

Kushki Insights: Healthcare & Wellness



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Healthcare & Wellness

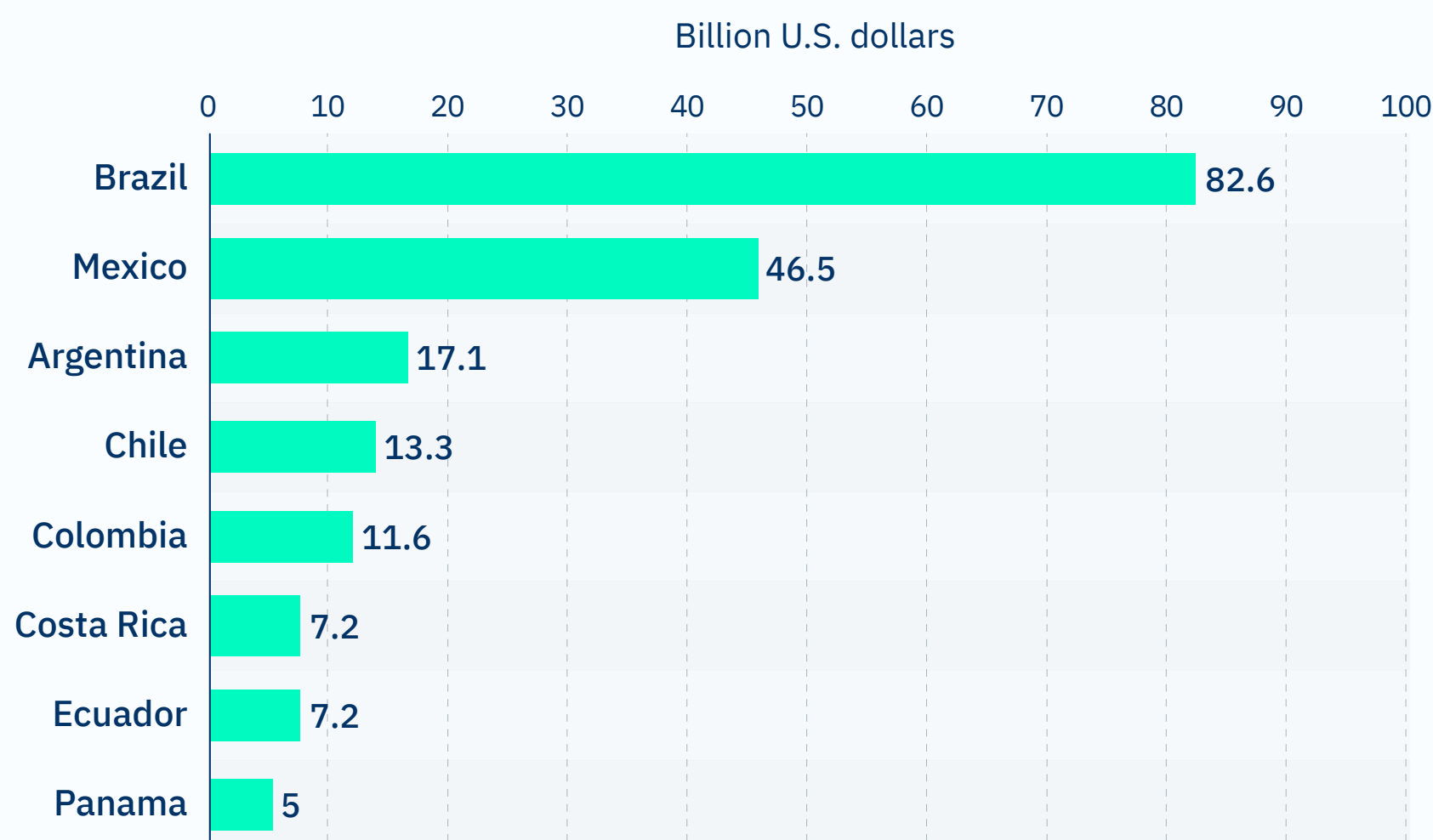


Medications, nutrition products and services, courses, spas, yoga centers, medical clinics, etc; are just a few examples of what the Healthcare & Wellness industry encompasses, which has grown exponentially worldwide with the revolution of digital payments and services.

