

MEDICAL TOURISM – GENESIS, GROWTH AND STRATEGIC MANAGEMENT OF ITS COMPONENTS

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ABSTRACT

The dissertation explores the advantages and disadvantages of globalization of the international healthcare market place facilitated by the General Agreement on Trade in Services (GATS), a treaty of the World Trade Organization with regard to the Medical Tourism Industry of India (MTI). Few multiple case studies of the multi-specialty hospitals in India, namely Indraprastha Apollo Hospitals, FortisEscorts Heart Institute, Fortis Hospital and Hiranandani Hospital with in depth interviews of the senior healthcare managers have been conducted. The parameters explored include the advent of medical tourism in these hospitals; the key growth drivers; opportunities; challenges; business strategies adopted to attract international patients; countries targeted; reasons for reverse brain drain of skilled professionals and flow of medical tourists to a developing country like India.

The study indicates that available published literature is mostly focused on the flow of medical tourists from western countries like the UK and USA to India, whereas primary research shows that the flow is primarily from other catchment areas like the South Asian Association for Regional Cooperation (SAARC), Commonwealth of Independent States (CIS) and parts of Africa. A potential gap is observed between the published data and the research conducted.

While the MTI holds abundant opportunities, there are potent challenges such as ethical and litigation issues, post-operative complications upon return to the home country and public-private healthcare inequity due to migration of skilled staff from the public to the private sector. There is an exigency of greater government participation to give the medical tourism industry an infrastructure status aimed at making it as lucrative as the Indian IT industry.

ABBREVIATIONS

1. AIIMS – All India Institute of Medical Sciences
2. AVP – Associate Vice President
3. CIS – Commonwealth Independent States
4. FDI – Foreign Direct Investment
5. GATS- General Agreement on Trade in Services

6. GDP – Gross Domestic Product
7. ICU – Internal Care Unit
8. IMTA- Indian Medical Travel Association
9. IPS – International Patients Services
10. JCI – Joint Commission International
11. MDA - Market Development Assistance
12. MTI –Medical Tourism Industry
13. MTQUA - Medical Tourism Quality Alliance
14. NABCB - National Accreditation Board for Certification Bodies
15. NABH - National Accreditation Board for Hospitals and Healthcare
16. NAHT- National Association of Health Tourism
17. NASSCOM - Nationwide Association of Software and Service Companies
18. NGO- Non Governmental Organisation
19. NHS – National Health Society
20. SAARC - South Asian Association for Regional Cooperation
21. UAE – United Arab Emirates
22. UK – United Kingdom
23. USA – United States Of America

INTRODUCTION

1.1 Background

More than five million patients a year, travel to another countries in search and use of medical treatments that may be tooextravagant, too conceded, difficult to reach, or might not be even available in theirnative countries. This process of travelling to other countries to avail medical treatments is referred to as “Medical Tourism”. The reason for people travelling for medical treatments to other countries is not at all close to leisure purposes. The travellers from all over the world mainly from the developed countries travel to developing countries in search of medical treatments. The developed countries such as the UK, US and Europe host a large number of medical tourists travelling to Asian countries such as Thailand, Singapore, Malaysia and India. (*Bookman & Bookman, 2007; Hopkins et al, 2010*).

The medical tourists seeking medical treatments from the US mainly travel to countries such as Brazil, Mexico and other Latin American countries. Many medical tourists originating from developed countries also look for medical treatments in other developed countries, for instance, Americans seeking medical treatments often visit Canada for this purpose. A large number of women from UK travel to Czech Republic, where it is much easier to find donated eggs than in other countries. Italians also travel to countries like Switzerland for sperm donation and to Spain for egg donation.

It has been researched that out of all the medical tourists from all over the world, 50,000 are from the UK. A large chunk of medical tourists also originate from the United States. The term “Medical Tourism” is not new; it has existed in various forms from a very long time. Moreover due to globalisation, the demand for medical tourism has been on rising side. As per *Hancock (2006)*, medical tourism is one of the fastest growing industries in the world. A bigger number of travellers are at the blink of an eye wandering out international destinations to get eminent restorative treatments for lesser costs, which fuse medications on treatments such as general surgery, transplant surgery, ailment treatment, youthful microorganism medicines, dental addition, facial supplement, and liposuction. More than 50 countries around the world are propelling packages that join medical treatments close by delight. It is important to note that the medical tourism industry has changed the health insurance industry as well and has set another benchmark for a few countries. Both developed and developing countries are considering placing assets into their establishments to keep a centre of the commanding contention.

1.2 MTI in India

In 2004, Howard Staab, a 53-year-old woodworker living in Carrboro, North Carolina, found that he required heart surgery to supplant a mitral valve. At the same time, he realised that, he had no wellbeing protection. In the wake of examining with Durham Regional Hospital, he was informed that the aggregate expenses of the technique would be \$200,000. Rather, he chose to make a beeline for Delhi, India where the expenses for the surgery and every single related expense including a three-week stay in the doctor's facility and airfare was just shy of \$10,000. This is a commonplace illustration of Medical Tourism, whose advancement can be followed back to the mid 1990's when well-to-do buyers from creating nations headed out to industrialized nations for medical treatment.

1.3 Research Objectives

This research focuses on providing knowledge on medical tourism in India. India is one of the popular destinations for medical tourists and has been getting huge number of tourists seeking medical treatments since the year 2000 and is at its highest peak of development for its medical tourism industry. The health insurance industry in India is becoming one of the highest wealth creators lately. The medical industry in India had a growth rate of 16% in the 1990s and is expected to reach \$50 billion by the year 2015. It is estimated that a huge chunk of this income rise will be because of the developments taking place in medical tourism industry of India. Since the beginning of the new millennium, the year 2000, almost 150,000 patients from all over the world have been coming to India regularly for acquiring different types of medical treatments. This number almost tripled in the year 2005. India represented almost 50% of all the medical tourist's related revenue received by all the Asian countries in the year 2012 making it the ideal destination by international patients for medical tourism.

At present, after Thailand, India is at the second place in the number of medical tourists it has attracted since the beginning of the 1990s. Similarly, India was also one of the first country's to progress medical tourism as an industry by providing exceptional medical services to tourists. These offerings incorporate propelled, high tech therapeutic care, for example, heart surgeries, dental methods, and hip re-emerging and also more all-encompassing types of treatments such as Ayurveda, yoga and spa treatments. The exploration outline incorporates essential and optional information gathering. The literary evaluation in terms of medical tourism relating specifically to India, gave supplementary information with respect to the past as well as present patterns in medical tourism industry, an intellectual capacity of which will collectively support in analysing future strategies in the business. This theory test gives data to nationwide therapeutic visitors on medical tourism which helps the visitors to reasonably choose their medications and understand the reasons behind their medications. This study is based on the following research questions:

“What are the possibilities and difficulties of globalization of medical care with respect to the medical tourism in India?”

To be able to deal with this question, the following sub-questions will be considered by introducing research of Indian multi-specialty medical centres and hospitals and an evaluation of the current literary works on the topic.

What are the aspects generating the healthcare visitors to India?

The source of medical tourism and the aspects generating medical visitors from developing nations such as the UK, USA and nearby countries to India will be researched.

What proof prevails about the possibilities and difficulties of medical tourism in India?

It will include an evidence-based study of the most preferred medical techniques and a critical research of the possibilities and difficulties to this industry.

What are the affects of globalization on medical care policies and its revenues with respect to medical tourism industry in India?

The need for policy formation to control the medical care tourism sector will be examined.

What changes can be made to the Indian Healthcare system as a result of this analysis of the medical tourism industry?

Recommendations for policy makers, future scientists and a developing country wanting to practice the medical tourism industry to boost their economy will be offered to meet the difficulties of this market.

What are the reasons behind healthcare tourists from all over the world choosing for therapies in India? What are the challenges faced by healthcare tourists before arriving as well as during their stay in India?

Reasons why tourists search for therapies in Indian and what difficulties they experience regarding this.

With the motive of gathering detailed information on medical tourism, visitors and the services provided to them, highly skilled doctors and faculty members of multi speciality hospitals were considered as participants. The hospitals are situated in Delhi, Mumbai and Bangalore in India. Every city is connected with an international airport and English is generally spoken in all the three cities.

1.4 Rationale behind the research

The inspiration driving this subject can be credited to the International Healthcare module, wherein the reasons for globalization of medicinal services were investigated. The point of this exploration is to comprehend the effect of globalization regarding the Indian restorative tourism division. Firstly, India has been picked as an objective nation because of the good gauges gave by driving specialists like McKinsey which uncovered that, the medical tourism in India could turn into a US \$5 billion industry by 2016 (from US \$350 million in 2006). In like manner, a study by Credit Suisse, FICCI-Ernst and Young, gauges therapeutic tourism to be developing at 25-30% every year essentially because of the low treatment costs in India (20 % of the normal expense brought about in the US, Singapore, Thailand and South Africa); rising consumerism; globalization and evolving ways of life (AHEL, 2009). Besides, inferable from the creator's recognition with the nation and the allowed access, a voyage to India was sorted out to direct meetings of the leaders of the International Patients Service (IPS) divisions of the multi-speciality hospitals. These hospitals were decided for their clinical brilliance and to have a phenomenal meticulousness of the specimen as they have been licensed by national and global bodies, for example, Joint Commission International (JCI) and National Accreditation for Hospitals and Healthcare (NABH).

