

Tourism Industry in India – With Special Reference to Health Care Tourism

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Abstract: Medical tourism industry has witnessed a steady growth in the recent years globally. As the world population becomes more aware of healthcare options and as quality healthcare rises as a priority in the minds of the majority ages, patients are bound to pursue cross border healthcare. The primary reasons for medical tourism therefore are high quality health care, specialized treatment options, immediate service opportunity for travel coupled with affordability. In regions where quality healthcare is unavailable, accessing healthcare may lead to medical travel, for others, cost effectiveness may be a reason. India has emerged as one of the most sought after destination for medical tourist across the globe owing to its high value proposition in terms of quality healthcare, pool of specialists and availability of alternate treatment options such as ayurveda and yoga. The growth of medical tourism in India has not only generated value for the country but also led to the advancement of medical science, development of medical infrastructure and retention of skilled manpower. The growth is driven by a combination of rising income levels and changing lifestyles, development of diverse tourism offerings, policy and regulatory support by the government.

Keywords: *Tourism, health care, wellness, India, medical tourism.*

I. Introduction

‘Wellness’ is generally used to mean a healthy balance of the mind, body and spirit that results in an overall feeling of well-being. ‘Wellness Tourism’ can, therefore, be defined as travel that involves to experience an active process of becoming aware of and making choices toward a more successful existence. In other words, ‘Wellness’ is a view of health that emphasizes the state of the entire being and its ongoing development. India has always been known for its rich heritage of ‘Wellness’ traditions and has enormous possibilities to offer to ‘Wellness’ seekers. Carrera and Bridges (2006) have defined medical tourism as travel which is systematically planned to maintain one’s physical and mental health condition. Connell (2006) describes medical tourism as a popular mass culture where people travel to overseas countries to obtain healthcare services and facilities such as medical, dental and surgical care whilst having the opportunity to visit the tourist spots of that country. Bookman & Bookman (2007) have defined medical tourism as travel with the aim of improving one’s health, and also an economic activity that entails trade in services and represents two sectors: medicine and tourism. The Indian ‘Wellness’ industry is one of the fastest growing segments of the travel and leisure industry. India has the potential to become a leading ‘Wellness’ destination for the global travelers. Therefore, there is a need to position India as preferred destination for Wellness Tourism, wellness being an integral part of the Indian way of life.

II. Objectives Of The Study

This research works aims to look out prevailing situation in health tourism industry in the world and focusing the resent situation in India in the field of health tourism and how the government promoting the industry. Also it focuses why foreign tourists are more attracted towards India and how Indian government promotes the industry focusing the foreign medical tourist. This work is based on a review of the literature, including published research, web sites, newspapers, and the travel and tourism magazines that carry medical tourism related information. This research work also strives to understand why some developing countries like India are more successful in promoting medical tourism than others. It also emphasizes over the competitive advantages of India over other countries.

III. Medical Tourism

Medical tourism (also called medical travel, health tourism or global healthcare) is a term used to describe the rapidly-growing practice of travelling across international borders to seek healthcare services. Services typically sought by travelers include elective procedures as well as complex surgeries, etc. In developed countries, medical tourism often provides an alternate way for uninsured or underinsured patients to obtain economical treatment. It can help bring down the waiting period significantly and help provide treatment to patients who require urgent medical care. Growth of medical tourism is likely to promote the expansion and modernization of health facilities in developing countries. Medical tourists can access specific procedures like

complex surgeries, specialized treatments for chronic diseases, and other methods of focused care. With growing concerns of rising medical costs, aging population, increase in lifestyle related diseases, coupled with factors such as increasing healthcare awareness among people, medical tourism can help reduce the burden of disease considerably and help people receive the timely and appropriate care they need. According to industry estimates, around seven million patients are said to be travelling each year to receive medical care. Due to the highly fragmented nature of the industry and different definitions, there are various estimates of the market size. The global medical tourism industry is expected to grow at a CAGR of 17.9 per cent from 2013-19 to reach USD 32.5 billion in 2019. Medical tourism or travel for health comprises of two different segments. One segment comprises of people who travel to other countries for rejuvenation purposes, and the other segment comprises of people who travel for curative care that is not available in their countries. While the former is a luxury segment, the latter is economy. Majority of the market that travels for curative care is extremely price sensitive and hence it plays an important role in deciding their destination for medical assistance.