According to Statista data, the value of the **health and wellness market** around the world was estimated at around **US\$4.3 trillion in 2020**, and is expected to increase to nearly **US\$7 trillion by 2025**.

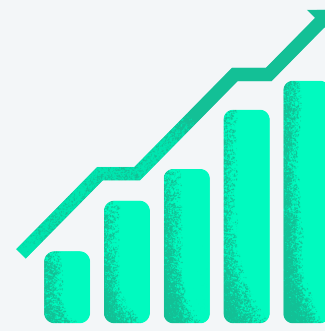
Latin America follows the trend; according to Statista and the Global Wellness Institute, the market size of this industry **in Brazil alone reaches US\$86 billion, while in Mexico it reaches US\$46 billion, followed by Argentina at US\$17 billion**. As we can see from the figures, the size of each country's market is clearly proportional to its population.

Leading countries in the wellness industry in Latin America and the Caribbean in 2020, based on market size (in billion U.S. dollars)



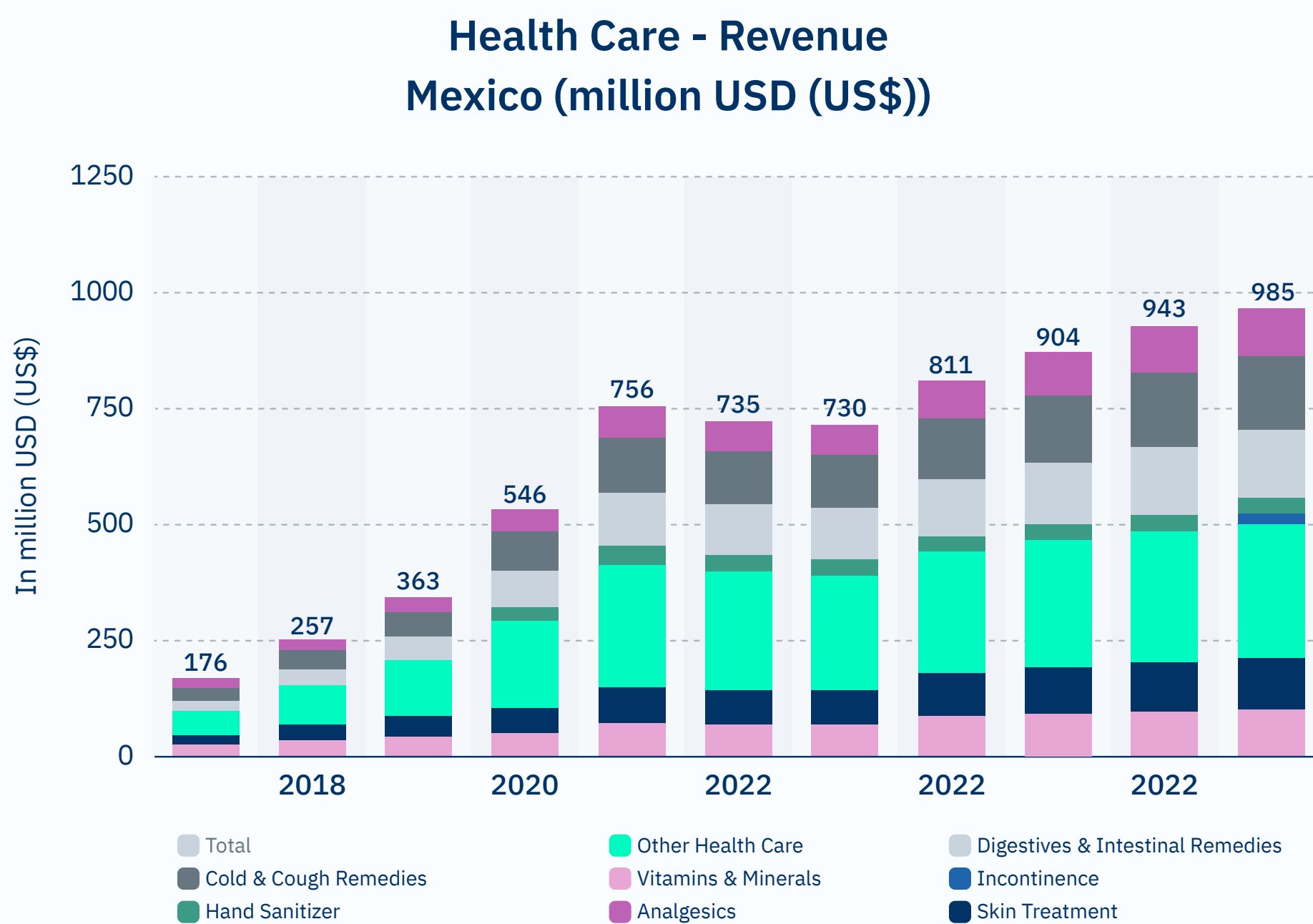
Source: Global Wellness Institute | © Statista 2023

Why has this industry grown so much?