1.5 Dissertation structure

This investigation is divided into four sections. The first chapter provides an introduction to the topic of medical tourism. The second chapter talks about the literature review with some theoretical frameworks, followed by an examination of the chosen research methodology in the third chapter. The fourth chapter lays down a foundation for the research topic and discusses the research question and purpose of this dissertation and comprises of the case studies of the multi-specialty hospitals in India with an analysis of the results and recommendations arising from this study. The fifth chapter lays down future market propositions for MTI in accordance with research study conducted. Lastly, the sixth chapter gives a sound conclusion to the study.

LITERATURE REVIEW

In recent times, Medical Tourism is amongst the rapidly expanding industries around the globe. Medical Tourism is “*the fast emerging manifestation of global commercialization of health care*” (Hopkins, 2010). It is a multibillion dollar industry and the highlighting factor here in this case is the sponsorship of this industry by the foreign governments, the medical and the tourism industries collectively. Although various forms of medical tourism are decades old but the medical tourism emerged in the 21st century is distinct in its own manner. The main features of this chapter are to offer variety of aspects on the historical and contemporary background of Medical Tourism as a way of determining the theoretical aspect in relation to this theory.

2.1 Background of Medical Tourism

Even though, medical tourism is an upcoming notion, but it has its beginning and heredity in history of travel and tourism. The extraordinary accomplishment of ancient Roman era which allowed travelling on roads impacted not only tourism but health tourism as well. The spa tourism then kept on expanding during the Middle Ages helping the high class with plenty of spa resorts all over the European continent with thermal and mineral water. Even sea bathing also evolved as a healthy form of recreation. Although health tourism was first planned as a profit making commotion in the year 1973, these movements intended at health and leisure time as a way of avoidance from day to day work and anxiety (Bookman & Bookman, 2007).

The conventional form of the course of medical tourists illustrates patients travelling from less developed countries to more developed countries, where level and quality of medical treatment was more highly developed. However, this stream maintained the rich and wealthy people, who had the ability to get expensive treatments in renowned and reputable hospitals. Nowadays, the stream of medical tourists is in both directions (Gill & Singh, 2011). It can also be debated that the current drift mainly sustain travel from developed to developing countries where economic profits are obtained, which appear to affect the volume of this form of Industry. It has also been highlighted that the market for out of country care, importantly the flow of patients from developed north to the developing south is apt to rise (Hopkins et al, 2010).

The determination of the stream of medical tourists is difficult because of the missing basic classification and precise statistics. Today, the medical tourism industry is estimated to be worth USD 100 Billion. Medical tourism as an industry includes about fifty countries out of which Asian countries are the leading ones (Naranong, 2011). The United Nations world tourism organization also states that developing countries such as Asia, Latin America, Central and Eastern Europe, eastern Mediterranean Europe, the Middle East and Africa will receive more international tourist arrivals than the advanced economies by the year 2015 and further on. Moreover, North East Asia will be the most popular visited sub region in the world with 16% of total arrivals by the year 2030. These statistics also supports the capability for the developing medical tourism market as these

countries try to focus on travellers via medical tourism along with other types of tourism activities. Before moving on to defining medical tourism, the idea of health tourism must also be taken into consideration, as medical tourism is a result of a health seeking outlook, although it can be seen as contradictory from the idea of health tourism.

Some authors tend to use the phrase “*Health Tourism*” even when referring to medical tourism. It might be due to the period when the experience of looking for precise medical treatment abroad was limited just to rich and wealthy individuals and due to their small market it was classified under the extensive and better known term of health tourism. However this may be confusing, nowadays as there are major dissimilarities between the ideas of various health related treatments taken abroad. On the other hand, health tourism still works as an umbrella term that uncovers all types of health related tourism. The term ‘*Health Tourism*’ can be defined as a commercial trend of industrial society which engages a person travelling away from the general home environment for the common purpose of preserving or improving health, for which promotion of services and destinations look for providing such benefits. This definition although does not give a complete approach for the term medical tourism as it does not point out purposely the curing and treating features and it fails to highlight the various push elements that appear when taking into consideration a rather medical based treatment. For instance, there is a big difference between travelling for a plastic surgery abroad as compared to travelling abroad for a thermal water treatment that helps to cure a disease like asthma. The term health tourism in fact may be used as an umbrella expression uniting all features of health care from spa and wellness tourism to medical care, but with an alertness of treatment varieties and their various advantages involved (Bristow, 2011; Lunt & Carrera, 2010).

Hall (1992) lists five elements of health tourism by recognizing components of demand, whereby medical care is one of the types. It entails that sun and fun activities are the most leisure related kind where travellers are less concerned about illnesses, but might travel to a seaside resort thinking that salty sea air has a good influence on their health. The interest and demand squeezes and identifies definite health related activities, and thus contracts the market. The term medical treatment is the most undersized element where specific requirements and functions play an important role.

2.2 Origin of Medical Tourism in India and International Sphere

Medical tourism at present is considered to be a multibillion dollar industry. As per McKinsey and company, the medical tourism industry was almost \$ 100 billion in 2012 (Hansen, 2008). Apart from the recent popularity, medical tourism dates back decades ago (Hancock, 2006). In ancient times, people travelled to other places to get treatments from ailments such as muscular injuries, arthritis and skin conditions. They used mineral springs every day because of their natural healing capabilities. Many people in earlier times used to visit rivers such as Ganges, Jordan and Nile to be purified physically and spiritually. Nowadays, Ganges is a popular holy river where Hindus bathe to get purified. The Dead Sea in the Middle East also has remedial qualities and has been visited by

people from all over the world. In the ancient times, wealthy people travelled to medicinal spas and mineral springs for healing purposes because of the low sanitation of Europe (*Cook, 2008*).

In the 1990s, spas in European countries were mainly popular for medical tourism whereas nowadays it has become more customised, both geographically and technologically. The medical tourists travel around the world to distant locations in search of their required medical treatments. There are more than 50 countries across the globe in which Medical Tourism has been identified as a national industry. In the past, rich class inhabitants of the developing nations used to visit the US and the European nations for their medical treatments, meaning thereby that they were captivated to travel to the western countries to get highly progressive medical treatments which were not available to the patients in their native countries. But now, there is a significant change visible in this pattern. The current status is that people from developed nations travel to foreign land which are the developing nations such as South Africa, Thailand and specially India for their medical treatment and notably all these medical tourists acquire highly progressive medical treatments.

Most of the hospitals that offer and promote medical tourism are within lower and middle economy countries, which means that a favourable exchange rate have provided them a competitive advantage in inviting price conscious patients from all across the globe. At present, India as a nation is coming out as a vanguard in the Medical Tourism industry. In 1990's, the era of globalization gave a new booming birth to Indian economy and, India became a popular destination for outsourcing not just the information technology industry but also for medical treatments. Consequently medical tourism industry in India has not just become a trend but also a business sector (*Schult, 2008*). This further lead to a new development in the Indian immigration system, the Indian government launched a new travel visa which helped the foreign visitors to stay in India for the period of their treatment and could be extended for a period up to 1 year which was not possible with the earlier tourist visa for India. There are a lot of factors that adds value to India as a destination for Medical Tourism. This includes years of experience, westernised trainings of medical care providers, massive network of highly equipped technology based privately owned hospitals and the progressing pharmaceutical industry. In India, there is high impact of sponsored medical education. The statistics show that almost 30,000 physicians and nurses graduate from Indian Medical Institutes every year. The western training apart from Indian education in addition to the modern advanced technology and globally conversation in English has helped India in becoming the most wanted destination in terms of medical tourists from all across the globe. The Indian surgeons and doctors are quite experienced in certain medical procedures due to high volumes of patients. For example, the hip resurfacing surgery is a good example to be referred here in this case for a reason that it is in practise for many years. Currently India is acting as ocean of surgeries in the areas covering cosmetics, cardiac care, neurological and orthopaedic and even in joint replacements. The rapid and continuous growth in the Indian pharmaceutical industry adds to the popularity of India as a nation for medical tourism destination. The Indian pharmaceutical industry is quite self-sufficient in a way that it exports drugs in other countries in return for a small part of the cost to the foreign nations across the globe.

Currently India is at the fourth position in the world, manufacturing about 8 percent of the total world's pharmaceuticals (*Pharmaceuticals Export Promotion Council of India, 2009*).

2.3 Theory of Medical Tourism

Broadly speaking, medical tourism means travelling across national borders with the motive of improving one's health (*Bookman & Bookman, 2007*). There are a lot of definitions according to which medical tourism means medical treatment via travel, at the same time there is no collective view on the types of treatments involved. For this theory, the widespread and holistic definition is appropriately provided by Reddy (2010) can be used which says "*Medical Tourism is defined as the act of travelling abroad to acquire different types of health and wellness related treatments*". There can be variety of different range of treatments. These treatments range from highly difficult heart surgeries, hip resurfacing and plastic surgeries to less persistent treatments such as dental treatments and even wellness therapies such as massages and spa therapies. It will not be wrong if we say that health care has been viewed as the primary motive of travel as per this definition.

