

DESIGNING PROMOTIONAL STRATEGIES FOR MEDICAL TOURISM IN INDIA: A CASE STUDY OF AN OPHTHALMIC HOSPITAL IN NCR

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ABSTRACT

Medical tourism, also called medical travel or health tourism is a term initially coined by travel agencies and the mass media to describe the rapidly-growing practice of travelling to another country to obtain healthcare. People travel to avail of such a facility because of much cheaper rates or those treatments such as ayurveda or yoga therapies which are not available in one's own country. Such services typically include elective procedures as well as complex specialised surgeries such as joint replacement (knee/hip), cardiac, dental or cosmetic surgeries. Leisure aspects typically associated with travel and tourism are also included in such medical travel trips. A bypass surgery is the cheapest in India (\$9,300) while the same costs \$1,00,000 in the USA followed by \$16,500 in Singapore and \$11,000 in Thailand. Similarly, a procedure for an angioplasty is also cheaper in Asian countries than USA. Similarly, foreigners also prefer India for eye-treatment. A retinal detachment procedure costs approximately \$900 to \$1,400 per eye in India and the same costs between \$2,500 and \$5,000 in the US and between \$4,000 and \$6,000 in Britain. The study showed that most of the medical travellers used internet followed by newspapers for information with regard to the availability and facilities available in the Indian hospitals.

Key Words: Medical Tourism, Medical Travel, Low-cost, Foreigners.

Emerging Market for Medical Tourism

The first recorded instance of medical tourism dates back thousands of years to the Greek pilgrims who travelled from all over the Mediterranean to the small territory in the Saronic Gulf called Epidauria. Factors that have led to the recent increase in the popularity of medical travel include the high cost of healthcare or waiting times for procedures in industrialised nations, the ease and affordability of international travel, and improvements in technology and standards of care in many countries. Countries that operate public healthcare systems are often so taxed that it can take considerable time

to get a non-urgent medical care. The time spent on waiting for a procedure such as a hip replacement can be a year or more in Britain and Canada, while in Singapore, Hong Kong, Thailand, Cuba, Colombia, the Philippines or India, a patient could feasibly have an operation the day after their arrival. In Canada, the number of procedures in 2005 for which people were waiting was 7,82,936. The concept of medical tourism is not a new one though. The first recorded instance of medical tourism dates back thousands of years to the Greek pilgrims who travelled from all over the Mediterranean to the small territory in the Saronic Gulf called Epidauria. This territory was the sanctuary of the healing God Asklepios.

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Epidauria became the original travel destination for medical tourism.

Medical tourism is growing and diversifying. Estimates vary, but McKinsey & Company and the Confederation of Indian Industry (CII) put gross medical tourism revenues at more than \$ 40 billion worldwide in 2004. Others estimate the worldwide revenue at about \$ 60 billion in 2006. McKinsey projects that this will increase to \$100 billion by 2012 (Graph 1).

Internationally-known hospitals, such as Bumrungrad in Thailand and Apollo in India report their annual revenue growth at about 25 per cent. McKinsey estimates that Indian medical tourism alone will grow to \$ 2.3 billion by 2012. Singapore hopes to treat one million foreign patients that year.

Most Sought-after Medical Procedures in India

India is becoming a fast growing

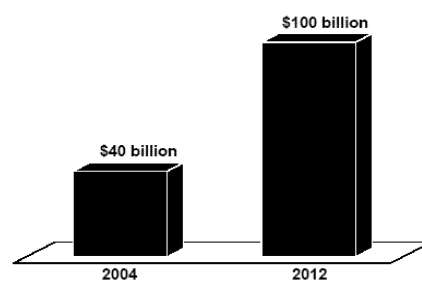
and favoured destination for medical tourism. The main procedures for which foreigners come to the country are cardiac surgeries, gastrectomy, IVF and surrogacy, knee replacement, cosmetic and plastic surgeries.

Common Treatments for which Foreigners Travel to India

Cardiac Procedures

Among cardiac procedures, CABG, coronary angiography and angioplasty are the procedures for which most foreign patients come to India. A cost comparison of cardiac procedures is given in Table 1. As far a bypass surgery is concerned, it is the cheapest in India (\$9,300) while the same costs \$1,00,000 in the USA followed by \$16,500 in Singapore and \$11,000 in Thailand. Similarly, a procedure for an angioplasty is also cheaper in Asian countries than USA.

