

ENTREPRENEURSHIP IN MEDICAL TOURISM INDUSTRY

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Abstract

Medical tourism, the act of travelling abroad in search of medical care, has reformed the traditional health-care industry and has set a new benchmark for every country around the globe. India is emerging as a prime destination because Indian hospitals are well-equipped with the latest technology and have highly qualified and experienced staff that can provide timely and quality medical treatment to the patients. Therefore, the present study highlights the growth entrepreneurship in medical tourism industry in India. The study analysed three chains of hospitals in India, namely Apollo hospitals, Fortis healthcare, and Max healthcare, providing medical care to the medical tourists. The results depict that these hospitals are providing world class medical care to foreign patients and the lower costs of treatments, high quality of care, sophisticated infrastructure, and state-of-the-art technology used by the Indian medical service providers is playing an important role in improving medical tourism in India.

Keywords: Medical Tourism, hospitals, entrepreneurship, services, technology.

1.0 Introduction

Medical tourism takes place when individuals opt to travel overseas with the primary intention of receiving medical (usually elective surgery) treatments (Lunt et.al, 2010). Medical tourism as a niche market has emerged from the rapid growth of what has become an industry, where people travel often long distances to overseas countries to obtain medical care (Connell, 2006). Medical tourism has reformed the traditional health care industry and has set a new benchmark for every country around the globe. More travellers than ever before now travel abroad to get high quality medical treatments such as heart bypass surgery, hip replacement, knee replacement, cancer treatment, stem cell therapies, dental implants, etc. for lesser costs. The outsourcing of medical care to less developed countries is a recent phenomenon, which is fundamentally different from the traditional model of international medical travel. Traditionally, patients have journeyed from less developed countries to highly developed countries, where they received services that were not available in their home countries due to deficient medical know-how and technology. India is emerging as a prime destination for health and contributing a lot towards the socio-economical development of the society by enhancing employment opportunities and an increase in foreign exchange earnings and helping in uplifting the living standards of the host community by developing infrastructure and high quality education system. Today, Indian hospitals are well-equipped with the latest technology and houses highly qualified and experienced staff that can provide timely and quality medical treatment to patients (Sharma, 2013). Indian clinical and paramedical talent is universally recognized and JCI accreditation to 21 hospitals of India has proven a boon to Indian medical system which is helping in gaining the faith of foreign patients in India's hospitals and professionals. The Joint Commission International (JCI) is the most well-known, and, in some sense, highly coveted accreditation institution which accredits American hospitals. Following the same rigorous standards for accrediting American hospitals, JCI accredits international hospitals that voluntarily apply for it. Nearly 500 facilities around the world are now JCI-accredited.

2.0 Review of Literature

Connell (2011) described Medical Tourism as simply where and when patients travel overseas often over considerable distances, to take advantage of medical treatments which are not available or easily accessible (in terms of costs and waiting time) at home. Hopkins et al. (2010) defined medical tourism as 'cross-border health care motivated by lower cost, avoidance of long wait times, or services not available in one's own country. Such care is increasingly linked with tourist activities to ease foreign patients into a new cultural environment and to occupy them during the pre and post-operative periods'. Stolley and Watson(2012) expounded that medical tourism is the

idea of travelling for the purposes of obtaining health care or wellness services to save money on necessary surgeries (such as open-heart surgery) that are much cheaper abroad, or on elective procedures (such as cosmetic surgery or dental implants) that are not covered by medical insurance. **Laing and Weiler (2007)** identified that a number of factors have influenced the growth of medical tourism, including the high cost of medical procedures, long waiting lists, and ageing population in 'rich world' countries, greater affordability of flights and travel, and a shift in medical care away from the public sector, such that people are more comfortable with paying for medical services offered by private bodies or companies. **Gill and Singh (2011)**, in a study called "Exploring the Factors that affect the choice of Destination for Medical Tourism" analysed that cost is one of the foremost determinants for patients seeking care from hospitals in foreign countries. **Lee (2010)** analysed the role of the health care sector in international tourism and the impact of international tourism on the state of health care in Singapore and found that the development of health care sector has positive effects on international tourism in the long-run. **Crooks et al. (2011)**, suggested that characterizing health care in India as 'high tech', clinically-oriented, and also compassionate (i.e., through doctors giving patients their time) are the primary marketing tactics used by the companies to promote medical tourism in India. The study further found the top three message theme statements regarding accreditation and credentials, specialisation and lists of facility services and suggested that a goal of the promotional materials should be to assure potential patients of the safety of care, competence, and availability of treatments found in medical tourism hospitals. **Rad et al. (2010)** investigated the influence of healthcare service quality on medical tourists' satisfaction in Malaysia using SERVQUAL and came up with the fact that tangibility had no positive influence on patient satisfaction and concluded that there was a significant relationship between reliability and patient satisfaction; responsiveness and patient satisfaction; assurance and patient satisfaction; medical staff empathy and patient satisfaction.

3.0 Objectives of the study

The study aims to achieve the following objectives:

1. To explore the growth of entrepreneurship in medical tourism industry in India.
2. To make suggestions on the basis of the findings of the study to improve medical tourism in India.

4.0 Research Methodology

The present study attempts to highlight the growth of entrepreneurship in medical tourism industry in India. For the purpose of achieving the objective of the study, secondary data has been used. Three chains of hospitals in India, namely Apollo hospitals, Fortis healthcare and Max healthcare, providing world class medical care to the medical tourists, have been analysed.

