

Medical Tourism In India- A Swot Analysis

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Abstract

The purpose of this paper is to bring up the various roadblocks, opportunities, strengths and, weaknesses of Medical tourism in India. The SWOT (Strengths, weaknesses, opportunities and threats) method has been used to provide a comprehensive evaluation of the strengths, weaknesses, opportunities and threats with regards to Medical tourism in India. The source of information for this paper is the literature from various articles from numerous journals and

leading newspapers, reports by various ministries, analytics firms etc. Various strengths like reputed and world class doctors, lesser cost and waiting period, internationally recognised hospitals etc. and weaknesses like lack of accountability, sanitation concerns, pollution etc. However, threats like internal brain drain, disturbed health equity, capacity constraints etc. and opportunities like language expertise, support from foreign government, future scope of strategic partnerships and joint venture etc. are highlighted in this paper.

Keywords- Tourism, Medical tourism, India, SWOT analysis, healthcare

Introduction

The service sector in India boasts of being the largest contributor to the GDP as well as the largest source of employment. Not only this, the service sector is the largest recipient of FDI (Foreign direct investment). It covers a wide scope of services such as transport, trade, IT, storage, insurance, banking, services related to business, construction and personal services etc., to name a few. The healthcare sector stands as one of the largest service sectors in India (Das and Gupta, 2017) and is expected to reach a milestone number of a whopping US\$ 132 billion. The IBEF website states that apart from generation of huge amounts of revenue, it also ranks fourth in terms of provision of employment all over the globe. It encompasses various components such as hospitals, health insurance and medical equipment etc. Another excellent performing sector in the Indian economy is Tourism which offers a diverse range of products like eco, cruise, film, religious and adventure tourism etc. The tourism industry stands third in terms of earning foreign exchange for India. As per the IBEF website, this sector is expected to employ 52.3 million people by the year 2022 and it is also predicted that the arrival of international tourists will reach 30.5 million by the 2028. When these two sectors i.e. healthcare and tourism converge, medical

tourism is born. The term medical tourism can be understood as a merger of two of the most promising service industries in India namely Tourism and Healthcare. Medical tourism refers to process of travelling in other countries for cross border medical, dental or for surgical and non-surgical medical treatments which are not affordable in their native country (Kaur & Hira, 2017). It comprises of elective medical procedures, compound surgeries like heart valve replacement, fertility treatments as well as dental and cosmetic treatments (Enderwick & Nagar, 2011). It is a niche market growing rapidly which is reversing the old age tradition of moving to developed countries for the healthcare services as nowadays people from developed nations are coming to developing countries for cosmetic and non-cosmetic treatments (Connell, 2006). India also shines among this list (Reddy et al., 2010) and is also labeled a hotspot in the medical tourism market (Sandberg, 2017) as it is among the top ten destinations for medical tourism amongst the likes of Costa Rica, Malaysia, Mexico, Singapore, Taiwan, South Korea, Thailand, Turkey (Dalen, 2018; Patients Beyond Borders). The globalisation of tourism and healthcare industry has made the consumerist culture more active and also prompted India to initiate an array of services in medical area with the combination of cultural warmth and a holistic blend of Yoga, Ayurveda, meditation, panchakarma, rejuvenation therapy etc. (Department of Health and Family Welfare, Ministry of Health and Family Welfare, Government of India, 2016) giving gamesmanship to India in the field of medical tourism. India also offers an assortment of treatment services like dentistry, cosmetic surgery, in-vitro fertility, weight loss, spine surgery, dermatology, liver and kidney transplants, and treatment for cardiac conditions etc. (Dalen, 2018). Medical tourism is also one of the most attractive investments in India which can help in augmenting foreign exchange (Gupta et al., 2015) and benefit the Indian economy. Therefore, it is vital that concrete policies and plans are made as well as properly implemented in order to

have a vibrant and thriving medical tourism industry. To ensure smooth policy making as well as its proper implementation, a consolidated and comprehensive literature is imperative. Despite this, the literature available with regard to medical tourism is scant especially in the Indian context. Whatever research that has been undertaken in this area deals with discussion of factors affecting Medical tourism, prospects and challenges of the same in India Therefore, against this backdrop this paper attempts to undertake a SWOT analysis in order to present a wide-ranging picture of the various strengths, weaknesses, opportunities and threats of the medical tourism industry in India.