GRAPH 1
WORLDWIDE MEDICAL TOURISM INDUSTRY¹



¹Source: McKinsey and the Confederation of Indian Industry, 2006

TABLE 1
COST COMPARISON OF CARDIAC SURGERIES IN DIFFERENT COUNTRIES

Procedure/Country	US	India	Thailand	Singapore
Bypass	\$1,00,000	\$9,300	\$11,000	\$16,500
Angioplasty	\$1,60,000	\$9,000	\$10,000	\$15,000

Sleeve Gastrectomy

A growing trend among patients from the West (US, Canada, Britain, and Ireland) is to travel to India for sleeve gastrectomy surgery. Low price, experienced bariatric surgeons, quality hospitals and no waiting times for the weight-loss surgery are some of the many reasons for this growing phenomenon. In this surgery for weight loss, stomach size is reduced. So, the individual feels full quickly with a small meal and also production of hunger causing hormone is restricted. The main reason of this surgery becoming so popular is the positive clinical findings of patients who have had this procedure in the last few years. Apart from India, Costa Rica and Mexico are also among the most favoured destinations for gastrectomy procedures which costs \$7,500, \$8,900 and \$11,900 respectively. Thus, it is evident that gastrectomy procedure is very economical in the country. In fact, it's not only the cost of obesity surgery low here but also the level of service is very high.

Surrogate Mothers

Surrogate mothers in India cost considerably lower (about a fourth of what it would cost in the US). The cost of surrogacy in the US is anywhere between \$50,000 and \$100,000. Surrogacy here has few legal hassles and the Indian Council of Medical Research, has set national guidelines to regulate it. Unlike many countries where surrogacy is banned or has many restrictions, India's laws allow the surrogate mother to sign away her rights to the baby as soon as it's delivered.

Surrogacy cycle approximate costs \$13,000 at a reputed hospital in India which includes: i) doctor charges, ii) surrogate work-up, iii) ante-natal care,

iv) delivery charges, v) surrogate compensation and vi) drugs and consumables. This does not include the cost of IVF, though IVF cost in India is about \$1,800. Additionally, what works in favour of India, unlike some developing countries, is the availability of advanced healthcare facilities and English-speaking doctors and nurses. Surrogacy is about a half a billion dollar business in the country.

Computer-aided Knee Replacement Surgery/Arthroplasty

The typical price of this surgery here is about 20 per cent of what it would cost in the US. This price includes the estimated travel and lodging expenses that would be occurred for a person to fly from North America to India.

Cosmetic/Plastic Surgeries

Cosmetic or plastic surgery is another very popular procedure. Majority of the overseas patients visit for i) blepharoplasty, a procedure for removal of fat, usually along with excess skin and muscle from the upper and lower eyelids, ii) liposuction procedure, a surgical procedure intended to remove fat deposits and shape the body, iii) face-lift procedure which is intended to improve facial appearance and make a person look good for his/her age, and iv) rhinoplasty procedure which is to reshape the nose. Rhinoplasty is one of the most common of all plastic surgery procedures.

Ophthalmic Surgeries

India has seen a lot of advancements in the field of ophthalmology. As a result, many patients from abroad are coming here to seek treatments for their eye ailments. Not only are these procedures less expensive than that in

the developed nations such as the US and Britain; the technologies used in the treatment of eye diseases here is at par or even better than many other nations.

Table 2 shows the cost difference among various ophthalmic procedures between India, the US and Britain. The cost of these surgeries in India is less than 50 per cent of that in the developed countries. While vision correction procedure costs around \$ 250-\$ 1,250 per eye in India, the same procedure costs approximately \$1,500 to \$2,750 in the US and \$1,800 to \$3,600 in the UK. Similarly, retinal detachment procedure costs approximately \$900 to \$1,400 per eye in India and the same costs between \$2,500 to \$5,000 in the US and between \$4,000 to \$6,000 in Britain.

Factors Promoting Medical Tourism in India

Factors which encourage patients from abroad to seek healthcare in India can be classified on the basis of the facilities/healthcare set-up in their home countries. These factors include: i) non-residential Indians (NRIs), ii) patients from other developing countries, iii) patients from developed countries with state-owned healthcare system, and iv) patients from developed countries with private healthcare system.

A large number of NRIs prefer to come back to the country for their healthcare needs as they are not only guaranteed excellent treatment at far lower costs but also a trip to their home country. The patients from countries with underdeveloped facilities such as Pakistan, Nepal, Bangladesh, etc. come to India for lack of quality healthcare services in their home countries, whereas patients from developed countries with state-owned healthcare system such as Britain with NHS prefer India for less waiting times and patients from developed countries with private healthcare system such as the US come here for lower costs.