5.0 Results and Discussion

India is appearing as a major medical tourism market player primarily due to two push and pull factors. Firstly, India can provide high quality care at very low cost and secondly, the cost of medical care is touching prohibitive levels in the developed countries especially in the US, Britain, etc. Thus, cost effectiveness or comparative advantage in the production of medical care is cited as the catchword for attracting both foreign and non-resident Indian patients to India. The country can provide world-class medical care at a fraction of the cost incurred in the developed countries due to the availability of relatively cheaper but quality manpower, low-priced drugs, and other infrastructure (**Godwin, 2004**), the slogan being 'First World treatment at Third World prices'.

The table below compares the number of hospitals, number of beds and the top medical procedures offered to the foreign patients by these hospital groups.

Table 1. Comparison of Three Hospital Groups

	Year of foundation	No. of hospitals	No. of beds	Top medical procedures
Apollo hospitals	1983	64	Over 10,000	Bone marrow transplant, cosmetic & plastic surgery, dental clinic, orthopaedic surgeries, heart surgery, transplants, nuclear medicine
Max healthcare	1985	11	1900	Joint replacement surgery, neurosurgery, cardiac surgery, spine surgery, knee replacement, hip replacement, cancer

				treatment, surgical oncology, cosmetic surgery
Fortis healthcare	1996	55	10,000	Knee replacement surgery, kidney transplant, cancer treatment, hip replacement surgery, eye surgery, liver transplant surgery

6.0 Apollo Hospitals

Apollo Hospital was established in 1983. In the 30 years since, it has scripted one of the most magnificent stories of success that India has seen. Along the way the journey has touched and enriched 42 million lives that came from 120 countries. Apollo Hospitals was the forerunner of integrated healthcare in Asia, as well as globally. Today, the group's futuristic vision has ensured that it has been in a position of strength at every touch point of the healthcare delivery chain. Its presence encompasses over 10,000 beds across 64 hospitals, more than 2200 pharmacies, over 100 primary care & diagnostic clinics, 115 telemedicine units across 9 countries, health insurance services, global projects consultancy, 15 academic institutions and a Research Foundation with a focus on global clinical trials, epidemiological studies, stem-cell and genetic research.

Apollo started out with the promise of bringing quality healthcare to India at a price point that patients could easily afford. The cost of treatment in Apollo was a tenth of the price in the western world. The group has started several impactful programmes such as SACHi (Save a Child's Heart Initiative) - a community service initiative with the aim of providing quality paediatric cardiac care and financial support to children from underprivileged sections of society suffering from heart diseases. Apollo also runs the SAHI (Society to Aid the Hearing Impaired) initiative to help poor children with hearing impairment, and the CURE Foundation which is focused on cancer screening, cure and rehabilitation for those in need. In the area of Cancer care Apollo has also joined hands with Yuvraj Singh's YOUWECAN to organize massive cancer screenings. The Group actively leverages its telemedicine and mHealth capabilities to take its screening programmes to even remote corners of the country. Apollo Hospitals envisions for a new horizon - a future where the nation is healthy, where its people are fighting fit, and India emerges as the preferred global healthcare destination.

7.0 Max Healthcare

Founded in 1985, Max India Limited is a public limited company listed in the NSE and BSE with over 37000 shareholders. In 2000, Max Med centre, Panchsheel Park-first med centre with facilities and day care surgeries was established. In 2002, max hospital Pitampura was established, which was the first hospital to be ISO certified and first high end secondary care centre in North Delhi. With over 1900 beds and 11 top hospitals in Delhi-NCR, Punjab and Uttarakhand, 2100 world class doctors and 9300 support staff, Max healthcare is one of the leading chains of hospitals in India. With 525 ICU beds and the most advanced technology, their state-of-the-art infrastructure is rated the best in North India thereby making Max Healthcare one of the best hospitals in India.

8.0 Fortis Healthcare

Brand Fortis was established in 1996 by founder chairman late Dr. Parvinder Singh, who instituted it with the vision *to create a world class integrated healthcare delivery system in India, entailing the finest medical skills combined with compassionate patient care.*

Fortis Healthcare has grown from first hospital at Mohali (Chandigarh) to over 55 facilities today. These include the world famous Escorts Heart Institute and the erstwhile Wockhardt facilities. From North to South, East to West, Fortis truly has India covered - the frontier city of Amritsar, to Ludhiana, Mohali, the National Capital region, Mumbai, Bangalore, Mysore, Chennai, Kolkata and many more destinations are all home to fortis facilities. Fortis occupies a place of pride in India's healthcare delivery system. Fortis Healthcare Limited is a leading integrated healthcare delivery service provider in India. The healthcare verticals of the company primarily comprise hospitals, diagnostics and day care speciality facilities. The company operates its healthcare delivery services in India, Dubai, Mauritius and Sri Lanka with 55 healthcare facilities (including projects under development), approximately 10,000 potential beds and 260 diagnostic centres. In a global study of the 30 most technologically advanced hospitals in the

world, its flagship, the Fortis Memorial Research Institute (FMRI), was ranked no.2, by topmastersinhealthcare.com, and placed ahead of many other outstanding medical institutions in the world.

9.0 Conclusion

The Indian medical tourism industry is prospering and is expected to be the next revolution after the IT industry. The Indian medical tourism industry is contributing a lot towards the socio-economical development of the society by enhancing employment opportunities and an increase in foreign exchange earnings. The study analysed three chains of hospitals in India, namely Apollo hospitals, Fortis healthcare, and Max healthcare, providing medical care to the medical tourists. The results depict that these hospitals are providing world class medical to foreign patients and the lower costs of treatments, high quality of care, sophisticated infrastructure, and state-of-the-art technology used by the Indian medical service providers is playing an important role in improving medical tourism in India. Therefore, in order to promote medical tourism in India further, efforts should be made to maintain the high service quality level, the websites of the hospitals should be used as an effective marketing tool, and supporting infrastructure such as transport services should also be developed.

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