3.1 Changing disease patterns posing fresh challenges

The global population is plagued with increasing incidences of chronic diseases. According to 2012 data, non communicable diseases accounted for two-thirds of death, across the world (an increase of 60 per cent from 2000). It has been observed that in the past decade, major killers globally included ischemic heart disease, stroke, lower respiratory infections, and chronic obstructive lung disease. Lung cancer (along with trachea and bronchus cancers) caused 1.6 million (2.9 per cent) deaths in 2012, in comparison to 1.2 million deaths in 2000. At the same time, diabetes led to 1.5 million (2.7 per cent) deaths in 2012, an increase from 1 million deaths in 2000. Higher stress levels in the growing population, changing lifestyle of the working population, and unhealthy eating habits are resulting in higher incidence of lifestyle-related ailments like obesity, diabetes, etc. Globally, the need for medical tourism has been enunciated by demographic changes, unavailability of quality healthcare in any countries across the world creates the need to look beyond borders. With the simultaneous rise in disposable income and healthcare awareness, wellness is becoming a priority across the globe. The global wellness tourism industry, with a growth rate of 9 per cent per annum, is said to be growing at a 50 per cent faster rate than other tourism sectors. Increasing healthcare expenditure globally has compelled economies to find ways that can help alleviate the healthcare cost burden. The SAARC countries have been an important source of medical tourists for India. Factors like proximity, direct air connectivity, and cultural connect help establish India as a preferred destination for medical tourism for patients from the region. With regional cooperation treaties in place, there is a mutual consent between these countries to promote each other as medical tourism destinations in a symbiotic fashion. For instance, Maldives has recently suggested that medical tourists coming to India for their treatment should be encouraged to travel to Maldives for rejuvenation purposes.

3.2 Asian medical tourism market

Asian countries have introduced various marketing strategies to attract medical tourists. For instance, while Thailand positions itself as a dual purpose destination for both medical and economic holiday with an attractive location, Singapore promotes itself as a destination for fine quality in medical treatment. India is known for its cost effective medical treatments along with high standards. It is further known for its alternative treatment options such as yoga and ayurveda. Malaysia is also a cost effective destination for medical care along with its tourist attractions.

Share of Top 10 Countries of the World and India in International Tourism Receipts in 2013

Rank	Country	International Tourist Receipts (P) (in US \$ billion)	Percentage Share
1.	USA	139.6	12.04
2.	Spain	60.4	5.21
3.	France	56.1	4.84
4.	China	51.7	4.46
5.	Macao (China)	51.6	4.45
6.	Italy	43.9	3.79
7.	Thailand	42.1	3.63
8.	Germany	41.2	3.55
9.	United Kingdom	40.6	3.50
10.	Hong Kong(China)	38.9	3.36
Total of Top 10 Countries		566.1	48.83
India		18.4	1.59
Others		574.5	49.58
Total		1159.0	100.00

P: Provisional.

Source: UNWTO Barometer April 2014 and Ministry of Tourism (MOT).

3.3 Advantages of Indian Medical Tourism and its cost effectiveness

- Most of the doctors and surgeons at Indian hospitals are trained or have worked at some of the medical institutions in the US, Europe, or other developed nations.
- Most doctors and nurses are fluent in English.
- Top –of-the-line medical and diagnostic equipment from global international conglomerates is available at many Indian hospitals.
- Indian nurses are among the best in the world. Nearly 1000 recognized nurses-training centers in India, mostly attached to teaching hospitals, graduate nearly 10,000 nurses annually.
- Even the most budget-conscious traveler can afford first-rate service and luxury amenities

A key competitive advantage India has in medical tourism, in comparison to other countries, lies in the cost effectiveness it has to offer to its patients. A person coming to India for his/her medical treatment can have savings anywhere in the range of 30 to 70 per cent. Even if we consider the ticket expenses and accommodation expenses along with the treatment cost, the overall expenditure would be lower than the treatment cost in the U.K. or the U.S. or many other countries.

Cost Effectiveness of Treatments in India with other countries

Procedure cost US \$	US	Thailand	Singapore	Malaysia	UAE	South Korea	Mexico	Costa Rica	India
Heart bypass	1,30,000	11,00	18,800	9,000	40,900	31,700	27,000	24,100	7,000
Heart valve replacement	1,60,000	10,000	12,500	9,000	50,600	42,000	30,000	30,000	9,500
Hip replacement	43,000	2,000	12,000	10,000	46,000	10,600	13,900	11,400	7,020
Knee replacement	40,000	10,000	13,000	8,000	40,200	11,800	14,900	10,700	9,200

Source: 'Indian Healthcare Services', J.P. Morgan, 12 March 2014, p2;

'Medical Tourism in India: Progress, Opportunities and Challenges', Madras School of Economics, Monograph 26/ 2013, March 2013, p21.

