

# Potential Opportunities and Challenges of Medical Tourism in India

K.S.Guruprasad

(Research Scholar, Department of Management Studies, Vinayaka Mission's Kirupananda Variyar Engineering College, Salem, India)

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## **Abstract**

*This article intends to provide the potential opportunities of medical tourism in India. It highlights the key challenges and the areas to improve in order to provide a better quality of service. India being in the top ten among the international patient's medical tourism destination provides us with the greater opportunity to aim for the better growth in this niche segment. Quality of service plays a major role in the selection of medical tourism destination. The government has to concentrate in improving the infrastructure and standardization in the accreditation process of the hospitals.*

**Key words: Opportunities, Challenges, Medical tourism, Market segments**

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## **Introduction**

Medical tourism is defined as the phenomenon of people travelling from their home country for the purpose of seeking medical treatment or medical care (Ackerman, 2010). India become a prime and emerging destination for the travelers across borders to obtain dental, medical and surgical care (Lajevardi, 2016). People travel to other countries to get their medical care simultaneously plan their touring or vacation at the same time in a more conventional sense. The concept of medical tourism becomes more and more popular for the patients looking for the medical care or procedures which are unavailable in their home countries. It enables the patients to receive a better quality of treatment or care at the lower price compared to their home countries. Generally, patients from the developed countries seeks their treatments in the developing countries. Primarily the flow from United States of

America and Western countries to developing countries like India, Singapore, South Korea, Thailand, Malaysia (Bookman & Bookman, 2007).

India presently holds 18% of the global medical tourism market. It is estimated to reach 20% global share by 2020. Indian government spends 8% of GDP to healthcare (Department of Tourism, 2006). It is expected that the India medical tourism sector to become 280 billion US \$ industry by 2020 with the spending of 14% annually on healthcare. Indian government had noticed the potential growth in this industry and begun to invest in tourism infrastructure (Diekmann, 2011). According to the Medical Tourism Market report 2015, India is one of the country which provides better quality of medical procedures and treatments at low cost and gives patients with variety of procedural options.

Horowitz & Rosenweig (2007) had identified the following list of medical tourism countries based on the popularity. India stands second in the list, followed by Thailand, Singapore, Malaysia, Israel, Philippines, Arab Emirates, Brazil, Costa Rica, Mexico, Hungary and South Africa.

Ehrbeck, Guevara, & Mango (2008) have segmented the customers into five segment based on the quality of service provided like Advanced Technology, Service quality procedures, Access for necessary procedures, Cost effectiveness and Low cost involved in procedures. They found that mostly international patients seek high quality & fast service instead of cost effectiveness.

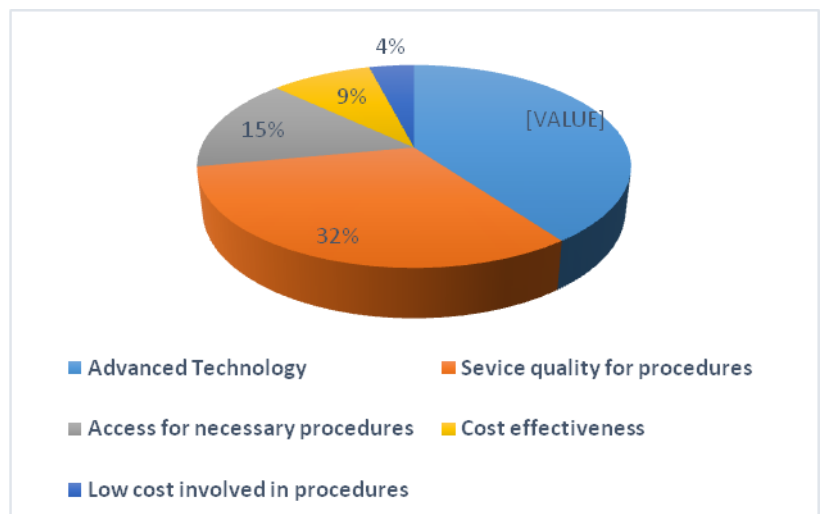


Figure 1: Segments based on customers

### Potential Opportunities

India being in the top ten medical tourism destination (People beyond borders, 2018) had understood the potential strength in medical tourism had invested a large amount of money in improving the hospitals infrastructure, technology and research on this area. The government is actively engaging in the process of attracting International patients and they had come up with new policies which help in Visa process. The number of private hospital accredited by Joint Commission International (JCI) has been increased. This shows the

potential opportunity India has to expand its market. The clinical excellence, skilled doctors and technicians are the important factors that contribute to the growth of medical tourism in India (Horowitz, Rosenweig & Jones, 2007). The various other factors which drive the international patient to attract towards India are

- **Cost effectiveness:** Getting better quality of service at lower cost. For example, Heart bypass cost 130000\$ in USA whereas it cost 10,000\$ in India, 11,000\$ in Thailand, 18,500\$ in Singapore and 9,000\$ in Malaysia.
- **Waiting list in the developed countries:** The waiting time for procedures, surgery or treatments are short in India compared to the developed countries like USA or Canada.
- **Technology advancement:** The private hospitals invest a huge amount of money in technology and equipment's.
- **Area Expertise:** India owned a large amount of skilled doctors and technicians which helps to control the waiting time for the treatment.

Various cities like Chennai, Bangalore, Delhi, Mumbai are fast emerging medical tourism hub in India (Dawn & Pal, 2011).The major private hospitals like Apollo, Fortis etc., in these cities which provides better quality of service for International patients. In public AIIMS top the list. In order to achieve great revenue in this area, hospitals and government have to come up with the strategy on medical tourism here.

Medical tourism in India includes surgeries likes Heart bypass, Valve replacement, Angioplasty, Knee replacement, Hip replacement. Procedures like Dentistry, Orthopedic, Cardiology are relative attractive in India.

S. No	Hospitals
1	Apollo Hospitals
2	Fortis Hospitals
3	Mallya Hospital
4	Mumbai's Asian Heart Institute
5	Manipal Hospitals
6	Shankara Nethralaya
7	Escorts Hospital
8	Breach Candy
9	Arvind Eye Hospitals
10	Hinduja

**Table 1: List of Hospitals provides Medical tourism**

### Challenges

- **Niche market segment:** India has to carve a niche market segment for Medical tourism, by understanding the potential growth in this segment.

- **Poor Infrastructure:** The government has to improve the medical infrastructure to attract international patients to seek for the treatment here. Poor accessibility and roads.
- **Hygiene awareness:** Government has to address the hygiene issue and spread awareness among medical attendants and public.
- **Policies:** Government should be even more flexible in Visa processing and tax regulations
- **Insurance:** International patients facing inadequate insurance cover and claims
- **Accreditation of Hospitals:** Quality accreditation of hospitals and skilled doctors and staff can help to provide a better quality of service.

## Conclusion

This paper aims to give insights about the potential opportunities and challenges faced by India. We have advantageous position to grasp the global opportunities in Medical tourism. Government should take steps and strategies to utilize this advantageous position and attract the international patients. Making ease in the procedure of Visa and insurance process may enable foreign tourist to opt for the treatment here. Working on the infrastructure and hygiene environment will improve the quality of service provided in India. Government should work on the strategies to promote and attract the international patients. By improving the accreditation norms to the hospital will help in providing the skilled doctors and technicians.

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