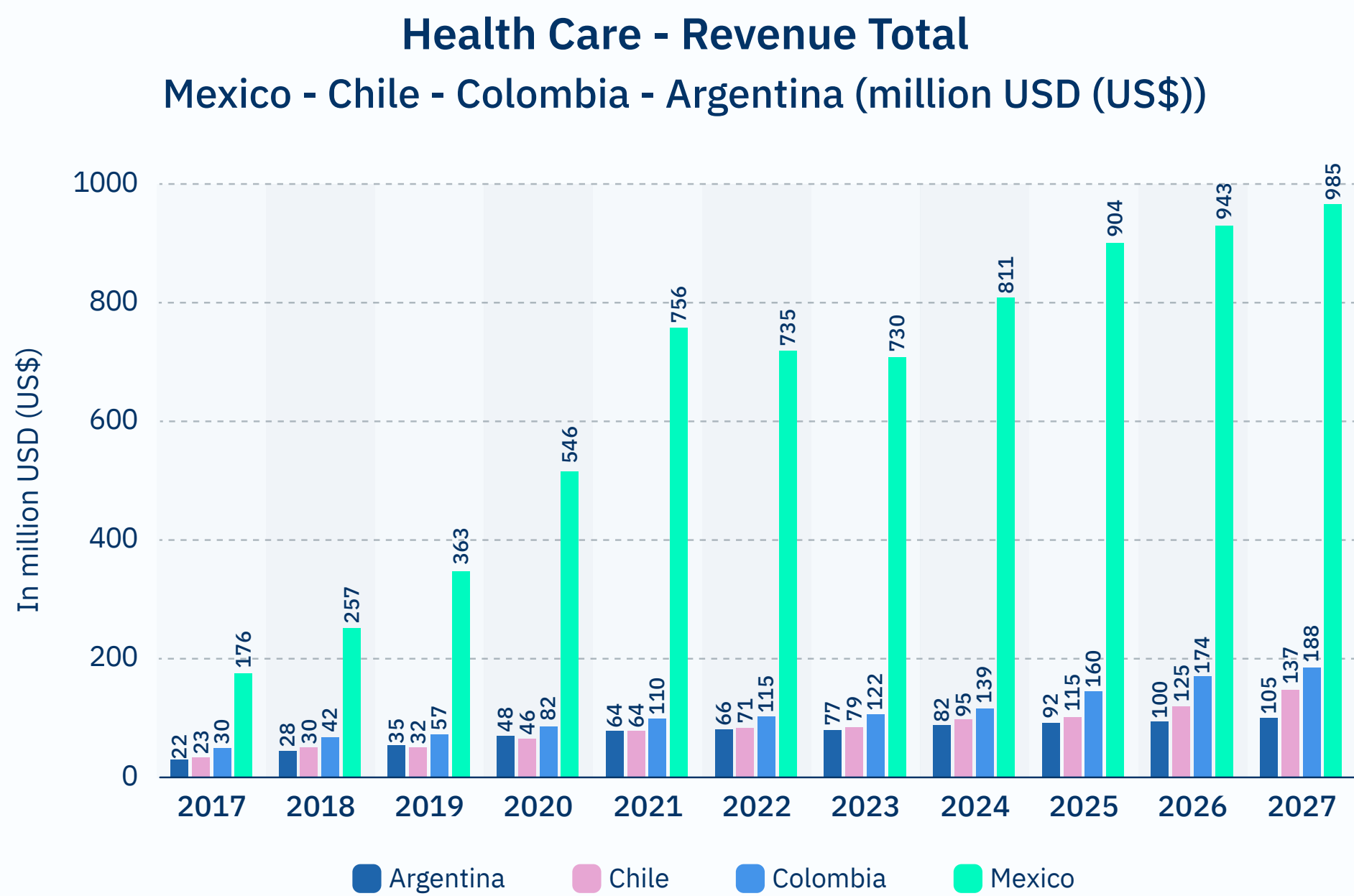
The e-commerce market, the wide range of products on offer, and the pandemic-driven need to prevent disease and improve health **are some of the factors that have led to this new boom** in the Healthcare and Wellness sector.

