

Medical Tourism in India: A Strategic Approach Towards Effective Branding for Health Care Services Marketing

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In the Asian belt, India along with Thailand, Malaysia, Singapore, Hong Kong, Indonesia and the Philippines are the popular medical travel destinations. India has a 'health tourism' business with a line of varied treatments and therapies. It is a global product having medical tourists from the US, UK, Mauritius, south-east Asia, Mauritius, Fiji, Bangladesh, Afghanistan, and Singapore besides having more than a billion domestic customers. This research paper focuses on an integrated branding strategy by understanding the various value drivers of the brand image of a medical tourism product. It builds the PPP model for promoting medical tourism in India.

INTRODUCTION

Travelling for medical care is a historical phenomenon. In ancient times, almost thousands years back people travelled across the seas for treatments and healing for their ailments. They sought quality health care associated with medical expertise and rarely experienced the cultural tremors. Today, health care is offered as a tourist product in name of medical tourism and every year millions of medical tourists cross the borders of their nations in search of quality treatments at low costs. Indeed the world is experiencing a boom in this industry and in the Asian belt, India along with Thailand, Malaysia, Singapore, Hong Kong, Indonesia and the Philippines are the popular medical travel destinations. India has a "health tourism" business with a line of varied treatments and therapies along with a holistic health management offering consisting of yoga, massages, traditional Ayurvedic medicine and other self-inflicted punishments for general wellbeing.

HEALTH CARE INDUSTRY IN INDIA

Health care services form an integral part of social and commercial services marketing. The health care services are delivered by both public and private service operators and they provide a wide variety of health care products. The Indian healthcare sector has been growing at a faster pace in the past few years. This industry is one of the sunrise industries in India and has a great market potential. It is stated that India will spend US\$ 45.76 billion on healthcare in the next five years as the country is witnessing changes in its demographic profile accompanied with lifestyle diseases and increasing medical expenses. Revenues from the healthcare sector account for 5.2 per cent of the GDP and it employs over 4 million people. By 2012, revenues can reach 6.5 to 7.2 per cent of GDP and direct and indirect employment can double. Private healthcare will continue to be the largest component in 2012 and is likely to double to US\$ 35.7 billion. It could rise by an additional US\$ 8.9 billion if health insurance cover is extended to the

rich and middle class. Coupled with the expected increase in the pharmaceutical sector, the total healthcare market in the country could increase to US\$ 53-73 billion (6.2-8.5% of GDP) in the next five years states the report of CII and the McKinsey. (1)

HEALTH CARE IN INDIA

The health care services are delivered by both public and private service operators and they provide a wide variety of health care products. The corporate service providers in this sector are making their presence felt of late. Names like Global Hospitals, CARE, Dr. R.V. Prasad Eye Hospitals, Hindujas, NM Excellence have been rendering world class medical care. A few health care providers have been accredited with high global quality ratings that make the Indian health care product offered with high quality, lower costs and impressive success rates. For example, the super specialty hospitals like Escorts and multi specialty hospitals like Apollo have got A rating by CRISIL, NHS (UK) identifying India as a favored destination for surgeries, the BSI accrediting Escorts Hospital. Further accreditation by the US NGO Joint Commission's JCI certifies hospitals worldwide putting them on global standards of health care. Few big private healthcare providers such as Apollo, Fortis/Wockhardt, Max, Jaslok Hospitals, Lilavati, Breech Candy, Bombay Hospital, Hinduja Hospital etc. are having their individual brand and presence in overseas markets through tie-ups with insurance companies and patient facilitation centres.

Indian health care product is a global product today that has vast clientele from prominent countries like US, the UK and Mauritius, south-east Asia, Mauritius, Fiji, Bangladesh, Afghanistan, and Singapore. In the domestic market, India, with more than a billion customer base, is witnessing increased demand due to advanced life expectancy, growing disposable income, cost effective pricing and expectations of personal well being. It is considered as a 'superior good'. Indian health care industry has specialized in cardiac care, joint replacements, cosmetic surgery, dentistry that fetches medical tourists from the world. The non-allopathic treatments like Ayurveda, Yoga, acupuncture, acupressure etc. have another band of niche clientele.