Methods

The review of literature methodology is followed in order to comprehensively bring together the various strengths, weaknesses, opportunities and weaknesses of the medical tourism in the Indian context. The SWOT analysis grid has been used to put together the various strengths, weaknesses, opportunities and threats in four quadrants. The literature search was undertaken by searching through various electronic databases i.e. Google Scholar, EmeraldInsight, Science Direct and JStor. Keywords like ‘medical tourism’, ‘health tourism’ ‘ factors affecting healthcare tourism’ ‘factors affecting medical tourism’ ‘medical tourism’ ‘medical travel’ to identify the articles that related to medical tourism in India between the years 2006 and 2018. The articles that pertained to any grey literature, those in languages other than English and those for which full text was unavailable were excluded. Out of the papers searched, only those which were related to outbound medical tourism in India were selected and reviewed. The literature used for this paper also included various official documents that were released by governmental and non-governmental organisations.

Major findings**i) Strengths**

Every year India sees an influx of medical tourists in India from developed countries and this trend is increasing at an exalting rate which can be evidently seen from the data in Table 1. The data given in Table 1 depicts the number of foreign tourists who came to India on a medical visa from the year 2012 to the year 2017. This data has been plotted in Graph 1, which showcases the trend with regard to the foreign tourist arrivals on medical visa during the years 2012-2017. Graph 1 puts forth that the people who have visited India on a medical visa have grown by almost four times. This is attributed to the fact that the treatments and surgeries in India cost just a fraction of the prices charged in USA and UK (Gill & Singh, 2011) which can be seen in Table 2 which shows the comparison of various treatments and surgeries in USA and India. The availability of treatment and medical services in a very short span of time is another major strength. This is attributed to ever-rising aged population, inability of public funded medical services to cope up with the demand and huge waiting times in health care facilities of Canada and UK. All these reasons prompt residents of developed nations travel to developing countries like India for availing medical treatment in a jiffy (Gupta, 2008). It is not only the developed nations but India witnesses a huge footfall of medical tourists from other realms of the globe with nations like Bangladesh topping the list followed by Afghanistan (Export Health Services report, Directorate-General of Commercial Intelligence and Statistics of India, 2017). India is also home to 37 JCI (Joint Commission International) accredited hospitals as of 2019 out of which 21 are situated in metropolitan cities like Mumbai, Delhi etc. which has made Indian medical services reliant (Wong et al., 2014). A major highlight regarding Indian medical tourism

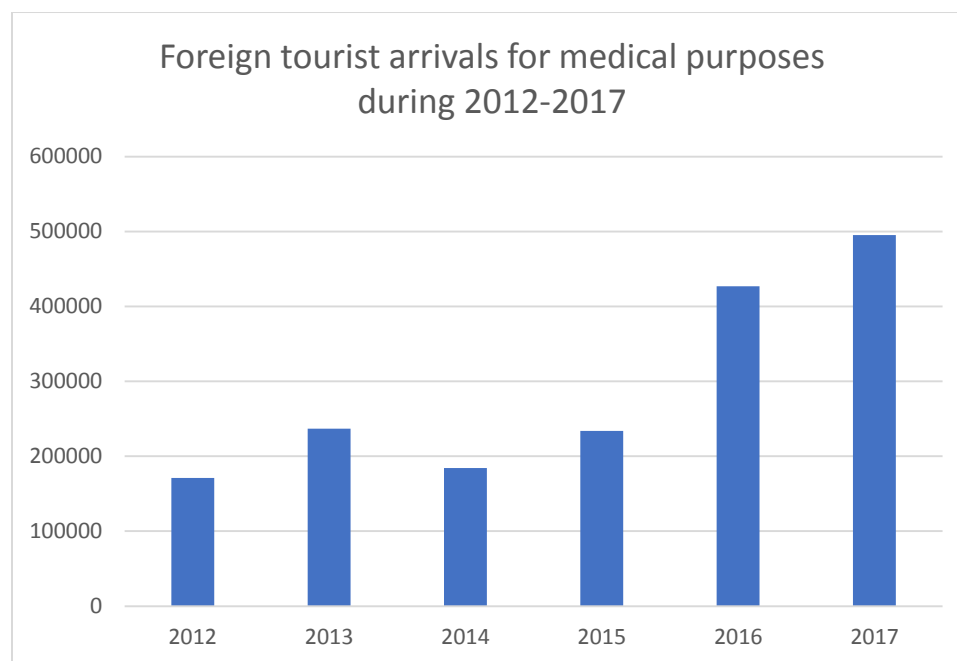
is the reputation earned by Indian doctors of being talented and equipped with incredible clinical skills (The Hindu Business Line, April 2018).