OBJECTIVES

It is evident that medical tourism is a booming industry which provides substantial opportunity to Indian hospitals for elective procedures. The Centre for Sight, a renowned eye care hospital in New Delhi, is exploiting this opportunity to the hilt. To explore the opportunities of medical tourism, it is important to understand the key issues related to medical tourism and strategies required to be adopted for the same.

Keeping this in mind, this study, titled 'To study the Indian Medical Tourism Industry and Design Promotional Strategies to Increase Footfalls at a

TABLE 2
COST DIFFERENCE IN VARIOUS OPHTHALMIC PROCEDURES

Procedure	US (\$)	Britain (\$)	India (\$)
Vision Correction	1,500-2,750 per eye	1,800-3,600 per eye	250-1,250 per eye
Cataract (Phaco)	2,500-5,000 per eye	4,000-6,000 per eye	900-1,400 per eye
Retinal Detachment	2,660-3,160 per sitting	3,000-4,500 per sitting	600-1,000 per sitting
Ptosis	2,900-3,600	3,000-4,500	750-1,000

Super-Specialty Eye Hospital in NCR Region' was commissioned. The study findings will help the hospital to adopt medical tourism, build its public image and enhance patient satisfaction.

The objectives of the study include to:

- i) study the factors that promotes India as a destination for medical tourism;
- ii) find out the expectations of overseas patients;
- iii) find out the probable hiccups with medical tourism; and
- iv) design promotional strategies to increase footfalls at the hospital under study.

METHODOLOGY

To do the situational analysis, a descriptive study was designed. Both primary and secondary data were used in this study. The primary data included age, sex, and country of origin of the patients coming to the Centre for Sight, a super-specialty ophthalmology hospital, in New Delhi. The criteria that a patient chooses before selecting a hospital and a list of most popular media, journals and magazines that cater to the NRI population were also included. Primary data also included opinion of consultants on enablers for medical tourism.

The secondary data included the healthcare scenario and scope of medical tourism in the country, factors influencing this industry stream, cost of various procedures in other developed and developing countries.

The sample size comprised:

- i) Records of 200 patients who used services at The Centre for Sight during January 2005- March 2008 period.
- ii) Patient Interaction: 20 overseas

patients visiting The Centre for Sight during February-March 2008.

Records of overseas patients who visited the super-specialty ophthalmology department to seek eye care services during January 2005-March 2008 were reviewed to understand their demographic, major ailments, average cost of treatment, etc. Questionnaire-based interaction was also held with the patients to know the factors that encourage them to seek healthcare in India in general and The Centre for Sight in particular. An attempt was also made to understand the factors that determine the selection of a hospital. Various specialists were also interviewed to find out the enabling and disabling factors for medical tourism. The specialists were asked to suggest steps required to tap medical tourism opportunities in a more concerted manner.

Various periodic articles from magazines, newspapers and medical journals/websites were reviewed to understand the industry trends. Interaction with media partners were also held to find out the most popular media in other countries.

FINDINGS

The data analysis was presented under the headings of i) healthcare scenario, ii) HIS Review, iii) interaction with clients and iv) interaction with the consultants.

Healthcare Scenario

The medical tourism scenario in India has been on the rise since the past decade. With the opening of many new corporate hospitals providing the best of the quaternary care in the metros and mini-metros like Ahmedabad, Rajkot, Surat, etc.; more and more foreign patients prefer India for their medical treatments. Given below are

some factors pertaining to the growth of medical tourism in the country:

- As per a McKinsey-CII report of 2005, during early 2000, hardly 10,000 foreign patients visited India for medical treatment. However, by 2005, this number rose to 1,00,000, generating revenues of whopping Rs. 1,500 crore.
- The Indian healthcare market is growing at 13 per cent per annum. According to a PWC projection, it is expected to grow to nearly \$40 billion by 2012.
- Medical tourism is poised to be the next Indian success story after IT. According to a McKinsey-CII study in 2005, this industry's earning potential is estimated at Rs 5,000-10,000 crores by 2012 which will account for 3-5 per cent of the total healthcare delivery market in the country.

Analysis of Hospital HIS

Analysis of the past records (Graphs 2-5) taken from the HIS of The Centre for

Sight depicts the origin of international patients.