MEDICAL TOURISM IN INDIA

Medical tourism is a blend of tourism and health thereby known as 'health or medical tourism.' It can be broadly defined as 'a provision of 'cost effective' private medical care in collaboration with the tourism industry for patients needing surgical and other forms of specialized treatment.' (2) It includes three directions-outbound; inbound and intra bound medical tourism. People who travel for medical care are called as 'medical or health tourists'. When people cross their national borders in search of world class medical treatment on cost basis, they are called as 'medical tourists'. Low costs of medical treatments and surgeries, world class facilities and expertise, advanced technology and quality etc. are the features of Indian medical tourism. An estimated 150,000 patients from about 55 countries visited India in 2004. Majority of them flow from neighboring countries like Bangladesh, Sri Lanka & Nepal. A study by the Confederation of Indian Industry (CII), a business lobby, and McKinsey, a consultancy, has estimated that "medical tourism" could bring India an additional 50 billion-100 billion rupees (\$1.1 billion-2.2 billion) in annual revenue by 2012. (3) In fact, medical tourism in India is one of the sunrise industries which have enormous potential in view of the global boom in this industry.

Medical insurance is one of the attractive segments in India. Privatization of health care services has given impetus to fast growth of health care industry. Today a medical tourist bundles his elective treatment with vacation for tropical tourism. A medical tourism product is packaged with alternate traditional therapies like Ayurveda, naturopathy, allopathy, yoga, meditation etc. targeted at High end medical tourists.

LITERATURE REVIEW

Leigh Turner (2007) concludes that with globalization, increasing numbers of patients are leaving their home communities in search of orthopedic surgery, ophthalmologic care, dental surgery, cardiac surgery and other medical interventions. Reductions in health benefits offered by states and employers will likely increase the number of individuals looking for affordable medical care in a global market of privatized, commercial health care delivery.

Devon Herick (2007) notes that global competition in health care is allowing more patients from developed countries to travel for medical reasons to regions once characterized as “third world.” Many of these “medical tourists” are not wealthy, but are seeking high quality medical care at affordable prices. Annette Arellano (2007) observes that trade in health care services therefore now includes countries promising “first-class services at third-world prices.”

Gunn (1972), (cited by Chon, 1991) establishes that tourist destinations can convey images that are artificially created by a particular marketing strategy. Then, the existing contrast between the created image and the perceived reality is, often, the cause of the tourist’s dissatisfaction. On this point, Bourdeau (1991) thinks that images and attitudes that the traveler adopts towards certain tourist destinations depends on the differences resulting from the tourist’s experiences lived *in situ* and his tourism background.

Morgan & Pritchard (1998) states that, “In terms of tourism destination branding, provenance is even more critical because countries pre-exist any identity crafted for them by marketers and neither their advertisers nor the consumers can have objective views of them.” Informing tourists before and after they reach a destination is considered a marketing component.

Berli and Martin (2004) introduced nine dimensions with attributes determining the perceived tourist destination image, such as natural resources, general infrastructure, tourist infrastructure, tourist leisure and recreation, culture, history and art, political and economic factors, natural environment, social environment and the atmosphere of the place.

HEALTH CARE SERVICE CONCEPT

The health care services industry is not a just profession but a commercial activity in India. It is covered by Consumer Protection Act, 1986 and includes allopathy/English medicine, homeopathy, naturopathy, Ayurveda, unani, nature care, pranic healing, reiki etc. (4) The main service products available in this industry are- hospitals; allied services include pathological labs, ambulance services, private mortuaries, pharmacy centers; paramedical services relate to fitness centres, beauty clinics dealing with obesity & skin problems and academic institutions are those like medical colleges, nursing schools, research centre etc.

The typical health care service product is provided by hospitals through diagnosis, treatment, post-operational care; supplementary services include maintenance of case history, registration, billing & support operations like laundry, diet, pharmacy, stores, security, transport etc. The service process is featured with two directions like services for the in patients; services for the out patients; tele-medical consultation and; counseling on various lifestyle parameters.

NEED FOR STUDY

This research paper focuses on understanding the various value drivers that build the brand image and perceptions of hospitals. It also conceptually builds a strategy for better marketing. The need for the study is obvious on the following concerns-

- There is a growing potential for India’s health care products and medical tourism of late in domestic as well as inbound tourist market;

- There is a tremendous significance attached to positive perceptions and brand image for a niche product like health care where the human element is a crucial focal point throughout the service experience;
- There are some prominent health care service providers in public and private offerings where tourists perceptions on brand and image are essential for better marketing;
- Understanding the various customer value drivers for effective marketing can help in utilizing the market potential.