A lot of elements lead to medical tourism's increasing attractiveness, and one of the biggest factors is the affordability of medical treatment by foreign patients. A research shows that the amount that a patient pays in the US or UK for a surgery costs him a fraction of that amount in developing countries such as Thailand and India. For instance, a heart operation in the US would cost a patient \$40,000, whereas the same treatment in India would cost him only \$10,000 including air tickets, accommodation and food for a period of one month. One of the other reasons for rising popularity is that patients feel that they can also relish an international holiday while travelling abroad. A research by Pafford (2009) stated that nearly 40% of healthcare customers in America are willing to travel abroad for medical purposes. Nowadays, a number of medical tourism companies also offer packages to patients, in which they organise the entire trip for them together with booking their flight tickets, airport pickups, lodging and everything else required by the patient depending on the nature of the surgery or treatment and location. A number of multi-speciality hospitals catering to medical tourists all over the world build their patient rooms more alike those in a hotel rather than a hospital. A lot of patients that undergo intensive surgeries often spend time in resorts to relax and recover.

2.4 Prospects of MTI in India

There has been a high growth of the medical tourism industry in India. As a result, highly educated and trained medical professionals wish to remain and practice their services in India itself rather than moving to developed countries in search of looking for better careers. One of the reasons for this is the ability to operate unconventional medical treatments like hip resurfacing, which have not yet been permitted to be practiced in developed countries. The other reason which has led to the increase in the number of medical tourists, is that some people from developed countries prefer to avoid the healthcare services offered in their own countries and travel to less developed countries all over the world to get a selection of medical treatments which are much reasonably priced as compared to their own country (*Horowitz, 2007*). As a result, regional and national governments in India, Thailand,

Singapore, Malaysia, Philippines and Indonesia regard MTI as a significant basis for economic and social development (*Mudur, 2004; Kuan, 2006*). The variation in treatment costs can be significant. Hence, cost-conscious patients choose to accept the inconvenience and uncertainties of offshore healthcare to obtain service at prices they can more comfortably afford (*Lancaster, 2004; Kher, 2006*).

The medical tourism industry can also be referred to a mechanism for supporting the overexerted healthcare systems of developed countries. A research has indicated that there are more than 50 million people in the United States who do not have a medical insurance, not enough medical coverage and even those who are restricted to Medicare (*Aston, 2006; Milstein and Smith, 2006a; Horowitz, 2007*). Moreover, people opt for MTI in order to escape the painfulness of long waiting lists to get medical treatments in their own countries. Many people also travel to other countries to get treatments such as dental reconstruction, cosmetic surgeries and fertility treatments which are not included in the national health services of countries such as Canada and UK and cost a huge amount if taken privately. The Stem cell therapy is another treatment for which patients travel to other countries as it is not practiced because of ethical reasons in most of the developed countries (*Breen, 2007*).

Transplant tourism is another practice that has contributed in the increase in the numbers of people travelling to other countries, as the shortage of human organs supply forces people to travel to other countries in order to obtain organ transplants (*Batson & Oster, 2007*). The patients seeking discrete medical treatments such as reproductive treatments, drug rehabilitation and plastic surgeries also choose MTI (*Blyth, 2005; Burkett, 2007*). A lot of patients also opt for MTI as they get customised medical care because of the cheap labour in developing countries and also travel to exotic locations which can be regarded as a healing process for their medical treatments (*Burkett, 2007*). A recent research has shown that a number of organisations listed in the *Fortune 500* list of companies have been evaluating the prospects of outsourcing costly medical procedures and treatments to other medical tourism countries to reduce the financial liabilities in terms of employee healthcare services (*VanDusen, 2007*). As a result of this, the health insurance industry also has a huge potential for growth as foreign insurance companies are likely to invest in it (*Asher, 2007*).

A number of insurance companies are expanding globally to include doctors and physicians from all over the world. It is also anticipated that a huge portion of employer's healthcare plans will include worldwide medical centres (*VanDusen, 2007*). It has also been anticipated that if MTI keeps growing quickly, insurance companies can take advantage of its low cost treatments and start offering low price premiums to people and start sending them to other countries for medical treatments and services. Therefore, healthcare policies can be customised in order to meet the patient's financial status and needs. Bookman (2007) considered medical tourism as a crucial component of a country's economic growth by export, as the foreign currency spending of patients from all over the world

transforming into jobs and revenue for developing countries which in turn will help the governments of these countries to improve their public health systems. It is significant to note that support by other factors such as cheap legal and administrative charges for medical treatments, government issuing medical visas instead of travel visas for medical tourists which allows them to stay longer for medical reasons and English being spoken all over in India, makes it a favourable destination for medical tourism.

2.5 Challenges faced by MTI

One of the biggest challenges faced by the MTI is the trend of “crowding out” wherein the availability of medical healthcare has been decreasing for the local population of the native country. It has also been stated that revenue generated by developing countries offering medical services to foreign patients can be utilized to increase the availability and level of care available to the citizens of these countries (*Mattoo & Rathindram 2006*). However, it has been argued that MTI might critically undercut the care of local residents by negatively disturbing the healthcare workforce allocation. *Herrick (2007)* addresses globalization as “*commoditization of worldwide healthcare*” where the redirection of economic resources to sustain the foreign care industry has a negative impact on the local health care as the lower income group has less access and longer waiting time for health services. Therefore, instead of adding to broader social and economic development, the specification of care to patients from other countries may worsen prevailing unfairness and further polarize the richest and the poorest members of the society (*Sengupta and Nundy, 2005*).

It has also been estimated that the Indian healthcare system will be twice in terms of value by the year 2012 and quadruple by the end of 2017. The healthcare expenditure in India is estimated at over 5% of the country's Gross Domestic Product (GDP) of which only 20% is offered by the government. This shows that the public healthcare is not only weak but also under used and incompetent. Likewise, it has been argued that increasing dissimilarity in healthcare access across private and public systems supports a domestic brain drain which means migration of healthcare professionals takes place from public to private sector and raises dualism in the healthcare system of India. It has also been feared that remunerative MTI may increase at the cost of the treatment of common diseases such as AIDS, tuberculosis and malaria, thus ignoring half of the disease burden in India which are mainly infectious diseases. Therefore, it has been stressed that the want for the governments of destination countries to practice and implement suitable macroeconomic redistribute policies to make sure that the local residents of these nations essentially understand the possible advantages of the MTI.

In accumulation, there is a growing factor of opposition for India for medical tourism income from other Asian countries such as Thailand and Singapore. Therefore one of the key problems for the host hospitals is the idea of effective marketing to the developed countries providing pioneering concepts like a holistic medical service and tourism package. *Bookman (2007)* stated his fears on the

reliance of the developed nations on developing nations for healthcare provision. Adding up, it has also been argued that if a reputable model of MTI with the niche market which attracts exact patients for designated procedures can be pursued by all developing countries and if numerous developing countries come into this industry, the over dispersion of healthcare services would lead to high price cutting to the loss of the level of quality of healthcare.

2.6 Medical Tourism – Destinations and Treatments

Gahlinger (2008) stated that approximately fifty countries in the world enthusiastically market and promote medical tourism. A huge amount of tourists wanting to acquire medical treatments are from developed countries whereas the key destinations that are known for medical tourism are developing countries. The huge chunk of these medical tourism destinations are in Asia and Latin America. Some of the major countries in Latin America are Cuba, Mexico, Venezuela and Brazil and some of the key countries in Asia are China, India, Thailand, Malaysia, UAE and Philippines. A number of EU countries also offer medical tourism such as Spain, Germany and Belgium, even some African countries such as Tunisia and Egypt also offer medical tourism. The destinations offering medical tourism cover a large number of medical treatments and various healthcare procedures. The most popular and widely used treatments are orthopaedic surgery, spinal fusion and disk replacement, cardiac procedures and gynaecological surgery, conventional surgeries such as stomach and bowel surgery, vascular surgery, cataract surgery etc. Some of the not so famous medical treatments include fertility treatments, transplants, sex removal and fertility treatments (*Marsek & Sharpe, 2009*). India as a nation has risen to be one of the most essential destinations for medical tourists. As per a research done by *Mckinsey and company*, the healthcare industry in India is expected to grow substantially in the next two decades from \$25 Billion industry at present to almost \$200 Billion industry (*Hansen, 2008*). The government is implementing necessary steps for medical tourism to become the key player in this revenue creation and development of the industry. A large number of patients from Canada, UK and US visit India for medical tourism as English is the commonly spoken and most of the cities have modern high tech hospitals that can easily accommodate patients from all over the world (*Gahlinger, 2008*). It has also been reported that out of 18 medical tourism companies in Canada, that sponsor and promote travelling abroad for health care, India was the most popular and commonly promoted destination with 11 companies promoting it. The other 7 companies listed in Costa Rica and Thailand as medical tourism destinations putting them in the second and third place (*Turner, 2012*). India is popular for a number of medical treatments such as spinal procedures, hip resurfacing and replacement, cardiac bypass and bone marrow transplant. Furthermore, India is the first and only country that is mainly famous for specific types of healing therapies and treatments. One of the most famous types of primeval treatment is known as “Ayurveda”. Other holistic treatments that are famous among medical tourists from all over the world travelling to India are reflexology, reiki and other spa and message therapies. It has also been researched that a large number of doctors and nurses from India practice in western countries which give them a very good status and reliance in the health care sector (*Chanda, 2013*).

