

## Branding India as a Medical Tourism destination

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### ABSTRACT

*Medical tourism has grown in a number of countries in Asia such as India, Singapore and Thailand, many of which have deliberately linked medical care to tourism, and thus boost the attractions of nearby beaches etc. India has an annual Medical Tourism Expo and it has been predicted that medical tourism will earn India as much as US\$2 billion by 2012. **Creating 'Brand India'** as a whole is essential where regional activities could add flavor to one common purpose. Perception of destination plays an important role and India needs to do a lot to improve the international public's view of it as a viable healthcare destination. Just having few quality accredited hospitals doesn't in itself create an overall high impact image. Medical Tourism industry in India is growing and it has vast potential for generating employment and earning large amount of foreign exchange besides giving a boost to the country's overall economic development. Indian medical tourism is lacking in coordinated marketing efforts. Government should aggressively **promote brand India** especially through its consulates. Government can also consider corporate/ institutional arrangements with governments of other countries where they (governments) are responsible for medical care of their citizens. Indian health care providers should be proactive in identifying and targeting segments in terms of source markets, make extensive network with hospitals, doctors and channel partners of other countries to attract customers.*

**Keywords:** *Medical Tourism, Brand, Nation as a Brand*

## INTRODUCTION

Although physician executives are certainly aware that some patients bypass their hospital, clinic or ambulatory surgery center on the way to the airport to have care in other cities, they may be somewhat surprised to learn that an increasing number of patients are traveling to a wide variety of destinations around the world for medical, surgical and dental care.

Driven by a number of forces outside typical medical referral systems, these "medical tourists" seek modern health care at affordable prices in countries at variable levels of development. Medical tourism is different from the traditional form of international medical care where patients typically journey from less developed nations to major medical centers in highly developed countries for advanced medical treatment.

**Medical tourism** (also called **medical travel**, **health tourism** or global healthcare) is a term initially coined by travel agencies and the mass media to describe the rapidly-growing practice of travelling across international borders to obtain health care.

Services typically sought by travelers include elective procedures as well as complex specialized surgeries such as joint replacement (knee/hip), cardiac surgery, dental surgery, and cosmetic surgeries. Individuals with rare genetic disorders may travel to another country where treatment of these conditions is better understood. However, virtually every type of health care, including psychiatry, alternative treatments, convalescent care and even burial services are available.

Also, ayurveda and wellness services such as yoga and massage at medi-spa resorts may be included in the tally of foreigners receiving health care.

As health care costs skyrocket, patients in the developed world are looking overseas for medical treatment. India is capitalizing on its low costs and highly trained doctors to appeal to these "medical tourists." Even with airfare, the cost of going to India for surgery can be markedly cheaper, and the quality of services is often better than that found in the United States and UK. *Indeed, many patients are pleased at the prospect of combining their tummy tucks with a trip to the Taj Mahal.*

## THE RISE OF MEDICAL TOURISM IN ASIA

Medical tourism has grown in a number of countries such as India, Singapore and Thailand, many of which have deliberately linked medical care to tourism, and thus boost the attractions of nearby beaches etc. India has an annual Medical Tourism Expo and it has been predicted that medical tourism will earn India as much as US\$2 billion by 2012.

## **THE NATION AS A BRAND:**

Any nation can be viewed as a brand as it can be viewed as a compound of contemporary and historical associations that have relevance for marketing. This is commonly accepted, and the notion of the nation as a brand has an instant and even populist resonance. For some brands, identity is bound up with their national affiliation: brands of Swiss chocolate, French perfume, Italian sports cars, and Japanese electronics are instantly meaningful partly because the sponsor nations do function as a brand—a brand moreover that can signify an entire cultural history. The logo of Mercedes Benz is an icon of nationhood, and Mercedes Benz conjures up a certain “idea” of Germany. Even in our history we have seen India was famous for its spices and Maslin (silk).

**Creating 'Brand India'** as a whole is essential where regional activities could add flavor to one common purpose. Perception of destination plays an important role and India needs to do a lot to improve the international public's view of it as a viable healthcare destination. Just having few quality accredited hospitals doesn't in itself create an overall high impact image.

Another major hurdle is poor marketing strategies. Many small-scale Indian healthcare organizations emphasize India as a cheaper destination, but there is a significant distinction in what is cheap and what ‘value is for money’. **India has a long way to go to establish itself as a leading medical tourism brand that can offer high quality healthcare at affordable prices, with an additional pull factor being its attractive tourism activities.** Creating such common objectives is essential and India needs to know exactly what it should be promoting.

## **MEDICAL TOURISM IN INDIA**

Firstly, India has been chosen as a target country due to the favorable estimates provided by leading consultants like McKinsey which revealed that medical tourism in India could become a US \$2 billion industry by 2012 (from US \$350 million in 2006). Likewise, a study by Credit Suisse, FICCI-Ernst and Young, estimates medical tourism to be growing at 25-30% annually primarily due to: the low treatment cost in India (20 % of the average cost incurred in the US, Singapore, Thailand and South Africa); rising consumerism; globalization and changing lifestyles (AHEL, 2009).

India, Malaysia, Singapore, and Thailand are well-established destinations for medical tourists seeking cardiac surgery and orthopedic surgery (Kher, 2006; Macready, 2007). Medical services in India are particularly affordable, with prices as low as 20% of those in the United States with the medical tourists availing elective procedures such as: cosmetic surgery; dental procedures; bariatric surgery (for weight loss); assisted reproductive technology; ophthalmic care; orthopedic surgery; cardiac surgery; organ and cellular transplantation; gender reassignment procedures; executive health evaluations along with alternate therapies like yoga, Ayurveda, aromatherapy and acupuncture (Kher, 2006; Konzept Analytics, 2008).