RESEARCH OBJECTIVES

This study is an outcome of an empirical study conducted on perceptions of foreign tourists on select world-class hospitals-health care service providers and Brand India in medical tourism. It focused on following research directions-

- To explore the brand image & perceptions on India as a medical tourism destination;
- To know the tourists' satisfaction on various services attached to a medical tourism product like hospital;
- To understand the marketing variables of effective branding for better marketing;
- To suggest a conceptual framework for effective branding by hospitals for medical marketing.

DATA COLLECTION METHODOLOGY

Research methodology included a convenient sample of 70 inbound (foreign) medical tourists availing of hospital services in the city of Bangalore. All the medical tourists had flown in India for allopathic treatment including surgeries. They included 62% of males and 38% of females. The sample respondents were chosen from world-class hospitals namely Apollo Hospitals, M.S.Ramaiah Memorial Hospital, Manipal Hospital, Mallya Hospital, and Narayana Hrudayalaya. Questionnaires were administered to collect responses on demographic profiles of these respondents, their perceptions and satisfaction on medical tourism product of hospitals. The data generated by this pilot survey was analyzed by simple percentage method.

FINDINGS AND DISCUSSIONS

The respondents' profiles revealed that more males travelled to India for medical tourism than females and 72% of the respondents belong to age group between 20 and 40 years.

TABLE 1
DEMOGRAPHIC PROFILE OF RESPONDENTS (MEDICAL TOURISTS) IN %

Gender	Males	62	Females	38
Age	20 yrs	20-40	40-50	Above 50
	0	72	20	8
Education	Below SSLC	Degree	P.G.	Above P.G.
	12	67	13	8
Occupation	Employees	Self employed	Professionals	Dependents
	35	19	23	23
Apollo H	MSRMH	Manipal H	Mallya H	Narayana H
16	48	28	04	04

It was noted that 68% of the medical tourists have only one companion in travel and 20% travelled with their friends.

**TABLE 2
TOURISM RELATED PROFILE IN % OF THE RESPONDENTS**

Companions	None	1	> 2	Friends
	4	68	8	20
Mode of transport	Air	Rail	Hired vehicle	Govt. buses
	84	8	0	8
Place of accommodation	Hospital	Hotel	KSTDC Hotels	relatives
	32	40	12	16
Duration of stay	Till care	<a week	One month	>a month
	33	17	25	25

When asked the question “Do you plan to visit other tourist places in Karnataka?” 76% of them gave positive responses.

BRAND IMAGE & PERCEPTIONS OF MEDICAL TOURISM

The questionnaire was based on the factors that indicated the tourists’ perceptions on brand image of India. Since medical tourism product includes all the 7Ps of services marketing, questions focused on the main offering, pricing, distribution, promotion, physical evidence, processes and people involved in medical tourism product-hospitals.

30% of the medical tourists expressed being in India was “a pleasant experience” and 32% felt it was “a great country”. 8% wished to come back.

**TABLE 3
PERCEPTIONS ON BRAND INDIA**

Perception	Percentage
Tourist destination	08
Land of diversity	04
Home away from home	08
Great country	32
Pleasant experience	36
Unpleasant experience	00
Worth coming back	08
No comments	04

On exploring the reasons for medical tourism, it was apparent that 48% arrived due to low costs of medical treatment and 24% visited due to insurance budget limits. Over the satisfaction on the hospital and other allied tourism services, majority of them felt that most of the hospitals are offering good services. The services were compared on their perceptual responses from ‘excellent’ meaning world class to unsatisfied scale. Air connectivity, costs and quality of health care, physicians’ proficiency, quality accreditations etc. had ‘world class’ perceptions.