One of the leading medical tourism destinations after India is Thailand. It has become another popular destination which has a booming medical tourism industry creating almost \$2 Billion in revenues and is anticipated to reach almost \$4 Billion (*Gahlinger, 2008*). Thailand hosts almost 500,000 medical tourists every year from all over the world. Like India, the government of Thailand has also taken steps to make the country a focal point for medical tourism (*Chambers, 2011*). Thailand promotes the country by positive marketing and regulating restrictions on foreign doctors practicing in the country. Moreover the country has a good number of JCI accepted hospitals and medical centres who have highly qualified doctors that have been trained in the US. Thailand having a very low crime rate and the famous Thai hospitality makes it a popular destination among medical tourists (*Gahlinger, 2008*). Similar to India, Thailand also offers both holistic treatments and high tech medical treatments and services to patients. Thailand is also one of the few destinations to offer sex removal surgeries to patients. Other treatments offered are liposuction, heart surgery, ancient Chinese medicines, acupuncture, kidney transplant and knee replacement (*Marsek& Sharpe, 2009*). Another popular medical tourism destination in south East Asia is Malaysia. Malaysia utilises almost 5% of its total GDP on medical and healthcare, and almost half of the healthcare in the country is served by the private sector (*Leng, 2010*). This high amount of country's spending on private health care has significantly helped in the development of medical tourism in Malaysia. The stem cell treatment, dental procedures; fertility and reproductive health are some of the medical treatments that are popular in Malaysia (*Woodman, 2007*). Even Latin American countries such as Costa Rica, Brazil, Cuba, Mexico and Argentina are also famous for medical tourism. The popular medical treatments are dental treatments and cosmetic surgeries (*Marsek& Sharpe, 2009*). Mexico is a popular destination as a lot of tourists travel for dental care and cosmetic surgeries. As a result a lot of doctors and surgeons have started offering their treatments and services across the border in Mexico to allow patients to travel fast and easily from the United States. Almost 50,000 patients visit Mexico each year for the purposes of medical tourism. A huge chunk of these patients looking for cheap and fast medical services visit border towns because of the easy access of health services instead of going to the main city.

Medical Tourists – Source Countries

Although it is easy to acknowledge the countries that offer medical tourism, the difficult part is to distinguish the countries from where the medical tourists come from for their medical treatments. A large amount of medical tourists originate from developed countries such as UK, US and Canada. The reasons behind such large number of medical tourists is long waiting intervals for receiving medical treatments and unavailability of some treatments in their native countries, which generally convince patients to travel to other countries. It had been estimated that almost 500,000 Americans travelled to other countries for medical care, and this number is expected to reach 7 million by 2015. The Americans also travel across the border to Mexico for standard check-ups, dental treatments and surgeries as they are affordable and the medicines are also much cheaper. A research

has shown that medical tourists are not particularly always from wealthy countries. Some patients also travel from developing countries to other developing countries for obtaining medical treatments that might not be available or expensive in their own country. A lot of medical tourists from Asian countries like Nepal and Bangladesh, the Middle Eastern and African countries visit India for medical treatments. A number of hospitals in India have obtained a ranking for precisely catering to medical tourists from these developing countries. In the recent trends, it has been analysed that a number of medical tourists are from Middle Eastern countries such as UAE, Bahrain, and Jordan.

RESEARCH METHODOLOGY

This chapter endeavours to describe the approach in which the research was conducted. It will talk about the form of study conducted followed by the process for data collection and the limitations adapted to assess the superiority of the research. A research methodology is the method used to deal with the research question (Aveyard, 2007). A blend of empirical and non-empirical research data would be used in the dissertation. The empirical research refers to studies that have been undertaken according to an accepted scientific method, which includes defining a research question, identification of a method to carry out the research, followed by presentation of results, and finally a discussion of results (Aveyard, 2007). Whereas, non-empirical evidence includes discussion papers and expert opinion for inclusion in the literature review, especially when the area is not well researched.

3.1 Selection of Study Areas

Four major hospitals have been selected to support this research, which are mainly based in the popular cities of India which are Delhi, Mumbai and Bangalore.

Interviews were taken in these four hospitals, which are –

Fortis Hospital (Bangalore)

Indraprastha Apollo Hospital (Delhi)

Fortis Escorts Heart Institute (Delhi)

Hiranandani Hospital (Mumbai)

A journey of India was planned and face-to-face interviews of senior management faculty personnel in the International Patient Service (IPS) divisions (catering to the medical tourists) of the shortlisted hospitals were then carried out. The four cities chosen for research have a large number of high tech hospitals that cater to medical tourists. A few of these hospitals were contacted to conduct interviews with their staff and doctors. Out of all the hospitals contacted, only four hospitals gave permission to conduct interviews, and they are the ones that were finally chosen for our research. All the cities have a large number of multi-speciality hospitals that cater to medical tourists from all across the globe. These cities have easy access as they all have international airports and English is commonly spoken throughout, which is an added advantage for travellers from all over the world seeking medical treatments. The other intention of selecting these hospitals for research was that all of them

have been recognised by the JCI (Joint Commission International). This accreditation assured that these hospitals follow rigorous health and quality rules which are universally followed by the commission. Lastly, the researcher being from India and having familiarity with these cities also helped in the selection process.

Fortis Hospital (Bangalore)

The city Bangalore is ranked as the fifth biggest city in India and is also called as the silicon valley of India. As a lot of multinational companies are setting up their offices in the city, it has grown and developed a lot in the recent years. The language commonly spoken all over the city is English. There are a number of Fortis hospital branches all over India, including the one in Bangalore. Over 1000 patients from over 56 countries come to Fortis hospitals for their healthcare treatments every year. Fortis hospital Bangalore has been ranked at first position amongst the top ten world's best hospitals for medical tourist rankings, according to *Medical Tourism Quality Alliance (MTQUA)* which grants certification for hospitals that treat medical tourists. The Fortis hospital from Bangalore is the only hospital in India that has secured its position in their top ten lists. Fortis hospital Bangalore is popular for brain and spinal care and bone and joint care. The hospital has a high experienced faculty which includes doctors and surgeons who have been trained from countries such as US, UK, Canada and France.

Apollo Indraprastha Hospital (Delhi)

The Apollo hospitals are one of the biggest hospital groups in India with more than 50 multi-speciality hospitals spread all over Asia and are the key players in the Indian medical tourism industry (apollohospitals.com). Most of the Apollo hospitals in India, along with the one in New Delhi are all accredited by the JCI (*Joint Commission International*). As mentioned earlier as well, there are only a few hospitals in India that have been certified by JCI. The main aim of this US based accreditation body is to improve health care quality and safety of hospitals in the world that cater to medical tourism. The Apollo group of hospitals have a forte in number of medical treatments which are popular amongst the medical tourists such as hand and micro surgery, bone marrow and liver transplant and bariatric surgery. The faculty of Apollo hospitals consists of highly qualified and foreign trained doctors and surgeons.

Fortis Escorts Heart Institute (Delhi)

The Fortis Escorts Heart institute, previously known as Escorts Health Institute and Research Centre is a leader in the field of fully devoted cardiac care in India. It is the biggest free standing private cardiac hospital in Asia Pacific region, and a part of Fortis healthcare which is one of the largest growing hospital networks of India. Today, it is renowned worldwide as a centre of quality offering the latest technology in cardiac bypass surgery, Interventional cardiology, Non-invasive

cardiology, Paediatric Cardiology and Paediatric cardiac surgery. The hospital is backed by the most advanced laboratories performing complete range of investigative tests in the field of Nuclear Medicine, Radiology, Biochemistry, Haematology, Transfusion Medicine and Microbiology.

Hiranandani Hospital (Mumbai)

Dr LH Hiranandani hospital is located in the hiranandani gardens in Mumbai. It prides itself as one of the first hospitals in India to be certified by National Accreditation Board for Hospitals(NABH) and healthcare providers, which means that they have acquired high quality standards of brilliance in terms of specialization, skills and quality of service. It was established in 2004 and has an ISO 9001:2000 accreditation with NABCB (National Accreditation Board for Certification Bodies) which is a member of the quality council of India. There is monitoring capability of all beds from ICU/CCU and has a 24 hour pharmacy on location. This hospital has a panel of internationally trained doctors and nurses, facilities for the physically challenged, family accommodation, as well as banking and conference rooms.

3.2 Methodology

This research uses both primary and secondary sources. The primary data is the initial data which is extracted from an unrestrained situation by asking questions (interviews) or making observations and experimental data which is gathered in a restricted situation by conducting experiments. In this study, primary data was gathered by qualitative methods via conducting in-depth interviews of the senior healthcare managers. Primarily, they were contacted by e-mails, followed by a telephonic conversation and finally a face to face interview following the researcher's trip to India in March 2016. The support staff, doctors and faculty members were chosen for the interviews from the shortlisted hospitals according to their availability at the hospitals and their willingness to take part in the research interviews. The interviews mainly focussed on how the hospitals advertised their services and facilities as medical tourism destinations and what they think about the medical tourism industry.

The interviews were semi- structured due to the analytical nature of the research. It resulted in extreme data but it encouraged the interviewees to respond further than the scale of the question, thus providing a greater dependability and credibility to the data obtained during the research. The topics covered include the advent of medical tourism in these hospitals; major stakeholders; the key growth drivers; opportunities and challenges; business strategies adopted to attract international patients; countries targeted; reasons for reverse brain drain of skilled professionals and flow of medical tourists to a developing country like India. The secondary data is the data which already existed in the form of books, documents (for example, published statistics and annual reports), journals, business periodicals, documentary films and news releases to support the primary data. The internet, another major source of data has been used for carrying out comprehensive research for medical tourism since it is a relatively new concept initiated about 15-20 years ago.