Country of Origin

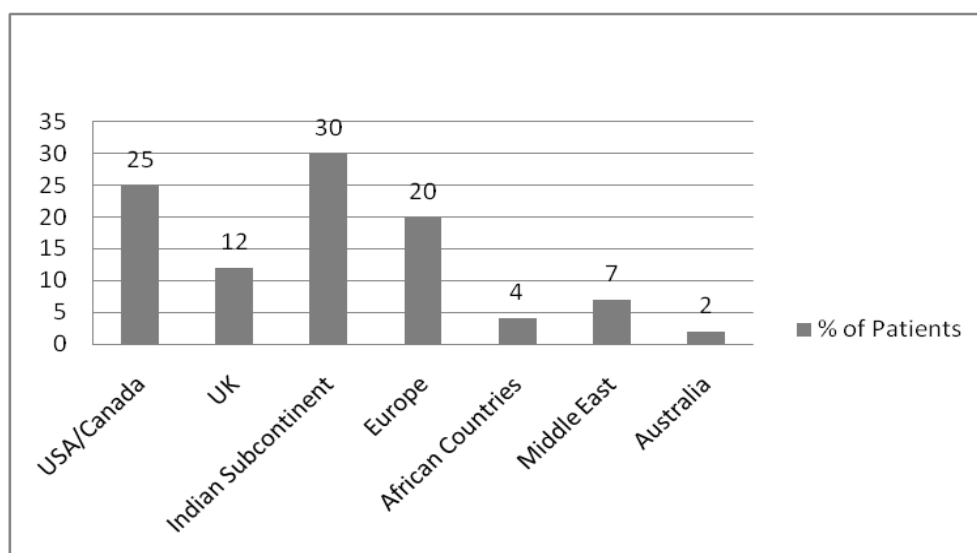
Graph 2 shows common countries from where patients prefer to come to India. A significant one-fourth of the total patients who visited the Centre for Sight were from the US/Canada followed by Europe (20%), Britain (12%), and others (13%). Only one-third were from the Indian sub-continent.

Further analysis shows that during the past three years, more than 85 per cent of international patients who came to this hospital were NRIs. The patients from Britain and Europe prefer India for quick care with almost little waiting time while those from the US come to India for the quality care with low cost. Those from the Indian sub-continent visit India for lack of quality care services in their home countries.

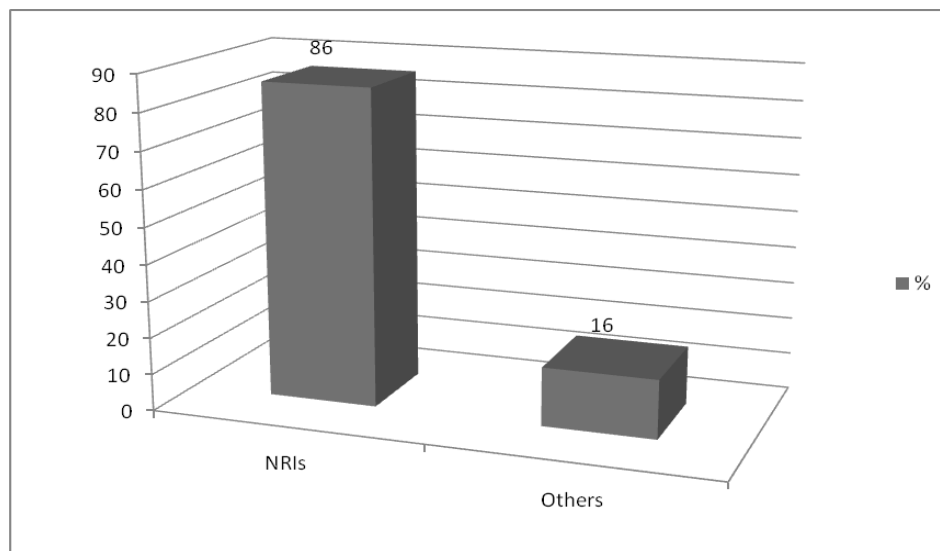
Major Services Availed

The findings from the hospital records indicate that more than half of the

GRAPH 2
ORIGIN OF PATIENTS COMING TO INDIA FOR OCULAR CARE



GRAPH 3
FLOW OF PATIENTS AT OPHTHALMOLOGY HOSPITAL IN THE LAST 3 YEARS



patients (52%) who visited The Centre for Sight undergo vision correction procedure (LASIK) followed by glaucoma (20%), vitreo retinal (14%) and cataract cases (14%).