**TABLE 4
REASONS FOR MEDICAL TOURISM**

Factors	Percentage
Low costs	48
Quality health care services	18
Expertise	02
Insurance budget	24
Personal care & bonding	00
Home country	04
Tourist package	00
Quality certifications	00
Personal reasons	04
Tourist destination	00

**TABLE 5
SATISFACTION ON HOSPITALS & ALLIED MEDICAL TOURISM SERVICES (%)**

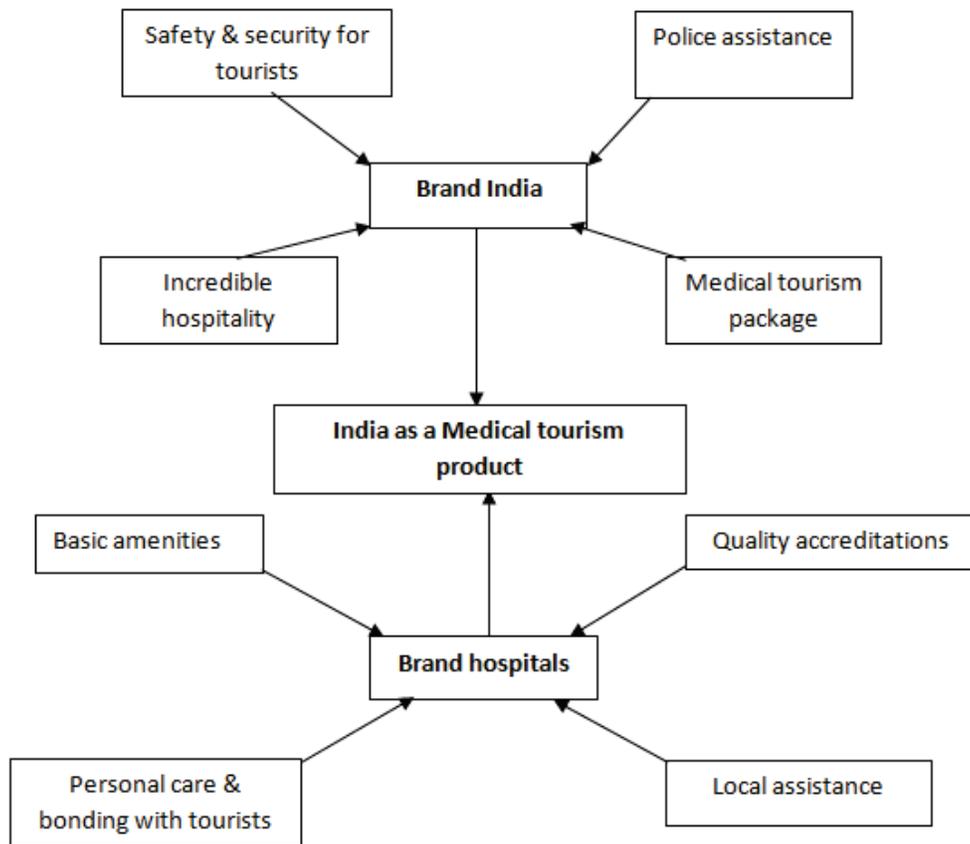
Types of services	Excellent (World class)	Satisfied	Unsatisfied
Air connectivity	38	58	04
Telecommunications	38	62	00
Costs of health care	40	60	00
Quality of health care	43	57	00
Physicians' proficiency	45	55	00
Quality accreditations	45	55	00
Accommodation	12	65	23
Local Transportation	11	56	33
Food & Refreshments	06	18	76
Sanitation	06	76	18
Personal care	11	72	17
Medicines/Health goods	11	68	21
Safety / security	10	40	50
Local Assistance	05	32	63
Onward Journey assistance	05	40	55
Police Assistance	05	41	54

Lack of good food and refreshments, safety and security, local and onward journey assistance, police assistance were the major factors of dissatisfaction.

A STRATEGIC APPROACH TOWARDS EFFECTIVE BRANDING OF MEDICAL TOURISM

The survey findings led to conceptualization of a framework which can promote medical tourism in India. The effective branding of 'India' as 'medical tourism destination' and of hospitals as 'medical tourism product' can be taken up as illustrated in the following figure.

