ETA Form 9089s for all non-Schedule A positions. Once USCIS approves the I-140 and the foreign nurse's priority date is current (meaning that a visa number has become available, if a wait had been imposed due to the annual allotment of such visas having run out), the nurse can apply for the U.S. green card by filing the I-485, adjustment of status application, with USCIS.⁵

All foreign nurses must prove to USCIS that they are "certified" to work in the medical field in the United States. To do this, the foreign nurse must be certified by the Commission on Graduates of Foreign Nursing Schools (CGFNS). The nurse must send all of his or her qualifications and educational credentials to CGFNS.⁶

Current trends

The global trends in the Spa & Wellness industry within the last decade can be summarized as follows. Emerging from the economic and financial crisis of 2008 significant recovery of the global lodging and travel industry only resumed in 2011. Since Spas are linked to the luxury segment of the hospitality industry, they experienced the strongest negative impact due to drastic cuts in corporate travel budgets and reduced disposable incomes.⁷

In the past, Spas were added to many hotels and resorts only as an afterthought, or at most as a necessary amenity since the impact of the Spa on the overall bottom-line was considered minimal. However, as hotel occupancies reflect negative patterns, the emphasis now is on each operational department to achieve efficiencies to support itself independently as well as work harder towards promoting synergistic revenue and profit growth.

RevPAR for the U.S. lodging industry remained below its historical peaks that were achieved in 2006 and 2007, until 2013. The hospitality market in the short- to mid-term is likely to see increased transactions and consolidation, as distressed assets change hands.

A major contributor to the global Health & Wellness discourse is led by the Global Wellness Institute (GWI), which defines wellness as the active pursuit of activities, choices, and lifestyles that lead to a state of holistic health. The wellness economy encompasses industries that enable consumers to incorporate wellness activities and lifestyles into their daily lives. According to GWI ten sectors in the global wellness economy taken together were worth \$4.2 trillion in 2017, representing 5.3% of global economic output. From 2015-2017, the wellness economy grew from \$3.7 trillion to \$4.2 trillion, or by 6.8% annually, nearly twice as fast as growth in the world economy for the same period.⁸

The United States is the largest spa market, with 21,000 facilities and \$16 billion in revenue and the demand for spas is growing in the U.S. Among the distinguished spas in the United States are *Hot Springs Resort & Spa* is located on 100 acres in North Carolina. Guests can take long hikes along the Appalachian Trail or enjoy scenic mineral baths; *Marriott International*, a worldwide hotel chain, provides luxury spa packages in a variety of destinations including Phuket Island, Maui Resort, Cancun,

⁵ Ibid.

⁶ Ibid.

⁷ "Global Spa & Wellness Industry Briefing PAPERS (2010)" prepared for the Global Spa Summit by Ernst & Young

⁸ Global Wellness Economy Monitor, October 2018.

and Napa Valley; and *Rancho la Puerta* a fitness and spa retreat in the mountains of Baja, California, that offers exercise classes, holistic therapies, mindfulness classes, and farm-fresh meals.⁹

Future trends

Prior to COVID-19 pandemic the Global Spa Services Market projects that the market would reach \$154.6 billion by 2022. Medical spa is expected to register the fastest growth, during 2016-2022. Spa services refer to a collective term assigned for various services such as facial, body massage, manicure, pedicure, body treatment and others provided under expert administrations that revitalizes the brain and body.¹⁰

The global spa services market is witnessing constant innovations such as use of hybrid spa technology, which utilizes its gas generated hybrid system to keep the spa heated up. The technology involves lesser usage of carbon and other chemicals, compared to other such heating systems, and is cost effective as well. The market is driven by hectic lifestyle in urban areas, rising demand from emerging markets, new developments in spa services, and rising demand from teenagers. Lucrative opportunities prevail in the spa industry owing to rising percentage of geriatric population and increasing demand from emerging markets. However, the market growth is hindered by high cost of skilled therapy professionals and low penetration in the underdeveloped countries.¹¹ The hotel spa segment would emerge as one of the most lucratively growing segments in the global spa services market during the 2016-2022 period. Rapid growth in travel and tourism industry will continue to generate significant revenue for this segment.

GWl projects robust growth in the five wellness sectors they track in detail, based on their own data sources and estimation models. They also believe the three sectors that represent the three core spheres of life will have the strongest growth – wellness real estate, workplace wellness, and wellness tourism – while the other wellness sectors will continue to grow as they support the integration of a wellness lifestyle into all aspects of daily lives. Specifically, the projected growth of these sectors from 2017 to 2022 are as follows: Wellness Real Estate (8.0%; from USD \$134.3Bn. to \$197.4Bn.); Workplace Wellness (6.7%; from USD \$47.5Bn. to \$65.6Bn.); Wellness Tourism (7.5%; from USD \$639.4Bn. to \$919.4Bn.); Spa Facilities (6.4%; from USD \$93.6Bn. to \$127.6Bn.); and Thermal/Mineral Springs (6.5%; from USD \$56.2Bn. to \$77.1Bn.).¹²

According to IBISWorld's analysts, the Spa industry is expected to be adversely impacted by COVID-19 in at least the following ways. Revenue for the Health and Wellness Spas industry has been adjusted to decline an estimated 7.7% in 2020 as a result of falling demand for industry services due to the inability to successfully socially distance because of the nature of the industry. Secondly, since many operators have been forced to temporarily close their locations to remain in compliance with the CDC, utility costs are anticipated to decline. Third, Operators are now likely going to compete on the basis of precautionary safety measures to ensure the cleanliness of their facilities.¹³

⁹ <https://blog.marketresearch.com/the-growth-of-the-global-spa-industry>

¹⁰ <https://www.alliedmarketresearch.com/press-release/spa-market.html>

¹¹ Ibid.

¹² Global Wellness Economy Monitor, October 2018.

¹³ Operators are now likely going to compete on the basis of precautionary safety measures to ensure the cleanliness of their facilities.