Analysis of Patient Interviews

Opinion of patients, their major sources of information about Indian healthcare facilities, criteria for selecting hospitals, their satisfaction level and suggestions etc. were also analysed.

Major Source of Information

Personal interviews with patients reveals (Graph 4) that the internet is the major source of information about healthcare services in India, with around 40 per cent of the patients using this to find out healthcare facilities in India. Graph 4 also shows that nearly 20 per cent of the patients reported advertisements as their major sources of information. Detailed analysis reveals that a number of patients has seen advertisements given by corporate hospitals in the local media, newspapers and magazines that cater specially to NRI population in

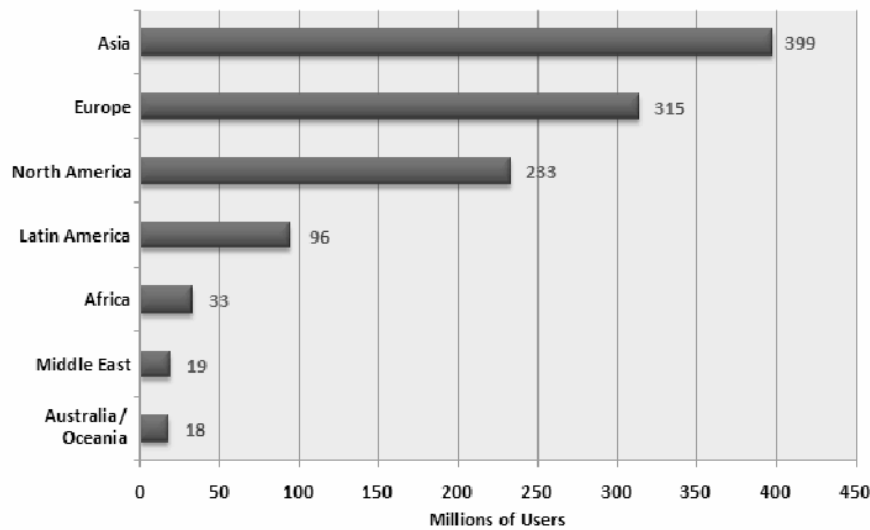
the US, Britain and Canada. The World Health Tourism Congress 2007 report (Graph 4) says that a large number of patients worldwide use the internet to find out the information about healthcare providers.

The prominent newspapers published by NRIs are *Desi Talk*, *Des Pardes* and *The Voice*. These newspapers carry information about current events in India along with information about local events and relevant advertisements that are of interest to NRIs. Therefore, these newspapers could be an important media for promoting hospital services among the NRIs in countries such as the US, the UK and Canada.

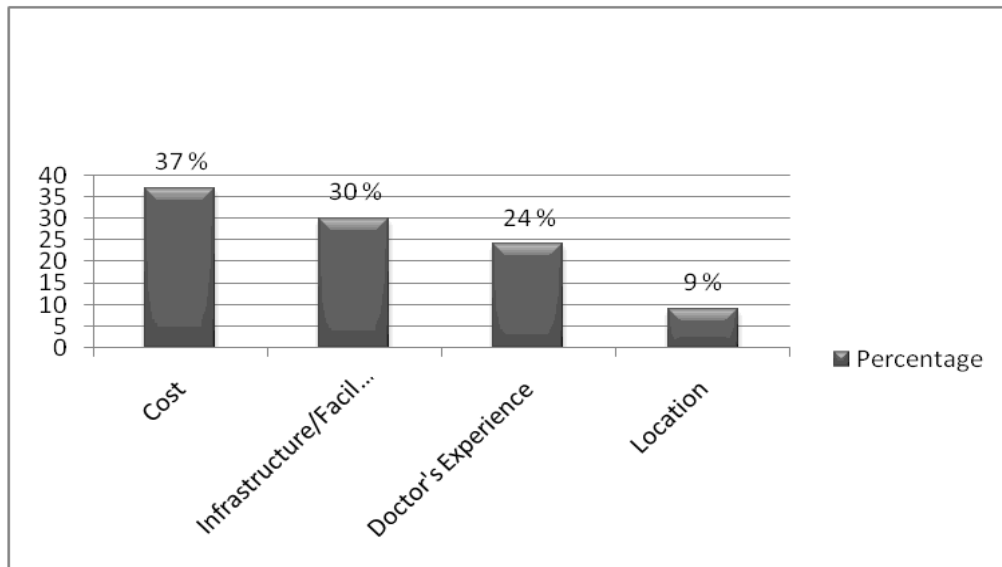
Criteria for Selecting The Centre for Sight for Study

For more than one-third of the patients, low cost of procedures is the major reason for choosing India as a medical tourism destination. In fact, four-fifths of the patients said that they carried out a detailed cost analysis of treatment before coming to the centre.