The **Healthcare** industry, which is more focused on products and services such as over-the-counter medicines, skin care treatments, vitamins and others, is expected to reach **US\$730 million by 2023 in Mexico alone.**



Source: Statista Markets Insights| © Statista 2023

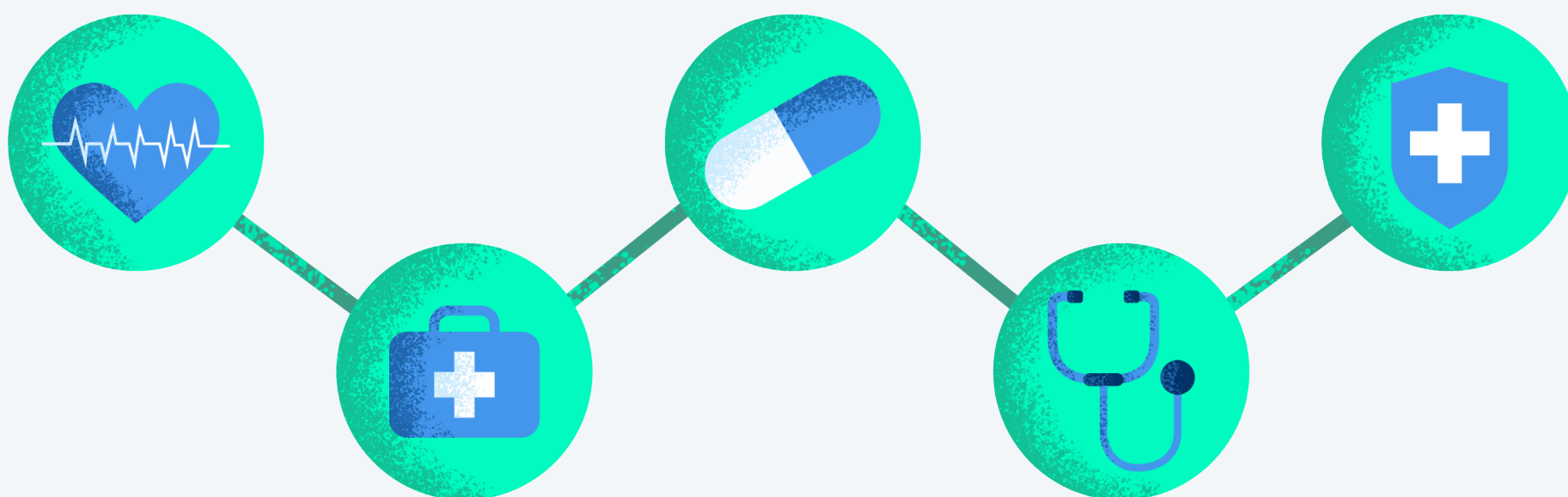
If we compare Mexico's revenue with that of other major Spanish-speaking countries, such as **Argentina, Chile, and Colombia**, the difference is enormous, which places Mexico as one of the main consumer countries in the health care industry in the Hispanic American region.