Profile of the Interviewees

Out of the four hospitals selected, four faculty members (one from each hospital) were selected for the interviews. Even though this number of interviewees may be considered very limited for research purposes, for this research they were appropriate as I was able to conduct the interviews in great detail and spend a good amount of time with them during the interviews. An important Quantity of investigation and information has been compiled from the qualitative questions. The small number of interviewees helped to conduct thorough interviews to get a clear awareness of the factors and elements included in the research.

Research boundaries

The research was limited to only one country due to time restrictions, complexity in obtaining access to the organizations, and the reasonableness of providing fairness to the samples collected. Since the research study is context-focused, it can be seen as a restriction to accepting the globalization of the healthcare market of developing countries. Also, some part of value-based favoritism cannot be ruled out, consequent from the experiences and views of the senior healthcare manager's interviewed. It must also be stated that there was some difficulty in data collection. It was a difficult task getting appointments with the senior management personnel as emails and letters are not the ideal choice of contact in India. The appointments had to be rescheduled several times and multiple visits had to be made to the hospitals. Also, the interviewees seemed unwilling to share hospital sensitive information owing to intense competition amongst the hospitals offering services to foreign patients.

Details of the Interviews

1. Fortis Hospital, Bangalore - Head of International Patient Services: Mr. UmeshKumar, 5/03/16.
2. Indraprastha Apollo Hospital, Delhi- Chief Quality Officer: Mr. P Shivakumar, 7/03/16.
3. Fortis Escorts Heart Institute, Delhi- Associate Vice President: DrSinghal, 8/03/16.
4. Hiranandani Hospital, Mumbai- Regional Head Sales: Mr Kapoor, 10/03/16.

DATA ANALYSIS AND DISCUSSION

This part of the research focuses on the information gathered in correspondence to the research questions. The information collected from the interviews offered vast synopsis of medical tourism in general and particularly in India.

4.1 Investigation of MTI

An analysis of the results of the interviews held with the hospital faculty members has been provided in accordance with the information obtained from the healthcare organizations.

A) Origin of Medical Tourism in India

Fortis Hospital:

Mr. Kumar, Head of IPS (International Patient Services) stated that patients from all over the world started visiting Fortis mainly due to medical treatments being offered very cheap, high-tech equipments and qualified faculty which includes doctors and surgeons who have been educated in UK and USA. He also stated that a lot of patients from the Middle Eastern countries have also started coming to India instead of USA and UK because the travelling time is much lesser. The medical tourist seek intended treatments such as oncology, knee and spinal surgeries where the treatment cost is about seven times cheaper in India. He also mentioned that the cost of liver transportation in India is almost one tenth of the cost incurred in USA.

IndraprasthaApollo Hospital:

The chief quality officer expressed that primarily the foreign patients who visited the hospital were the local expatriates and referred patients although after the huge expansion of the hospitals (30 in number). He stated that most of the medical tourists came from Africa, Canada, United States and UK. Furthermore due to globalisation, medical tourism has grown tremendously with the help of NGO's, the World Wide Web and medical travel providers. The impact of globalisation and marketing globally has increased a need for medical treatments linked to neurology, oncology and cosmetic reconstruction surgeries.

Fortis Escorts Heart Institute:

The Associate Vice President (AVP) explained that medical tourism began in North India about 15-20 years ago. It came into existence because of the necessity of cheap healthcare and medical services and facilities which were not available in the home country of the patient. He also said that the hospital now gets medical tourists from Africa, gulf countries, SAARC nations and CIS countries.

Hiranandani Hospital:

The Regional Head of the Sales department, Mr.Kapoor explains that Hiranandani hospital, about 20 years old came into the medical tourism market with patients mainly from SAARC nations, Bangladesh and Indian Diasporas mostly on a referral basis. Slowly, business strategies were implemented to provide brilliant clinical care with reasonable pricing in treating medical tourists from SAARC, CIS African and Middle Eastern countries. The age group of the medical tourists

ranges from 14 to 90 years. Mr. Kapoor also revealed that Hiranandani hospital holds seminars and presentations showcasing the successful clinical outcomes as a marketing strategy to attract medical tourists from countries all over the world.

B) Impact of Globalization on healthcare regulations and its revenue generation with respect to Medical Tourism industry in India

Fortis Hospital:

The Head IPS argues that the government of India understood the importance of foreign exchange added by the medical tourists which is calculated at three times more per person as compared to a tourist visiting the country for leisure and entertainment purposes. In this scenario, globalization had a positive effect on the healthcare market. The health sector of India started strengthening due to the initiative taken by Indian government and the Ministry of Tourism collectively when they started the Market Development Assistance (MDA) policy for JCI and NABH. The main feature of the MDA policy was that the policy was offering subsidized marketing costs to the travel corporations who were earning foreign exchange. In addition to this, the terms of the MDA, entitled the hospitals for government subsidy rates for the cost of foreign exhibitions, trade exchange markets and international sales tours.

Indraprastha Apollo Hospital:

As per Mr. Shivakumar, it will not be wrong if we say that globalization affected our healthcare sector positively as well as negatively, on one hand it resulted in restrictions on the resident patients of India but on the other hand it concluded as opening of the Indian economy to acquire the world class equipments, higher quality of medications and improved implants. This power of independence of choice further supported in enhancing the quality of Indian healthcare industry with the contemporary bench marking system initiated which was based on the healthcare systems in cities like Cleveland and Nebraska. One of the other important outcomes is that the foreign exchange earned from the foreign patients is utilised in the medical research and pre-requisites of treatment on lesser rates for the economically underprivileged patients.

Fortis Escorts Heart Institute:

Dr. Singhal underlines that globalization has allowed patients to be more eager to travel abroad for medical care. Due to the increasing demand of health services, the quality of the facilities and health care services has improved for both medical tourists and domestic patients of a particular country. It is significant that countries like Thailand and Malaysia primarily receives medical patients for cosmetic surgeries, whereas patients with serious medical conditions visit India for treatments.

Hiranandani Hospital:

Mr. Kapoor said that globalization of healthcare sector has allowed the government to promote MTI by agencies like foreign embassies, brochures and road shows. The JCI and NABH reimburse the

participating hospitals via MDA policy. He argues that this income depends upon the healthcare system of the country (such as the NHS in the UK) as a partial number of medical tourists travel from a public run healthcare system. Some medical tourists who are worthy of paying by cash prefer to travel in India. Additionally, he states that earlier medicine as a field was only restricted to country specific mechanism, but with the changing times and introduction of globalization in the economy, it resulted in significant increase in the number of healthcare providers making global delivery of healthcare services for sharing the best in class clinical practises. He forecasted continuous and progressive development of this market. He further mentioned that there has been a shocking change in the mindset of foreign patients wherein it is found that patients have shifted their preferred choices from the areas of un-affordability to affordability. For instance, ten years ago, Nigerian patients were not capable of procuring healthcare facilities which is drastically different from their current status, where in people are in a comfortable position to afford healthcare benefits since they have health insurance policies. This change is a dynamic trend in the healthcare industry through which patients can travel to get the most affordable healthcare.

C) Opportunities for Medical Tourism Industry in India

Fortis Hospital:

According to him, competent as well as economic human resources along with JCI recognition are the major forces and progressive factors of the medical tourism industry. He further insisted that the economic recession had no negative effects on the Indian medical tourism industry.

Indraprastha Apollo Hospital:

A phenomenal 200% increase in the overall yearly turnover of the last few years was observed by the hospital, with an additional increase of 3500 foreign patients. He further stated that the opinionated stability of Indian nation collected with highly experienced, skilled consultants dedicated facilities and structures with globally recognized super specialist doctors are the main development drivers of MTI. In addition the MTI provides futuristic opportunities to the patients travelling from the US for their medical requirements since the current President Obama's amendments do not cover the tertiary care sector. For procuring medical treatments, the underinsured and the uninsured class of patients put up lower co-pay in India as compared to USA. He further believes that the economic recession has played a positive role for the Indian healthcare industry as the uninsured patients from the United States preferred cheaper as well as high quality treatments offered by India which helped them in decreasing their costs incurred on their medical treatments.

Fortis Escorts Heart Institute:

The AVP states that the foreign tourists travelling across the globe for medical treatments are mostly interested in surgeries like oncology, neurology, cosmetic procedures, orthopaedic surgery and surgeries related to heart. Some important and unique factors like India's booming economy, highly

technological equipped medical facilities along with well established infrastructure, high quality of healthcare services in multi-speciality hospitals and existence of attractive tourist destinations make India an abundant land with opportunities with respect to MTI. For obtaining more medical tourists in India, Fortis Escorts has joined hands with the government embassies of African and Middle Eastern countries. Now, even the corporations in foreign lands have started considering India as a medical travel destination in the insurance packages provided to their employees because of economic recession.

Hiranandani Hospital:

Many medical tourists seek cardiac, orthopedic, spinal, bariatric (US patients), cancer, neurological and cosmetic treatments. He states that affordable cost is one of the opportunities but he also emphasizes that the cost of medical care is increasing because of the rising costs of imported implants and medical equipments being used in the hospital. Also the tendency to pay for Middle Eastern and African patients is not increasing to the same level. He reports that 18-20 renal transplants are being performed every month in the hospital for medical tourists.