India's potential is huge," says Mehta of PwC. "Some 80% of foreign patients coming to India are from the neighboring countries and from Iraq, Afghanistan, the former Soviet Union, etc and now increasingly from Africa. But now with India proving itself as a credible provider of value health care, the western population ageing, and health care becoming more difficult there, it is expected that more people will come from the U.S. and the U.K."

Additionally, Medical Tourism may be categorized as: *outbound* where patients travel abroad for medical care; *inbound* where foreign patients travel to the host country for care and *intrabound* where patients travel domestically for medical care (Deloitte, 2009). The difference in treatment costs can be considerable; for example, the cost of an elective coronary artery bypass graft surgery is about \$60,400 in California, \$25,000 in Mexico, \$15,500 in Thailand , **\$10,000 in Wockhardt, India and only \$6,500 in Apollo, India** (Milstein, 2006b). Hence, cost-conscious patients choose to accept the inconvenience and uncertainties of offshore healthcare to obtain service at prices they can more comfortably afford.

Consequently, medical tourism results in –

- Export-led economic growth
- Foreign currency earnings from international patients translating into output
- Jobs and income for people
- Improvement of the public health systems

Supplemented by other factors such as low cost of administrative and medico-legal expenses; medical visas being issued in lieu of travel visas for patients allowing an extended stay for medical reasons.

**English being widely spoken due to India's history as a British colony and enjoying a favorable Government support, Medical Tourism seems to be a promising sector for India (Economic Times, 2005).**

## **TOURIST ATTRACTION IN INDIA**

India is a country known for its

- Lavish treatment to all visitors, no matter where they come from
- Its visitor-friendly traditions
- Its varied historical monuments, statues, architectures
- Varied life styles and cultural heritage and colorful fairs and festivals held abiding attractions for the tourists
- The other attractions include beautiful beaches, forests and wild life and landscapes for eco-tourism; snow, river and mountain peaks for adventure tourism; technological parks and science museums for science tourism
- Centers of pilgrimage for spiritual tourism

- Heritage, trains and hotels for heritage tourism
- Yoga, Ayurveda and natural health resorts and hill stations also attract tourists

The Indian handicrafts particularly, jewelry, carpets, leather goods, ivory and brass work are the main shopping items of foreign tourists. It is estimated through survey that **nearly forty per cent of the tourist expenditure on shopping is spent on such items.**

### **CHALLENGES AND ISSUES FACED BY MEDICAL TOURISTS IN INDIA**

There was a significant gap in expectations and experience of the medical tourists. The most dissatisfied area is the cost of treatment. While cost of medical procedure is a source of advantage, other costs are perceived as a deterrent. Quality of treatment was the most important factor followed by ease of access. Shorter waiting time is a plus point for the Indian medical tourism. Nobody is doubtful about the competence of doctors. And this is one of the major reasons for the inbound medical tourists. Most of the tourists found skills and qualifications of the doctors beyond their expectations. Competence of doctors and nursing staff is a source of competitive advantage. Nursing care staff is also rated as quick and responsive.

Facilitation and care, competence of staff, and professionalism in the management of hospitals are other concerns of tourists during the procedure stage. The experience fell short of expectations in all these cases. Challenge comes from difficulty in case of non-medical staff to converse with non-English speaking customers. Customers are also not comfortable with the lodging and boarding arrangements for accomplice and self. There are a large number of middle men are involved here who are lacking of responsibility and accountability and this cause a large number of medical tourists being cheated by them. Policy and administration of medical visa also does not appear to satisfy the tourists. While the costs of medical procedure are acceptable, there is a general perception among the current segment that other costs (especially lodging and boarding) are costlier.

### **CONCLUSION**

Medical Tourism industry in India is growing and it has vast potential for generating employment and earning large amount of foreign exchange besides giving a boost to the country's overall economic development.

Medical tourism is a multi-dimensional activity, and basically a service industry, it would be necessary that all wings of the Central and State governments, private sector and voluntary organizations become active partners in the endeavor to attain sustainable growth in tourism if India is to become a world player in the medical tourism industry. However the competition is getting heated up and the success in future will largely be determined by development and implementation of a joint strategy by various players in the industry. Medical tourism is highly affected to travelers, hospitals, insurance companies, hotels etc., considering direct and indirect impact of medical tourism.

- Indian medical tourism is lacking in coordinated marketing efforts. Marketing is rather directionless and does not result in synergy
- Government should aggressively **promote brand India** especially through its consulates. To begin with vernacular brochures must be made available to end customers in different parts of the world through consulates and tour operators.
- Government can also consider corporate/ institutional arrangements with governments of countries where they (governments) are responsible for medical care of their citizens
- Indian health care providers should be proactive in identifying and targeting segments in terms of source markets, medical specialty etc. and engage extensively with source markets: say network with hospitals, doctors and channel partners to attract customers
- Government should emphasize on the excellent quality of medical service with less waiting time and personalized services
- Indian hospitals should also aggressively pursue institutional arrangements with insurance companies particularly from west. This will also allow them access to the captive customers of these companies. Service providers should experiment with bundling cultural and other tourism products with healthcare
- An endeavor should be attempted to make entire process starting from getting medical visa, medical treatment & afterward the tour and finally going back to his own country a smooth memorable experience

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