Table 1- List of Foreign Tourist Arrivals to India on Medical visa

Year	Foreign Tourist Arrivals on medical visa
2012	171021
2013	236898
2014	184298
2015	234000
2016	427014
2017	495056

Source- RTI reply from Ministry of Tourism, India

Graph 1 – Foreign tourists that have arrived in India on a Medical Visa during the years 2012-2017



Source- RTI reply from Ministry of Tourism, India

Table 2 A comparison of cost (In US\$) of different treatments availed in US and India

PROCEDURE	COST IN US	COST IN INDIA
Bone marrow transplant	250,000	69,000
Liver transplant	300,000	69,000
Cardiac surgery	30,000	8,000
Orthopedic surgery	20,000	6,000
Cataract surgery	2,000	1,250
Knee replacement	16,950	7,700

Source- Sundar (2012)

Wellness tourism is the major power in form of Yoga, Ayurveda, meditation, spa centres etc. underpinning medical tourism (Caballero-Danell et al., 2007) which given India an edge over other medical tourism destinations. By visiting various websites of hospitals it was found that there is a separate window for medical tourists which deals with tourists' queries and inform about the medical packages to the clients. Low cost of packages of tour with one-stop flights to India at cheaper rates, increased demand of wellness tourism in terms of naturopathy, homoeopathy and Ayurveda, huge private investments in medical as well as tourism industry, post-treatment packages of vacation etc. make Indian medical tourism stand out in the competitive world globally (Singh, 2015). India has also started specialised clinical programs for abroad based patients covering accommodation, logistics and recovery time and also few hospitals like Apollo chain of hospitals having nursing and hospital management colleges,

telemedicine, air ambulance etc. to compete globally in healthcare sector (Enderwick & Nagar, 2011).

ii) Weaknesses

Indian medical tourism is quite complicated as there is no established mechanism for the management of complaints and at times a lack of accountability from staff's side (Smith & Forgione, 2007). Also, at times there is a negative perception of international patients regarding infrastructure and poor service quality levels (The Hindu Business Line, April 2018). As far as the medical facilitators are concerned, there is a serious lack of regulations and transparency which at times escalates the cost of treatment as huge sums of money get eroded while paying them (Medical Value Travel In India Report, FICCI Report 2016). Red-tapism in legal matters, inefficient complaint mechanism and mismanagement of laws that deal with the protection of foreign patients from the malpractices like discriminatory pricing policies, privacy rights etc. (Gan & Song, 2012). There are also issues like prevalence of beggars, sanitations, air and water pollution etc. has been reported (Ajmera, 2015) become a barrier in the development of medical tourism in India. Though government is promoting medical tourism widely but there is a need of proactive support in terms of infrastructure, transportation, communication, security and standardised operating procedures (Grewal et. al, 2009).

Table 3- SWOT analysis of medical tourism in India

<u>STRENGTHS</u>	<u>WEAKNESSES</u>
• World class doctors • Affordable treatment • Lesser waiting period	• No established complaint mechanism • Lack of accountability • Lack of proactive support from government

• Large number of accredited hospitals • Wellness tourism • Window for medical tourists hospital websites • Specialised medical programs like telemedicine • Cooperation of developed and developing nations	• Red-tapism in legal matters • Lack of sanitation • Pollution • Negative perception of some international patients • Lack of regulations and transparency
<u>OPPORTUNITIES</u> • Employment opportunities • Government support in promotion • Support from foreign governments • Joint ventures and strategic partnerships • Superior management and information system • Liaison of hospitals and brokers • Web portals • Availability of multi-cuisine • Language expertise • Foreign direct investments	<u>THREATS</u> • Challenges of insurer • Internal brain drain • Disturbance in health equity • Capacity constraints • Minimal man-made attractions for tourists • Threats of terrorism • Frequent communal riots • Slow-pace runner in terms of technology