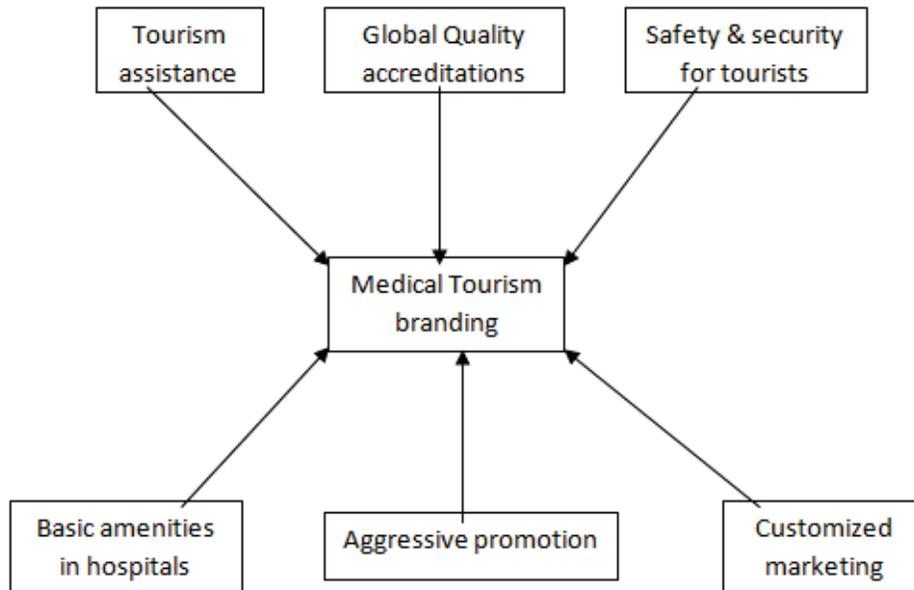
**ILLUSTRATION 1
MODEL OF EFFECTIVE BRANDING FOR BETTER MARKETING**



Source: Developed by author

Medical tourism in India can be promoted by Public (i.e. Government authorities) and Private (i.e. the super specialty Hospitals) Partnership. The public authorities can brand 'India' as 'Medical tourism destination' by promoting safety, security and police assistance to tourists. Medical tourism packages can be proposed linking health care and tropical tourism. Hospitals can have uniform global quality accreditations and go for customized marketing with personal touch and bonding with the patients.

ILLUSTRATION 2
MODEL OF BETTER MARKETING THROUGH EFFECTIVE BRANDING



Source: Developed by author

The synchronization of Public and Private Partnership alone can project the medical tourism as a lucrative foreign exchange earner and open a new sector of global business promoting employment and health care industry growth.

CONCLUSION

What ails Indian medical tourism industry? There are many schemes launched by the government to provide health care to the poor segment of society. The Rashtriya Swasthya Bma Yojana, Vajpayee Arogyashree, Yashasvini Cooperative Farmers Health Care Scheme, Suvarna Arogya Chaitanya for School Children, Employees Insurance Scheme, and ESI scheme etc. are designed to provide monetary shield for availing health care against high costs of treatment by the poor people. However 90% of the surgeries are conducted in private hospitals. Out of the total GDP, only 1% is allocated for health care which makes the government hospitals unequipped with necessary infrastructure and facilities for providing health care. Further the services taxes on air conditioned private hospitals increase the medical bills at least by 20-25% In the domestic market we have only 51 doctors for every 100,000 people, compared with 279 per 100,000 in America. It accounts for only 5.1% of gross domestic product. The BPL and poor people can't afford to avail of health care services. Further for such a populous country, only 60,000 heart surgeries are done every year. (4) In the international market scenario, India comparatively attracts lesser medical tourists than its counterparts like Thailand. Most of those arriving in India come from poor countries. Developed countries like the USA, Britain and Canada have costliest, overloaded health systems, producing long waiting lists that create high market potential for Indian service provider. Though India is well-qualified, certified and cheap in every aspect of health care, from new-drug discovery and testing to surgery, it is still not considered as a very attractive medical tourism destination.

Though the health care sector cannot be looked at as revenue generator, the medical tourism can be projected as a lucrative foreign exchange earner. The government should relook at the policy and focus on improving the major infrastructural drawbacks relating to connectivity from homeland to choice destinations, poor roads, risky sanitation and hygiene, telecommunication blockades etc., lead to lesser choice of hospitals as a medical tourist product. Further the non-uniform accreditations of hospitals add to confusion and distrust. There can be a uniform world class accreditation for health care services. The cultural factors like emotional bonding between the medical tourist and the Medicare provider can be taken up at individual levels by the health care marketers.

SUGGESTED READINGS:

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