

Pilates and premiums: how young Australians are changing wellness

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- Health insurance spending among 18–24-year-olds rose 12% in 2025.
- Australia's wellness economy reached US\$126.7bn in 2023.
- Global Pilates bookings jumped 66% in 2025, with Reformer Pilates up 71%.

Cost-of-living pressures may be forcing younger Australians to make tougher choices about where their money goes, but health and wellness hasn't disappeared from the budget.

Instead, health and wellness spending is becoming more selective.

CommBank transaction data shows younger adults have pulled back on some traditional healthcare services, but health insurance spending has grown.

Health habits are changing too, with research pointing to lower alcohol consumption among younger generations, while fitness trends like Pilates continue to surge.

CommBank economist Harry Ottley says the broader change goes beyond simply whether people are spending more or less.

"There's certainly evidence that younger Australians are shifting their consumer habits towards a more health-conscious focus," Ottley says.

Australia's wellness economy packs some weight

Those individual choices underpin a sizeable and growing sport and wellness industry in Australia.

Published last year, the Global Wellness Institute's Australia wellness economy report valued our wellness economy at \$US126.7bn in 2023, making it the 10th largest globally. The market grew 10.9% between 2022 and 2023.

Physical activity accounted for \$US24.2bn, including around \$US3.9bn in fitness services like gyms and fitness centres.

It's a market that Ottley says has changed substantially over time.

"Australians are investing more than ever in their health, but they're doing it very differently to ten years ago," he says.

One clue to that shift can be found outside the gym.

A study using 23 waves of Household, Income and Labour Dynamics in Australia (HILDA) data found younger Australians consumed less alcohol than Baby Boomers after accounting for age and other demographic factors. The research included more than 23,000 Australians and examined drinking behaviour across generations.

Young adults cut back, but not everywhere

Healthcare spending provides another window into how younger Australians are reconfiguring lifestyles and budgets.

The 2025 CommBank Health Insights report found overall healthcare spending among 18-24-year-olds rose just 3.1% over the 12 months to March of that year, below health inflation of 4.1% at the time.

The youngest adults reduced spending on physiotherapists, chiropractors and osteopaths by 5%, and by 4% on both dental services and optometrists.

But while young Australians were cutting back on some services, their spending on health insurance was on a different trajectory.

Ottley says it's a sizeable household cost.

"According to CBA internal transaction data from 2025, the average spend for Australians on health insurance was over \$3,000 per year," he says.

For young Australians, those costs appear to be rising with the Health Insights report finding that health insurance spending among 18–24-year-olds rose 12% over the 12 months covered by the report - the same rate recorded among those aged 75 and over.

Pilates goes mainstream

While some healthcare categories are being squeezed, fitness is producing its own standout trends.

Pilates ranked second in AUSactive's Australian Fitness Trends for 2025–26, behind fitness programs for older adults and ahead of exercise for mental health.

And the momentum extends well beyond Australia.

"This trend doesn't look like it's just an Australian one, with data from ClassPass showing Pilates bookings were up by a whopping 66% in 2025, with reformer Pilates up by 71%," Ottley said.

The ClassPass 2025 Look Back Report found Pilates remained its most-booked workout globally for a third consecutive year, with more than 15 million reservations during 2025.

Wellness becomes a question of priorities

Taken together, the data suggests younger Australians aren't treating wellness as a single category in the household budget.

Some healthcare services have been wound back as cost pressures bite. At the same time, spending on health insurance has continued to grow, younger generations are drinking less than those before them, and fitness formats such as Pilates are attracting increasing demand.

For younger Australians, wellness increasingly looks like a series of choices about where to cut back, what to protect and what remains worth spending on.

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