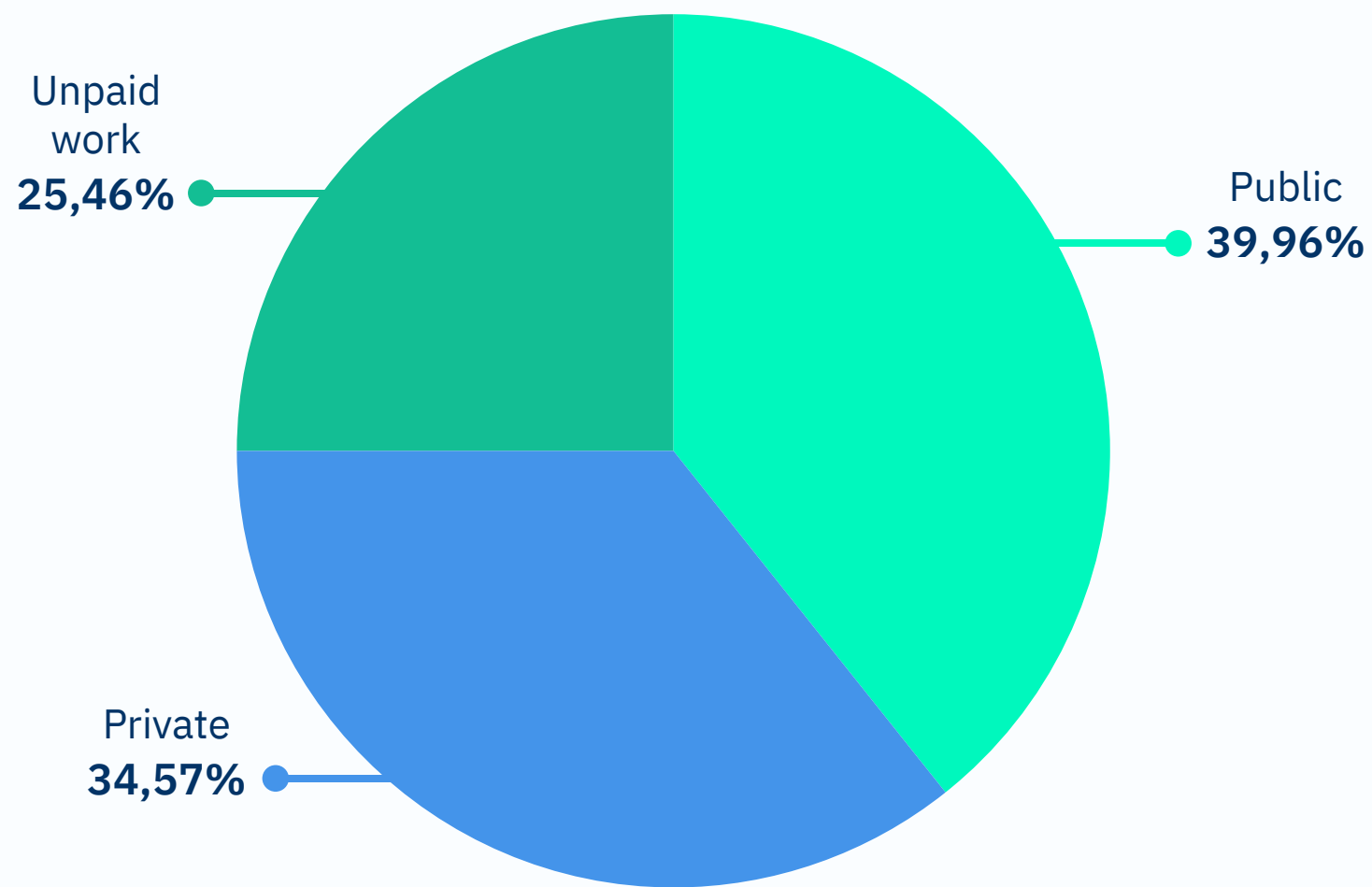
Medical sector

During 2021 in Mexico, a total of **4,995 hospitals** were registered, an increase of around **86 establishments** compared to the previous year. The number of Mexican hospitals **has been increasing considerably** since 2014.

During the same year, the **GDP of health care in Mexico amounted to approximately 1.6 billion Mexican pesos**. Of this, almost 40% went to the public sector, while 34.57% went to the private sector. The remaining 25.5% went to unpaid work.



Percentage distribution of the gross domestic product (GDP) of health in Mexico in 2021, by sector