D) Challenges faced by Medical Tourism Industry in India

Fortis Hospital:

There are patients who either do not have access to healthcare or have exceptional access to healthcare services in India as stated by the head of IPS. Also, as there are a number of service providers in the medical tourism sector in India, the level of quality of care provided is doubtful. There were no reports on the incidents involving moral issues with respect to transplantation of organs and reproductive tourism. This happened simply because of the fact that there was a strict transplantation policy in existence which clearly stated that a patient travelling for medical treatment must be escorted by a benefactor from his native country and must give valid consent to the severe transplantation eligibility standards. He further stated that due to incompetency of Indian government in meeting the healthcare needs of the whole nation, there was significant dependence on the private hospitals since they were completely catering to the requirements and needs of MTI.

Indraprastha Apollo Hospital:

According to Mr. Shivakumar, one of the major challenges coming across the medical tourism industry was the false medical tourism providers. Another challenge was the enforcement of four hour flying restriction limit by the UK government for UK patients for the foreign medical treatment which was proving as an advantage to European Union who were opening doors for UK patients making it a disadvantage for Indian medical tourism industry who was aiming at attracting the UK patients. In fact, the physical presence of the medical tourist was mandatory in case any post operative problem occurred.

Fortis Escorts Heart Institute:

According to the AVP, one of the biggest challenges faced by the medical tourism industry in the Indian market was the absence of active participation by the Indian government. He further said that there was an urgent need for the enhancement of infrastructure by the Indian government, in order to make the medical care more patient friendly for international medical tourists, specifically at the airport with committed immigration facilities to the international patients. He is of the point of view that government must put restrictions on the limit of migration of doctors from public hospitals like AIIMS to private hospitals such as Fortis Escorts. He further emphasised on the point that India as a nation should start working towards building a united national image for healthcare services in the global market rather than investing in a series of competing private hospital specific brands. The security hassle in treating medical tourists from countries like Pakistan for organ transplantation is another constraint of MTI.

Hiranandani Hospital:

According to the RHS, the major concern was the country's image in terms of problems such as basic hygiene and air pollution. Besides this, the higher levels of expectations of medical tourists in terms of customer care services is lacking in India. Further, the scarcity of paramedical employees from the nation's side is apparent on the face of it. He further put emphasis on the importance of building an advanced infrastructure and executing a public-private partnership model as a step to be initiated by the government for enhancing the medical tourism industry of India. The other limitations faced by the MTI were namely the higher expectations of the medical tourists and the constant pressure of competition from other hospitals in India providing medical treatments to medical tourists in India. The Indian medical professionals were choosing private healthcare sectors over public healthcare sectors because of easier access, better infrastructure and higher pay packages. Due to the dominant phase of ligation amongst countries like the US, UK and the European Union, there were complications in getting patients from these areas. The absence of medico-legal security in the event of post operative complexities and even payment by only cash lead to unwillingness of travel of international medical tourists to India.

4.2 Discussion

This part closes the principle discoveries from the examination of the writing audit and the research and discoveries with hypothetical structures which built up the connection in the middle of globalization and human services and the contextual analyses of the multi-claim to fame Indian healing facilities. Some proposals are then drawn for creating nation or healing centers wishing to embrace restorative tourism to help its economy. Many recommendations are additionally given for arrangement producers and future scientists in the wake of considering the ramifications of the medicinal tourism division for them.

Origin of MTI

The upheaval in the Indian tertiary (particular) healthcare services occurred around 10-15 years prior. The phenomenon medical tourism began in India for the most part for neighborhood expatriated and referred patients. Amongst the whole lot of interviewees, 80% people are of the view that that majority of therapeutic sightseers have an interest in Indian catchment regions, the Middle Eastern nations, the SAARC countries, the African nations and the CIS nations. There is a variety of medical tourists ranging from new born child, to a child aged 14 years who is in his pediatric age extending up to the age of 90 years for grown-ups. Like the variety in the age groups of patients, there is variety in the medical treatments as well, they look for treatments like corrective reproductions, knee joint substitutions, cardiology, oncology, sexual orientation reassignment, neurology, negligible access bariatric surgery and other optional treatments such as yoga, Ayurveda and variety of spa treatments. There are important factors like easy access to medical treatments, extraordinarily gifted restorative and paramedical staff prepared in the UK and the USA and unrivalled medicinal innovation due to which India has become a favored therapeutic tourist destination among the patients. The host hospital provides facilities like national and global accreditation, advanced therapeutic tourism by methods for nations in particularly promotion of techniques, workshops, training the patients about the outcomes of their medical treatment, restorative travelling experts and verbal suggestions. The presence of other positive developments range from approachability of financial and trained HR departments in India, diplomatic steadiness, and accreditation of the varied famous healing organizations like the JCI and NABH. The important thing to note here is that, presently India is the owner of around 200 doctor facilities catering especially tertiary consideration as compared to its contemporary nation Singapore, where the number are as low as 15 to 20 facilities. The hospitals like *Fortis Healing Facility* with the capacity of 500 beds and *Medanta Medicity* with the capacity of 2000 beds have an advantage of being closer to the Delhi air terminal in the sense that they are on the higher side of income due to outside trade by medical vacationers.

Consequence of Globalization on Healthcare Strategies and its Income generation with respect to Medical Tourism Industry in India

The process of globalization had a huge impact on the Indian sphere of medical tourism industry. The globalization policies after the decision on the GATS agreement lead to the innovation of the in-house Indian economic organization for the arrival of the exceptional healthcare devices, advancements and medications from international borders and enrichment in the quality requirements with the organization of the forceful benchmarking system and healthcare government. It has further helped in new inventions in the medications from a country oriented sector to an international distribution of healthcare with different nursing homes growing on the international level of hospitals like the Medanta Medicity, Fortis, Apollo and Max Healthcare. The development of international healthcare centers like Apollo medical centers in countries like Yemen, Fiji, Mauritius and the southern nations has been possible due to globalization. This has further resulted in discussions and

meetings for best healthcare practices. It is quite interesting to note that 40% of the interviewees have reported that the MDA further plans to increase the health and fitness industry and give incentives to the medical centers since they are playing a crucial role in increasing international healthcare travel and leisure respectively. The foreign exchange earned by the trade is spent on the scientific research which helps in discovering the future trends and the rest is given to underprivileged which helps them in the form of sponsored treatment.

Prospects of MTI

As a result of rising marketing policies and customised services, the trend has changed where a medical tourist gets treated by an Indian doctor in his own country now goes to India to get medical treatments by Indian doctors. MTI has established niche markets with different countries dedicated to certain techniques such as memory foam and cardiology techniques in native Indian (*Macready 2007*). In brief, as reported by 100% of the interviewees, MTI offers moderate, subjective, differing medicinal consideration by gifted work force; an increment in remote trade and income for host nations; mushrooming openings for work for doctor's facilities, tourism industry and insurance agencies; expands the worldwide remaining of the creating nation; empowers more prominent interest in the social insurance base of the host nation and at the same time advances a converse brain channel' (movement from created to creating nations) of therapeutic staff (*Fried and Harris, 2007; Horowitz, 2007; Turner, 2007*). It improves the condition of overburdened wellbeing frameworks of industrialized countries like USA with 46.6 million individuals uninsured and serves to battle the long sitting tight records for surgeries for UK patients (*Aston, 2006; Milstein and Smith, 2006a; Horowitz, 2007*). All the while, it gives chances to: nonessential surgeries; acquirement of uncommon medications and methodology limited in created countries; protection for patients experiencing richness treatment; and medication restoration alongside an added journey to the host destination (*Batson and Oster, 2007; Breen 2007*).

The medical tourism industry in India is the only industry that has never been affected by recession. Moreover India offers a large number of medical services and treatments that are low in cost as compared to the medical services transformation in USA, which has increased medical services costs a lot. In order to reduce medical costs, a large number of multinational companies in USA are proposing healthcare packages with India as a medical tourism destination. Furthermore, with the expanding elderly population in USA and UK there is a more noteworthy interest for healthcare services than can be provided. The Indian hospitals, for example, Apollo, Max, Fortis and Medanta have made agreements with Insurance sector (TPAs) for example, BUPA, Aetna, Kaiser, Blue Cross and Blue Shield to cover post-operative difficulties for medical tourists .

Problems faced by MTI

A major struggle of MTI with respect to the globalisation of medical services has mainly been in the public sector. A lot of medical tourists have now diverted from public hospitals to private hospitals

because of the quality of services provided in private hospitals is much better. On one side, some writers such as Bookman (2007) believe that it results in higher accessibility and quality level of healthcare services. However, research states that a lot of people claim that it results in imbalanced work-force submission (*Herrick, 2007; Kapur, 2007*). Furthermore, medical tourists also face problems of ethical concerns which are directly related to medical treatments like reproductive surgeries and organ transplants. Although, the quality of service and treatment offered can be uncertain as a result of a large number of medical service providers offering services to medical tourists, there is a huge competition amongst countries such as India, Singapore and Thailand. Even the international patients are also careful of fake medical care travel and leisure companies and the occurrence of post-operative problems after leaving from India.