GRAPH 4
INTERNET USERS WORLDWIDE



GRAPH 5
SELECTION CRITERIA ADOPTED BY THE FOREIGN PATIENTS VISITING THE CENTRE FOR SIGHT



Client Satisfaction Level

Among the patients interviewed, a whopping 99.9 per cent stated that they were satisfied with the overall care given at The Centre for Sight and they expressed their desire to refer the

hospital to their friends and relatives. The high patient satisfaction can mainly be attributed to short stay at the hospital for cosmetic surgeries which do not have any complication.

Suggestions by Patients

Most of the patients suggested that the hospital provided sufficient parking space and cafeteria for relatives visiting the hospital. A few patients suggested that a collaborating body, such as a Medical Tourism Facilitator, which is quite a common concept in other established destinations such as Thailand, Malaysia and Singapore, could prove to be a good support system to foreign patients travelling to the The Centre for Sight.

Consultants' Opinion

Interaction with the consultants has revealed that there is a need to promote Medical Tourism Facilitators, who could help patients in identifying hospitals, estimate cost of treatment, make travel/visa arrangements, local stay and travel and care in the hospitals.

Key Findings

- The analysis of various literature and interaction with the patients has revealed that clinical outcomes in India are at par with the world's best centres as hospitals here have internationally qualified and experienced doctors.
- Costs of the medical procedures in India are approximately one-fifth to one-tenth of the cost in the West. This cost differential enables patients the opportunity to have a vacation in an exotic country, recover in a 4 or 5 star resort in complete anonymity, and then return home having spent even less than the procedure alone in their home country.
- The most prominent markets for Indian medical tourism are the US, Britain, the UAE, Bangladesh, Nepal, Pakistan and Mongolia.
- A large number of NRIs come back to seek healthcare.

- Medical tourism focuses on treatment of acute illness, elective surgeries such as cardiology and Lasik, among others.
- A large number of foreign nationals (40%) use the internet as a tool to seek information about the services at hospitals. Therefore, investing in creating an informative and well-descriptive website is a productive investment.
- Since nearly 20 per cent of the NRIs use the local newspapers and magazines for healthcare information, the hospitals should provide their success stories in their local communication.
- Agencies specialising in international medical travel, known as Medical Tourism Facilitators are a growing part of the medical travel industry and work with hospitals, clinics, physicians, surgeons, airlines, hotels and recovery retreats abroad to offer patients the best quality at the most affordable rates.

RECOMMENDATIONS

To fulfil the objective of increasing the footfalls of international patients at The Centre for Sight, the researcher suggests to take the following steps:

- Since majority of the consultants and patients have reported medical tourism facilitators as an important enabler, there is a need to tie up with medical tourism facilitators in India and abroad.
- Since majority of NRI patients (20%) use local magazines and newspapers to seek information about healthcare facilities here, the hospital should promote its services through international magazines and newspapers catering to the NRI population.
- Since a large number of foreign patients visiting the hospital use the

internet to search for information related to healthcare services in the country, hospitals should promote their websites by putting it on popular search engines.

- Since a large number of international patients cite low-cost as a major reason for choosing India, hospitals should make sure that they keep costs at reasonable levels so that it remains economical for foreign patients.
- The hospital should maintain the leadership in terms of infrastructure and facilities to attract the overseas patients.

CONCLUSION

The Indian medical tourism industry is booming and is supposed to be the next revolution after the IT industry. Major medical procedures for which India is a key destination are cardiology, orthopaedics, IVF and surrogacy, and cosmetic and plastic surgeries. Majority of overseas patients coming to India are NRIs who wish to combine their medical services with a trip back home. Factors that encourage foreign nationals to seek healthcare here are low-cost, quality of services, availability of latest technology and well qualified and skilled healthcare professionals. Eye care is also becoming one of the sought after procedures by foreigners. The technology available here for ophthalmic care is at par that in the developed countries. Most of the overseas patients with eye problems come to Indian hospital for vision correction procedures. An effective way of promoting the services of The Centre for Sight to foreign nationals is through collaborating with medical tourism facilitators, advertising in NRI publications and investing on its website to make it an effective marketing tool.

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