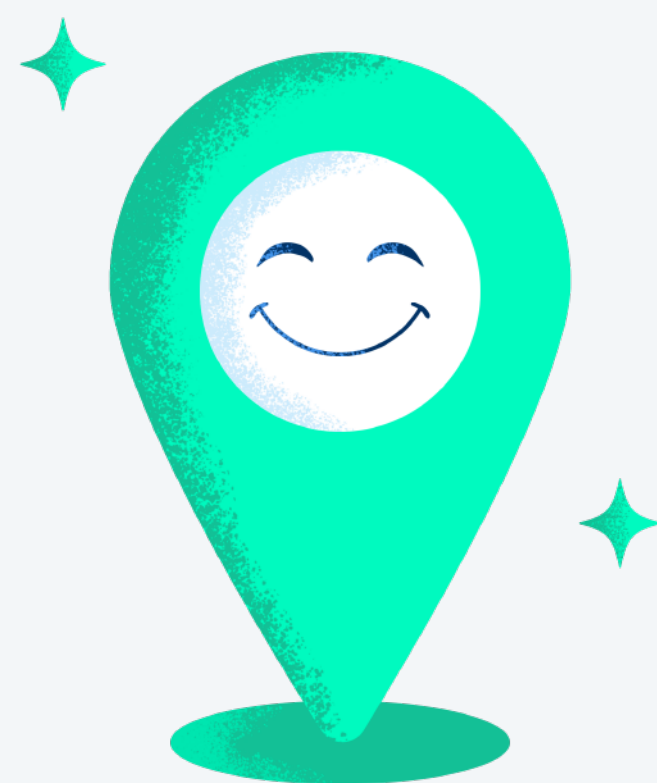


Source: INEGI | © Statista 2023

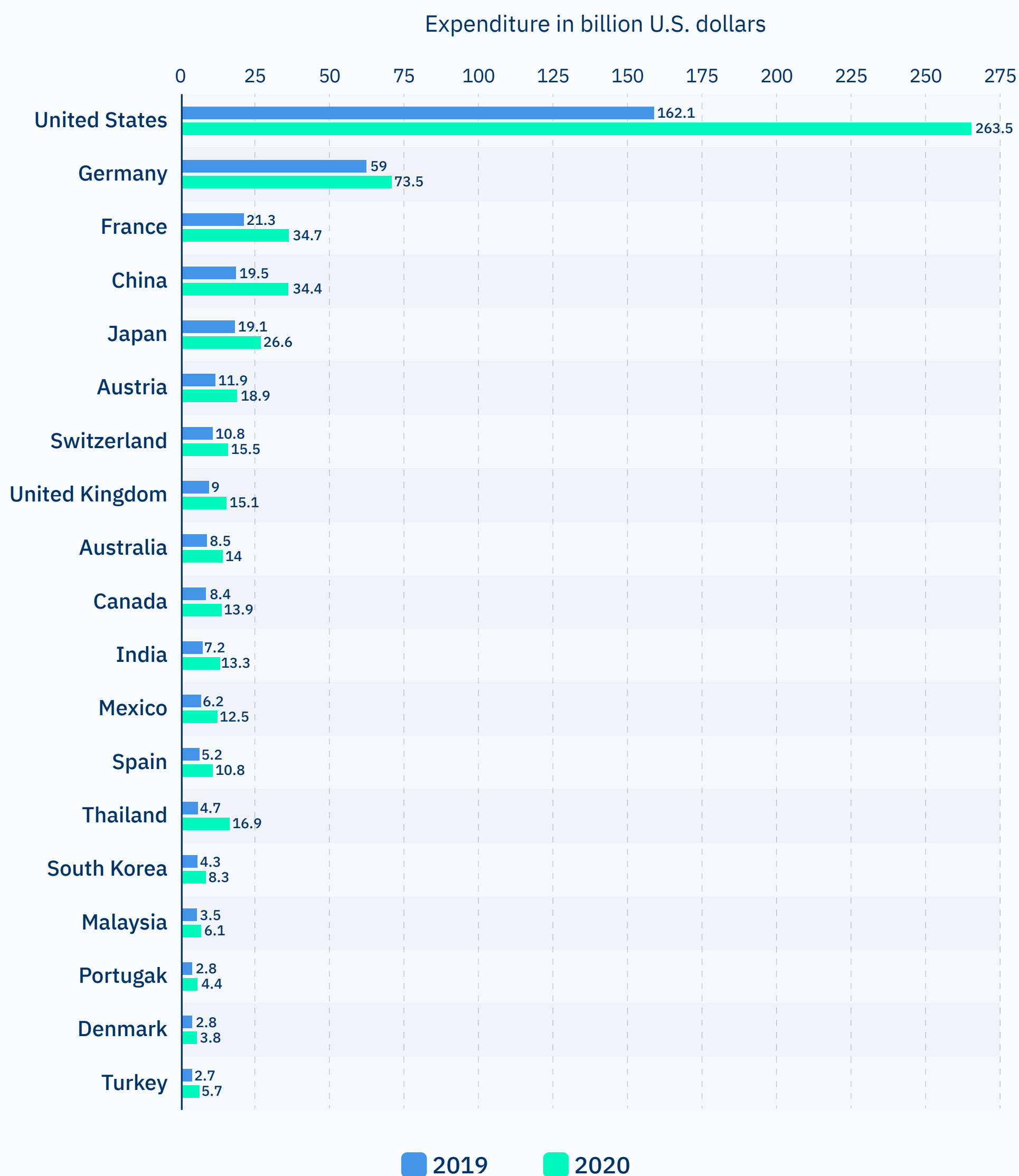
Wellness tourism

Within the world of health and wellness, one of the verticals there is that has gained a lot of popularity is the famous **"wellness tourism"**. Activities such as yoga retreats in paradisiacal locations, training weeks in specialized places or healthy eating retreats have **become part of the tourism offer**.

But, **how much does this market represent?** It is estimated that by 2030, this market is expected to exceed the value of **US \$1 trillion**. In Europe alone, more than 190 million domestic flights were taken for this purpose during 2020. In terms of countries, **the United States is at the top of the list**, with expenditure exceeding **US\$162 billion by the end of 2020**.



Leading countries wellness tourism expenditure worldwide in 2019 and 2020 (in billion U.S dollars)



Source: Global Wellness Institute, Euromonitor | © Statista 2023

And which countries do Americans travel to for this purpose? It is common knowledge that **Latin America** is one of the best known regions in the world for its tourist attractions and currently, **medical tourism has emerged as one of the main reasons to visit this region** in the last decade. This is mainly due to the large difference between Latin American currencies against the dollar or the euro, but also because of the good quality of health services offered by hospitals and clinics in many Latin American countries.

As for the value of medical tourism in Latin America, it is estimated to exceed **US\$8 billion by 2023**, while by **2027**, the estimate is more than double, **at US\$17.26 billion**.

Speaking specifically about countries; **Mexico is the second most popular destination for medical tourism in the world**, with an estimated **1.4 million to 3 million people** traveling to the country in 2020 to take advantage of low-cost treatments, according to *Patients Beyond Borders*.

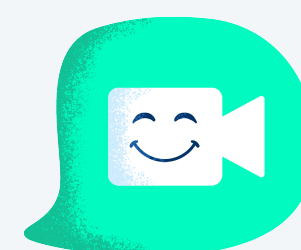
Massages and other services