Source: Researcher's compilation

iii) Opportunities

Increasing scope of growth in tourism industry with respect to medical services have led to ample opportunities in this sector globally due to price-conscious market and also in developed countries patients look for the instant solutions available globally as in their nations the demand exceed supply opens door for the developing nations which lead to a strong positive impact on employment (Enderwick & Nagar, 2011). The US is expected to face an acute shortage of about 1,20,000 doctors which would pave way for the Indian medical tourism market to grow rapidly (The Hindu Business Line, April 2018), therefore, it is vital for the government to promote of India' as a sprawling destination for medical tourism destination at international trade fairs and advertise with overseas press officials as a part of policies and reinforcing economic development (Lunt & Carrera, 2010). Promotion of Indian medical tourism with the support of foreign government can be pushed forth by conducting shows on the lines of shows like "India: Medical Tourism Destination, 2009" that have been held in the past by the combined efforts of Canadian and Indian Government (Crooks et.al, 2011) and by other international platforms like World Travel Mart, ITP Berlin etc. (Department of Health and Family Welfare, Government Of India, 2018). "Marketing Development Assistance Scheme" under the umbrella of Ministry of Tourism also gives monetary support to Medical Service Providers (Department of Health and Family Welfare, Government of India, 2016). Moreover the patients of Indian origin and Overseas Citizens of India are also coming for treatments in their native country due to family support especially for IVF and gynecology (Indian Brand Equity Report, 2017). The synergy of medical and tourism industry has also induced the growth of strategic partnerships and joint ventures which further stimulates the improvement of infrastructure, better services and superior management as well as information system (Hazarika, 2009). Liaison of hospitals and virtual brokers belonging to American, European, Indian medical travel service providers assists the

international patients for arrangement of services at low cost and superior quality which leads to influx of foreign currency and establishment of MNCs investing in healthcare industry (Solomon, 2011). Emergence of medical tourism sector has also provided an opportunity with respect to third party intermediaries dealing with medical travel planners for locating suitable treatment location for potential patients like web portals Planet Hospital, Global Choice Healthcare etc. do (Enderwick & Nagar, 2011).

With the implementation of interpreters, language experts and making availability of multi-cuisines make it icing on the cake (Ajmera, 2015). Indian healthcare sector can grab and exploit the opportunity of American healthcare market as there is an acute shortage of doctors and expected to decline in near future and also healthcare policies are failing in America because of long waiting hours, double digit premiums etc. and Americans will definitely come for the surgical as well as non-surgical treatments from the world-class doctors of India (The Hindu Business Line, April 2018).

iv) Threats

Insurance companies do provide comprehensive insurance policies but face challenges like making sure of effective cross border care continuity and taking responsibility of credentials of hospitals and clinics (Enderwick & Nagar, 2011). Perception of administrators with respect to medical tourism is that it affects the health equity as there is a chance of internal brain drain of medical service providers such as doctors, nurses, technicians etc. from public to private hospitals, it was also observed that top doctors of the corporate hospitals are majorly drawn from public hospitals (Grewal et. al, 2009).

Medical tourism in India is facing few capacity constraints also like number of beds, medical service staff shortage, infrastructure etc. and competitive counter strategies in terms of service and insurance by the developed countries market (Enderwick & Nagar, 2011). Lack of manmade attractions, frequent communal riots, threat of terrorists attack and instability of currency gives a competitive edge to the competitors (Bhatia, 2013) which blots the progress of Indian medical tourism. While India as an emerging market has a competitive advantage in terms of cost but still it lacks behind in the area of technology where there is a concept of “robot pharmacy” and automated laboratory facilities which has high degree of precision with proper and timely delivery of dosages to patients (Enderwick & Nagar, 2011).

Conclusion

India is one the major hub and promoter of medical healthcare tourism and considered as an oasis in the modern world providing health and well-being with latest technology (Bhangale, 2008). It can aim of becoming “The Provider to the World” by giving medical care at reasonable value with the combined efforts of government, providers, facilitators, regulators, insurers etc. (Medical Value Travel in India Report, FICCI, 2016). There are ample opportunities in this sector for India and it is needed to be pushed further and to be given an optimum direction for the growth of economy. The progress in medical tourism will in turn also energise the generic drugs market further enhancing the pharmaceutical industry’s growth and development.

This paper made an attempt to unfurl the conceptual base of medical tourism and also present the strengths, weaknesses, opportunities and threats in the Indian context in a comprehensive manner. The Indian Medical tourism market is promising in many ways as it is backed by highly talented doctors, shorter waiting periods and medical procedures being carried out

parsimoniously. However, the very success of medical tourism is hindered by numerous inherent shortcomings like lack of accountability, poor sanitation, and frugal support by the government becomes a cause of concern. The very progress of medical tourism is also bloated by threats such as frequent communal riots, mis-happenings caused by terrorism and capacity constraints. Nevertheless is a plethora of opportunities at dispense such as availability of language experts, support by foreign government, and numerous web portals that offer medical tourism services etc. All these opportunities and strengths should be leveraged whereas the weaknesses should be improved upon and threats should be carefully evaluated and tackled with so that they do not obstruct the advancement of Medical tourism as it is one of the most promising area of today's times as it not only benefits developing nations like India but developed nations too.

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