A large number of hospitals have reported difficulties in drawing medical patients which are covered by the public healthcare in countries such as United Kingdom, USA due to the obstacles of long distance travel, four hour journey threshold imposed on UK citizens by their government, a bad perception of India in terms of hygiene, safety and security, high expectancy of customer service and the development of western syndicate for patients from united kingdom as stated by (*Mudur 2004; Macready 2007*). The other issue is the security restrictions for the treatment of patients that originate from Pakistan. The medical care facilities claim that the continuous rise in the cost of therapies and treatments because of the rising medical equipment's export costs and implants being imported to India, whereas the spending power of medical tourists has not improved and the neither has the price for medical treatments in India.

4.3 Recommendations

For a developing country/ hospital

A developing nation can follow the Indian model of medical care distribution for medical tourists to enhance its economic system. Some of the suggestions following a research of the interviews and literature review are:

- PEST analysis to be implemented by the host country (Political structure, Economic strength, Social behaviour and Technical infrastructure) to realize the full potential of the medical care travel and leisure industry (*Dunn, 2007*).
- Create an efficient and economic human resource pool (skilled medical and paramedical professionals).
- Offer competitive costs and high quality of care to healthcare tourists while being aware of the language barriers.
- Create top quality facilities, healthcare equipments, good clinical outcomes, attractive holiday destinations with maintenance of privacy of the patient by the healthcare centre staff.
- Good synchronization amongst different stakeholders and the host nation needs to guarantee that the cost and quality of care provided are equal.

- Higher government contribution with strict policy making and lawsuits to protect the medical visitors against negligence, post-operative problems and moral issues (organ transplant and reproductive tourism). About 80% of the associates of the multi-specialty medical centres in this research and *Bookman (2007)* claim these suggestions along with the Public-Private Partnership (PPP) design for the participating medical centres for greater performance and resource allocation
- Incentivize the participating medical centres where government needs to give the medical tourism industry an 'infrastructure-status' as with the Information Technological (IT) industry in India to increase medical care financial commitment.
- Organize easy accessibility to doctors by means of tele-medicine, video-conferencing and discussing of personal contacts of the physicians for round-the-clock accessibility in the occasion of a post-operative problem (For example, the tele-medicine at Fortis medical centre which connects 54 countries to assist the healthcare tourists).
- Active country-specific marketing strategies, seminars and talks to educate the patients.
- Need for a specific nationwide medical care image of the nation rather than private hospital-specific brand image to advertise medical tourism, as in Singapore.
- Healthcare insurance industry needs to step up its activities to promote healthcare tourism by providing low-cost rates through such companies as blue Cross and blue shield (*Asher and VanDusen, 2007*).
- Special services at the airport with devoted immigration facilities to help healthcare visitors both pre-operatively and post-operatively with accessibility to medical visas to permit the healthcare visitors to recover for a longer time post-operatively.

For policy makers

- There is a demand for strict plan formulation to observe the number of healthcare tourists visiting the host country (India) and to incentivize the participating hospitals. Hence, a unique plan ingredient is required to control the tertiary (specialized) medical care supply for healthcare visitors.
- Public healthcare professionals need to be involved while developing regulatory guidelines along with strict clinical governance guidelines of the private medical care industry to get over the difficulties of this industry.
- Macroeconomic guidelines must be developed to guarantee that the local people of the host nation actually realize the advantages of medical tourism and to avoid disruption of sources away from decreasing the widespread disease burden (such as AIDS, TB and Malaria in India).
- Tax should be charged on healthcare tourists and the income acquired should be used to provide subsidized health care for the domestic lower-income patients. Moreover, transparent costs policies across the medical centres need to be recognized to safeguard the medical tourist.

For future researchers

- Medical tourism, the appearance of an international health care industry, is a relatively new trend which has not been completely investigated. Several gaps are mentioned between the main qualitative analysis and the literature review. Further analysis is needed to link the gap in this area.
- There is a deficiency of released statistical information available on medical tourism sector in India.
- The literature review points out that majority of the healthcare visitors going to India are believed to be from USA, UK and European countries. Whereas, the main research performed indicates that a majority of the patients are part of the creating countries and catchment areas (SAARC and CIS nations), African and expatriates visiting the home country.
- Puzzling information is available on the moral issues of organ transplantation for healthcare tourists, post-operative problems and medico-legal security offered to these tourists.
- There is a lack of data on the public health industry inequity introduced about the “brain drain” of doctors from public to private industry multi-specialty hospitals serving healthcare visitors.

Globalization has allowed medical care distribution to be deteriorated with medical care visitors travelling great ranges to seek therapies they can manage to purchase. Although, there are numerous difficulties to be conquered in order to increase the economic benefits of this industry. The MTI is a growing industry with numerous future tertiary care medical care centres designed particularly for medical tourists. This research was targeted mainly on the Indian Hospitals providing medical tourism services due to time restriction. In a future analysis opportunity, the writer would like to perform a comprehensive analysis with greater number of multi-specialty medical care centres having a pan-Asian existence.

Building Strategies for MTI in India

After interviewing the healthcare service professionals in India as well as monitoring the different websites related to medical tourism’s development and opportunities, the following marketing strategies may be used by India’s medical service providers. They may be based on the 7 Ps of promotion mix: Product, Price, Place, Promotion, People, Process, and Physical Proof (Kotler, 2008).

Product: India has a variety of healthcare centres providing outstanding therapies in nearly every healthcare industry such as cardiology and cardiothoracic surgery treatment, combined alternative, orthopaedic surgery treatment, gastroenterology, ophthalmology, transplants and urology to name a few. Well-trained medical employees with worldwide certification (US, UK, Sydney, Malaysia, Japan) are considered as a useful resource of the companies and used as an important asset to advertise medical care services. Furthermore, the cutting-edge technology and infrastructure accessible made by each medical centre is also used as one of

the key element this industry. Another technique adopted by companies is to create more value through services. The excellent value-added services have been developed to distinguish themselves from their opponents, improving its performance, developing comfort for the patients, and developing and building up the client relationships. These non-medical care services are services such as, on-line support for healthcare arrangement, travel arrangement, translator services in many languages, and luxury service apartments for patient's relatives close to the hospital, hotel selection and reservation, sightseeing tour services, healthcare transport both on land and air, one-to-one nursing proper care services, and etc. Major healthcare companies in India have started expanding their business to other countries by investing in and/or operating hospitals or medical centres worldwide. These medical centres function as a diagnostic centre for testing cases and also for follow-ups in medical treatments.

Price: India's healthcare service contributors have a competitive advantage among their competitors because of its high quality of medical treatments and services provided to the patients at a very reasonable price. In India, complex medical treatments are being done only at one tenth of the cost in developed countries but in terms of infrastructure facilities, such as power backups, accommodations, roads, hygiene and public utility services much more are required for the country to become a medical tourism destination (Kaur, 2007).

Place: Internet is the key channel for distributing information associated to medical and non-medical care service provided by each of the healthcare service providers. It is the most reliable and reasonable means to offer the product to its target customers directly, and at the same time helping patients obtain genuine and important information allowing them to make a convenient choice. Informative online marketing of each service providers develops awareness of the medical treatments available and encourages prospective patients. Interactive communication, treatments description, information of services and facilities, quality level guarantee and other concierge services were also showcased on the websites to attract the patient who are on the medical travelling program. All the healthcare service providers normally take the help of the agents in promoting their medical tourism services. These agents provide information and suggest the patients regarding their treatments to the hospitals. They work as a centre working together with patients and hospitals for selecting cases, sending all the required medical reports of the patients to the hospitals and at the same time agents have the accountability of advertising and doing marketing in those countries for healthcare service providers, spreading word of mouth advertising of service assertion and trustworthiness.

Promotion: Most medical care service providers in India particularly big private hospitals get involved in travel marts, travel exhibitions, trade fair, events, workshops, conventions, and promote in travel publications in nations with the assistance from the government. In addition, other useful materials such as catalogues, brochures, video-cds, paper bags and t-shirt with images were also used to create attention of the available medical care services as

well. Moreover, some medical care companies in India build up cooperation with the local institutions, colleges, medical educational institutions in other nations to establish cooperation in education, exchange of knowledge and training as well as to promote their alternative medical care services. Advertising about medical and non-medical services in both local and worldwide media are used by medical care providers. Articles, video, news related to their great quality and standard of medications and services, medical concerns, latest medical care technology equipment, great quality assurance/awards/accreditation available on their own websites and also to the worldwide press. These help to create attention of the prevailing alternative medical treatments as well as to create a positive image of the top quality and worldwide standard of medical care in India

People: Another strategy that Indian healthcare service providers may use to entice the international patients for their low cost treatments in India's well as to get the healthcare services by its well-trained healthcare professionals who have certified from well-known international institutions. It is well recognized that having specific and certified physicians and employees gives a competitive advantage for the medical centres. However, lack of physicians and qualified healthcare staff is treated as the major concern in medical tourism In India. Moreover, due to the misconception of the patients' lifestyle are still considered as problems and difficulties for medical tourism sector in India.

Process: Worldwide patients who seek medical treatments are mainly concerned with the top quality of therapies and also want that the companies ideally be approved by recognized international organization that audits healthcare quality. Indian has a large pool of physicians (approx. 6, 00,000), nursing staff and paramedics with required expertise and knowledge and the language advantage (English speaking skills). The healthcare education system serves the ever improving demand for services for the distribution of the quality of medical care services all over the country. The Joint Commission International (JCI) identifies and accredits that the level of the medical centre satisfies or surpasses the standard of healthcare facilities as compared to the west.