Another more traditional vertical is the massage sub-industry. **In the United States**, the market size of the massage sector was estimated at **US\$17.3 billion in 2021**. The number of employees in this sector in the same country reached 369 thousand in 2022.

This service also extends to the corporate world, as they are often included in corporate wellness packages. **The value of the global corporate wellness market was approximately US\$54 billion in 2021**. In this segment, Europe leads the market, followed closely by North America, where it is common to find programs such as influenza vaccinations for companies, annual health assessments and corporate fitness competitions.

Virtual wellness



The pandemic severely affected the ability to travel or to provide services such as these, at least in the vast majority of countries. This is why **wellness, sports, and food service apps** have proliferated.

According to Statista's Global Consumer Survey 2022, the most common apps that U.S. citizens spent money on were **fitness, yoga, and workout apps**. The vast majority of the leading applications in this segment are found on the Google Play Store and include in-app purchases.

In the case of **South America**, revenue in the digital fitness and wellness apps segment is expected to reach **US\$1.156 billion in 2023, and that number is predicted to hit US\$2 billion by 2027.**

While in **Mexico** it is estimated that by 2025, **the number of users of fitness applications** will reach **13.8 million**, while the number of **wearable users** may reach close to **six million people. six million people.**

How can Kushki help in the health and wellness industry?

At Kushki, we have **experience** with clients in the health and wellness sector. We help you get **paid efficiently and securely**. Some of **the benefits of operating with Kushki** are:

- ◆ Payment facilities such as Interest Free Months, ideal for patients with high value treatments or procedures.
- ◆ Payment solutions with no technical glitches and problem resolution in the shortest possible time.
- ◆ Time optimization with terminals always connected.
- ◆ Multiple digital and point-of-sale payment solutions.
- ◆ We accept all national and international cards.

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