Moreover, fluctuations in exchange rates also have an impact on the value proposition of medical value travel. As a result, a sharp depreciation of the Indian rupee has proven to be a boon for medical travellers coming to India since they are able to buy more medical facilities at affordable prices. According to estimates, the fall of the rupee against the dollar gave medical tourists a cost advantage of around 35 to 40 per cent.

3.4 Value of Ayurveda and yoga in the medical tourism

India offers a diverse basket of medical services and rejuvenation facilities to patients at reasonable prices. Medical tourists travel to India to make the most of India's ancient tradition of ayurveda and its low-cost medical tourism facilities. Some of the different forms of medical tourism offered in the country include yoga, meditation, ayurveda, allopathy, naturopathy, unani, etc. There is also a dedicated department of Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homoeopathy (AYUSH) in India to focus on the development of education and research in ayurveda,yoga & naturopathy, unani, siddha and homoeopathy systems in India. People are increasingly realising the importance of such alternative forms of treatment that focus on naturally curing ailments, and the body's capability to heal and maintain itself.

IV. Support Of Government Of India Towards Medical Tourism

Realizing the potential to develop and promote Wellness and Medical Tourism as the niche tourism products among international tourists, the Ministry of Tourism, Government of India, has formulated some guidelines. The Wellness Tourism Service Providers including Wellness Centres, SPAs and Wellness Tourism Facilitators (WTFs) i.e., Travel Agents and Tour Operators engaged in Wellness Tourism and Medical Tourism Service Providers (including Hospital and Medical Tourism Facilitators (MTFs) i.e., Travel Agents and Tour Operators engaged in Medical Tourism as per eligibility will be provided financial assistance as per the provisions of the Marketing Development Assistance (MDA) scheme administered by the Ministry of Tourism, Government of India for the Fairs/ Events/ Road Shows approved by the Ministry of Tourism, Niche Tourism Division.

4.1 Publicity and other promotional activities

There are a number of marketing and promotional measures available to reach the Wellness & Medical Tourism market. The Ministry of Tourism would consider providing financial support in the ratio of 50:50 for 5 making publicity and promotional material subject to the condition that the Ministry of Tourism would provide a maximum of Rs.10.00 lakh under the category for each stakeholder in a financial year. This support would not be given for airing time on television / radio. This support will be given only on open EOI basis. The Ministry of

Tourism would provide financial assistance for organizing workshops/events/meets/seminars having focus on promotion of Wellness and Medical Tourism subject to the conditions;

- ✓ A maximum amount of Rs.10.00 lakh will be provided for each workshop/event/meet/seminar on 50:50 cost sharing basis.
- ✓ Each workshop/event/meet/seminar will have at least 100 participants of which at least 50 percent would be foreign passport holders not living in India.
- ✓ This support will be also be given on open EOI basis.

Shows with exhibits, suppliers and buyers participation for promotion of Wellness & Medical Tourism on the lines of other tourism product shows will be supported financially by the Ministry of Tourism subject to the condition that a minimum of 75 participants will participate in the show and there will be at least 40 percent foreign buyers. The maximum financial assistance that can be provided will be up to a maximum of Rs.25.00 lakh on 50:50 sharing basis. Such assistance would be given only to the State Governments / Chambers of Commerce / National Wellness & Medical Associations. In case, the Ministry of Tourism wants to set up its own Wellness and / or Medical Show that will be done on the basis of an open EOI.

4.2 Use of Incredible India logo and capacity building

The Incredible India brand is one of the most recognized brands internationally. The Ministry of Tourism would give permission for the use of Incredible India logo for the wellness and medical tourism promotion events, films, literature etc., as per the prescribed procedure from time to time. Trained human resource is an important component of any tourism product, including Wellness & Medical Tourism. A large number of tourism service providers in the organized/unorganized sector require basic and advanced training in related areas to provide better service standards and consumer satisfaction. The Ministry of Tourism would provide financial support for training courses focussed on skill providing, skill up-gradation and skill certification courses for the persons engaged in Wellness & Medical Tourism sector as per the Capacity Building for Service Providers (CBSP) scheme guidelines of the Ministry of Tourism. The training could be at various levels, i.e., basic level, higher level, advanced level and specialized. The Ministry of Tourism would provide space up to 4 Square Meters to Wellness and / or Medical Tourism Associations at major international fairs for promoting Wellness and Medical Tourism at cost.