Physical Evidence: In India, big medical centres like Apollo Hospitals, Escorts hospital, Wockhardt Hospitals, Breach Candy Hospitals, Lilavati Medical Center, Manipal Hospitals, Mallya Hospital, AMRI Hospitals etc. have a good atmosphere in their infrastructures with huge, high-class areas and outstanding facilities same as that of a five star resort/hotel for patients and family members, and also are prepared with cutting-edge technological innovation. This is a competitive advantage of India in order to obtain the assurance and develop the belief of worldwide patients, deciding to select India as their preferred choice.

Ideas for expanding MTI in India

The following recommendations lay down the future direction for India to accomplish leadership position in medical tourism. These recommendations mostly attract from the conversations with various stakeholders as well as monitoring the other countries medical tourism circumstances.

Role of Government –The government plays an important part in uplifting strategy planning and private monetary investment in healthcare facilities for medical tourism industry. The government should decrease restrictions in getting visas for medical tourists and also introduce visa on arrival service for medical tourists. In order to improve healthcare facilities and services for potential Indian visitors, the government should setup healthcare representatives to collaborate with Indian embassies worldwide. The government surely needs to improve the FDI in the medical industry and also implement beneficial fiscal policies such as offering loans and also decrease the import duty for healthcare equipments.

Visas –The process of obtaining visas for medical purposes should be simplified to help tourists travel with more accessibility. The process of extending visas should also be simplified depending on the condition of the medical tourist. All these procedures are very time consuming and tough. These procedures need to be made easier for tourists in order to make India more appealing medical tourism destination.

Holistic medical and diagnostic centres within the corporate hospitals:Most of the big tertiary hospitals are starting up holistic centres within the property, with yoga exercises and relaxation programs along with naturopathy, herbal medicine, homeopathy and acupuncture divisions. The claim is that these improve treatments. However, these services are billed for and add to additional earnings. The medical facilities have small areas for the family members to pray in.

Setting Up National Level Bodies:For the purposes of marketing India's specific medical care products in the world and also address various problems dealing with the corporate medical care industry, leading private hospitals across the nation are planning to set up a national-level body on the lines of Nationwide Association of Software and Service Companies (NASSCOM), the apex body of software companies in the nation.

MARKET PROPOSITIONS

After doing this deep and detailed study of medical tourism in India, one thing is crystal clear that “there is an untapped niche within the medical tourism market and Indian hospitals should reach out to that segment of people in foreign state to increase the number of customers reaching out to India as a destination seeking medical assistance.

As getting cheap and quality healthcare is out of question in nations like USA, UK and the gulf countries, India is one place which is a medical Haven for nations like these which have high cost of medical procedures and moreover features a waiting list long enough to trouble people.

The Medical Tourism Industry is witnessing emergence of new and targeted marketing techniques to conquer this huge market. Adoption of a direct distribution channel is necessary with single entity guidance and companionship to achieve sales maximisation.

With the research I have done in this project, ample amount of conversation with hospitals, my mentors and my fellow students, and the knowledge of marketing I have gained in this due course, I

have laid out some suggestions for MTI to capture the market in a more effective via enhancing their market techniques.

Branding

Branding is essential for medical tourism sellers. Medical tourism sellers like the hospitals taken into research study must establish a trustable brand for someone to fly a great distance to seek critical medical treatment from a stranger. Many medical tourism sellers may have local recognition, but have no global brand recognition. Therefore it is essential create a brand name for yourself in the global market as wells. Hospitals can claim that upon a Harvard school of business study which say “the medical procedures and standards of India and the USA is comparable. In this a foreign national is not a stranger anymore to Indian medical institutions as, an institute like HSB backs Indian Hospitals.

Product Design

Medical tourism products are experiential. Hospitals cannot go around selling the package as commodities. Product design should be laid out in such a manner that it should make the customer feel safe and protected and assures them of the best and foremost treatment possible. Nobody seller that advertises any message enough to cut into your body and repair you based on that.

Medical tourism product design leverages all the local value chain stakeholders into an integrated product developed into an experiential package with storytelling value for the consumer. The storytelling enables earned brand ambassadorship from influencers without “advertising”. The value chain incorporates healthcare, hospitality and other stakeholders that participate in the delivery and facilitation of that experience from before the patient lands at the destination until at least 6 months post-departure.

Medical tourism product strategy is divided into three distinct components:

Core product – this is the end benefit for the buyer and answers the question: What is the buyer really buying? For example, the buyer of a car is buying a means of transport; the buyer of an aspirin is buying pain relief. What is the medical tourism consumer really buying?

Formal product – this is the actual physical or perceived characteristics of your product including its level of quality, special features, accreditation, brand prestige and promise and packaging.

Augmented product – the support items that complete your total product offering such as pre- and after-sales service, outcomes, service delivery, local transportation, accommodation, tourism attractions, shopping, air travel and destination management.

Quality Management and Patient Safety

In medical tourism, when it comes to service quality and patient safety, you have a “make or buy” decision. One can take the necessary time to learn this through academic study and years of practical work experience, or anyone can find experts who have “been there, done that” who can help you accelerate your learning curve and engage experts who can guide your learning or act as subcontractors and create your quality management policy, program and help you achieve certification of your quality and safety processes, policies, and program management. The quality and safety program, policies and procedures must extend to every touch point. This includes vetting practices and standards, verification of these claimed credentials and competencies, and physical inspections and observations to demonstrate that what is set forth in policy and standards is actually upheld in practice. One must also address change management and disaster procedures and preparedness at each touch point.

Digital Marketing

Digital marketing is vital because, it creates awareness among the consumers on huge scale. Additionally it sets up a virtual two-way communication channel between the patients and doctors where patients can solve their queries with doctors and doctors can monitor their patients eliminating the distance factor completely. Moreover it is very necessary to build trust over patient and anyone won't come to a complete stranger for medical assistance. In order to promote medical tourism as a brand, business plans and patient satisfaction is very important, which can be achieved by providing authentic information to potential medical tourists.

Social media networking play an important role in this context as the hospitals can convey their message to them through mail, invite them on Facebook and also ask to join their community.

It can also ensure a definite level of clarity through the consumer's mind as any customer chose medical tourism to save money and it is a cheap and better alternative, so cost packages and services provided to them should be clearly listed to help customers make a better choice easily.

On online platforms, hospitals and other medical tourism providers can list success treatment stories to ensure future customers of the services and quality provided, it will create a bond between the hospitals and consumers.

Tailor made packages should be readily available to customers through hospital websites and other online portals.

Brokerage Firms

This is one step which can target the untapped niche within in the medical tourism audience. Brokerage firms can be setup in the source countries for example the USA which directly market the customers in their own country, this will help build up the trust factor immensely. With a setup in a source country, advertisements in newspaper and fliers can be easily circulated catering more to the market process. Moreover physical presence of a company catering to medical tourism patients is much more beneficial than virtual presence over the internet. In reality these firms market Indian

hospitals as a cheap and better solution to medical problems faced by foreign nationals and also provides India as a destination country for tourism as well.

Engage on a personal level

People want to engage with real humans. They crave genuine conversations with brands. The key is to make potential customers feel they're receiving individualized and attentive care by a brand they can trust before they even step foot in your hospital. Being present where your customers are online is the first step. The next is being responsive and conversational. Most importantly, earning a consumer's trust, particularly in regards to something as important as someone's health, is imperative. Face to face tools such as Skype present worthwhile opportunities for strengthening trust and relationships. Think about it, before scheduling a medical procedure you're likely to have a consultation to determine whether you trust the doctor, are comfortable with the procedure and to get answers to any burning questions. Video conferencing enables people to have this experience (without the expense of travel). Personally engaging with your customers and making the process as easy and fluid as possible, will reap dividends.

Glorifying unique features of medical tourism in India

India is land of many recreational activities which are trending in foreign countries such as yoga and meditation, which felicitates faster recovery from medical procedures. These features can easily attract customers to India seeking medical assistance as they provide with an edge over other destination countries which also provide medical tourism as an option. India is known for the guest culture, therefore patients can also be assured of next level experience in India.

Also other than medical assistance, India is known for having a rich cultural heritage with a vast history and a lot of worthwhile places to visit, so the customer can also be made aware of this great experience by marketing them places to visit which are worthwhile as tourist destination.

CONCLUSION

From the research, we can conclude that India is one of the rising players in the medical tourism industry. The government plays a very important role for the rise in the demand of medical tourism in India. The government needs to take appropriate actions to control the amount of financing in the private medical care sector in India.

Some of the steps that need to be implemented towards this are, firstly, the government needs to develop ways in which foreign medical tourists can get visas much faster for medical purposes and easier methods of contacting the immigration office anytime for fast visa approvals. Secondly, for promoting tourism, support services like proper transportation facilities and well developed accommodation should be established. Thirdly, for providing effective medical care to patients, the health and the tourism industry in India have to work together.

The research also suggests a number of medical tourism approaches for advertising India's medical tourism industry in the future effectively and efficiently. Some of these approaches are, firstly, promoting a new mixture of medical tourism products; keep offering low cost good quality treatments and therapies. Secondly, offering helpful online information portals to the medical tourists. Thirdly, acquiring the right endorsements to make sure that the medical treatments and therapies provided are of very high quality and aiming on therequirement's and demands of the present target market. Finally, advertising and promoting India's image as the perfect medical tourism destination.

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