4.3 Tourist Visa on Arrival

Government of India has launched Tourist Visa on Arrival (TVoA) enabled by Electronic Travel Authorization on 27th November 2014 for 43 countries. Prior to it, the normal TVoA scheme used to operate for 12 countries. The following are the important highlights of VoAs issued during November, 2014.

- During the month of November 2014, a total of 2,968 VoAs were issued under this Scheme as compared to 1,824 VoAs during the month of November 2013, registering a growth of 62.7 percent.
- During January- November 2014, a total number of 24,963 VoAs were issued as compared to 17,594 VoAs during corresponding period of 2013 registering a growth of 41.9 percent.
- The number of VoAs issued under this scheme during November 2014 for nationals of the twelve countries were South Korea (837), Singapore (467), New Zealand (427), the Philippines (350), Indonesia (326), Japan (310), Finland (125), Myanmar (64), Vietnam (22), Cambodia (20), Luxembourg (18) and Laos (2).
- The number of VoAs issued under the Scheme, during January- November 2014 were South Korea (5,080), Japan (4,683), New Zealand (3,690), Singapore (3,494), the Philippines (3,346), Indonesia (2,776), Finland (990), Myanmar (391), Vietnam (238), Cambodia (129), Luxembourg (126) and Laos (20).
- During January- November 2014, the highest number of VoAs were issued at New Delhi airport (11,579) followed by Mumbai (4,897), Chennai (3,512), Bangalore (1,698), Kolkata (1,600), Kochi (839), Hyderabad (600) and Trivandrum (238).

Nationality - wise Visa on Arrivals (VoAs) in India during 2011 – 2013

S.No.	Source Country	2011	2012	2013
1.	Cambodia	149	157	120
2.	Finland	1335	914	1030
3.	Indonesia	2063	2426	2758
4.	Japan	2344	4604	6448
5.	Laos	14	10	19
6.	Luxemburg	74	110	145
7.	Myanmar	71	109	148
8.	New Zealand	2762	3150	3968
9.	Philippines	1956	2444	2967

10.	Singapore	1848	1974	2486
11	Vietnam	145	186	205
	Total	12761	16084	20294

Source: Bureau of Immigration (BOI),

Reference: India Tourism Statistics 21 at a Glance 2013, Incredible India, Market Research Division, Ministry of Tourism, Government of India, New Delhi 2014.

In order to attract a large quantum of medical tourists, the government has introduced a separate category of medical visa: M-visa. This visa can be extended for additional 12 months beyond the one year issue period. A no-hindrance-clearance has been provided for medical tourists at the airports

4.4 Incredible India mobile application

The ministry of tourism has launched the 'Incredible India' mobile application that will assist international and domestic tourists to access information about ministry recognized tourism service providers namely approved inbound tour operators, adventure tour operators, domestic tour operators, tourist transport operators, travel agents, regional level guides, classified hotels available in respective cities / tourist centres. Details of the same will be given through this application to the tourists on their mobile phones based on their current location. Tourist can also query similar details for any other city he plans to travel to in future. In addition to this, the application will provide places of interest. This mobile application has been developed as part of the initiative of the government in taking important positive decisions, especially, affecting the general public since its taking over the charge. This new application developed by the National Informatics Centre (NIC) will help the tourists in seeking services from government of India recognized service providers and receive quality and reliable services from them.

V. Conclusion

Medical tourism in India offers a unique basket of services to an individual that will be difficult to match in other countries. For Indian healthcare institutions, the quality of service is the biggest benefit, followed by the cost advantage. India is in an advantageous position to tap the global opportunities in the medical tourism sector. The government's role is crucial to the development of medical tourism. The government should take steps in the role of a regulator and also as a facilitator of private investment in healthcare. Tax incentives to the service providers, import duty reduction on medical equipment, committees to promote and foster medical tourism are some of the initiatives that can be undertaken. There is also a need to develop supporting infrastructure such as transport services to facilitate tourism in India. The tourism, health, information and communication departments need to work in tandem for efficient patient care. The authorities are required to chalk out an effective marketing exercise in branding the country as well as executing marketing strategies in expanding the medical and wellness tourism market in the country. A nationwide promotion operation about 'Brand India' and its national standards could also be advertised both domestically and internationally.

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