

## An Approach to Promote Medical Tourism's Cluster in Thailand

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### Abstract

The aim of this study is to develop the model to promote medical tourism's cluster in Thailand, with emphasis on the roles played by service providers, suppliers and supporting industry. In pursuit of this objective, the study explores 3 key constitutional components as, 1) the motivation, perception and decision making of medical tourists for analyzing the customers' need, segmentation, product attribute and destination image 2) resource competencies, strategic direction, competition and co-operation intensity of medical service provider in Bangkok 3) the industry's value chain structure, value chain competencies and value chain shortage/weakness. To reach research objective described above, mix methods with quantitative and qualitative research techniques were used. The quantitative research was applied to investigate customers' need, behavior, motivation, decision making criteria, perception and decision making process in choosing the destination for obtaining medical services. The data were collected from 250 medical tourists who obtained medical service in four selected well known hospitals among medical tourist. The descriptive and inferential statistic technics were extensively used to analyze the data. The qualitative research method was performed in two categories as, 1) to explore the competencies, strategies, competition and co-operation strategy of eight medical service providers located in Bangkok 2) to explore the structure, competencies and shortage/weakness of the value chain of MEDICAL, by using

content analysis. The study results focal points that a model must consist of four key elements in medical service cluster, including medical service demand by the medical tourist, medical service providers, suppliers and supporting industries, and regulators and facilitators. The sub-model developed for each key component are; 1) C-A-P-A-B-L-E model for supplier and supporting industry must, 2) S-P-E-C-I-A-L model for the medical service provider, 3) P-R-I-M-E model for medical service marketing to the foreign customer, and the last, 4) E-F-F-I-C-I-E-N-C-Y model for regulator and facilitator.

**Keywords:** Medical Tourism, Medical Tourism's Cluster, Supporting Industry of Medical Tourism

### บทคัดย่อ

การวิจัยครั้งนี้มีวัตถุประสงค์เพื่อสร้างพัฒนาคลัสเตอร์การท่องเที่ยวเชิงการแพทย์ในประเทศไทย โดยให้ความสำคัญในส่วนของผู้ให้บริการ (โรงพยาบาล) และธุรกิจสนับสนุนการท่องเที่ยวเชิงการแพทย์ ในการดำเนินการวิจัย ทำการศึกษา 3 ประเด็นสำคัญ คือ (1) แรงจูงใจ การรับรู้ และขั้นตอนในการตัดสินใจของนักท่องเที่ยวเชิงการแพทย์ เพื่อวิเคราะห์ความต้องการ การจัดกลุ่มของนักท่องเที่ยวเชิงการแพทย์ และภาพลักษณ์ของการท่องเที่ยวเชิงการแพทย์ไทย (2) ทรัพยากร กลยุทธ์ และความร่วมมือของผู้ให้บริการทางการแพทย์ในธุรกิจการท่องเที่ยวเชิงการแพทย์ (3) โครงสร้าง ลักษณะ ความเชื่อมโยงของธุรกิจ และข้อจำกัดของห่วงโซ่คุณค่าธุรกิจการท่องเที่ยวเชิงการแพทย์ งานวิจัยนี้เป็นการวิจัยแบบผสมผสาน ระหว่างการวิจัยเชิงปริมาณใน ส่วนของการสำรวจความต้องการ พฤติกรรม แรงจูงใจ การรับรู้ การตัดสินใจและการเลือกใช้บริการของนักท่องเที่ยวเชิงการแพทย์จำนวน 250 คน ที่เข้ารับบริการทางการแพทย์ในโรงพยาบาลเอกชนที่ได้รับความนิยมของนักท่องเที่ยวเชิงการแพทย์จำนวน 4 แห่ง สถิติเชิงพรรณนาและสถิติเชิงอนุมานถูกใช้เพื่อวิเคราะห์ข้อมูลใน ส่วนของงานวิจัยเชิงคุณภาพ ถูกใช้ 2 ส่วน ดังนี้ (1) เพื่อศึกษาสมรรถนะ กลยุทธ์ บรรยากาศในการแข่งขันและความร่วมมือของโรงพยาบาลที่ให้บริการนักท่องเที่ยวเชิงการแพทย์ โดยทำการสัมภาษณ์จากผู้บริหารจำนวน 10 โรงพยาบาล ในเขตกรุงเทพมหานคร (2) เพื่อศึกษาโครงสร้าง สมรรถนะ ข้อจำกัด และความเชื่อมโยงของห่วงโซ่คุณค่า ในธุรกิจสนับสนุนการท่องเที่ยวเชิงการแพทย์ จากการศึกษาสามารถสร้างรูปแบบการพัฒนาการท่องเที่ยวเชิงการแพทย์ในประเทศไทยได้ทั้งสิ้น 4 รูปแบบด้วยกันดังนี้ (1) รูปแบบสำหรับธุรกิจสนับสนุนการท่องเที่ยวเชิงการแพทย์ คือ C-A-P-A-B-L-E (2) รูปแบบการดำเนินการสำหรับผู้ให้บริการทางการแพทย์ คือ S-P-E-C-I-A-L (3) รูปแบบกาการท่องเที่ยวเชิงการแพทย์ คือ P-R-I-M-E และ (4) E-F-F-I-C-I-E-N-C-Y รูปแบบการดำเนินการสำหรับหน่วยงานที่กำกับดูแลและอำนวยความสะดวกในการดำเนินงานของการท่องเที่ยวเชิงการแพทย์

**คำสำคัญ :** การท่องเที่ยวเชิงการแพทย์ คลัสเตอร์การท่องเที่ยวเชิงการแพทย์ หน่วยธุรกิจสนับสนุน การดำเนินงานของการท่องเที่ยวเชิงการแพทย์

## Introduction

Tourism is one of the world's largest industries. The WTO 2019 report stated that total 1.4 billion tourists had traveled across the countries in year 2017-2018, which represented 6% increase when compared with 2016-2017 record. In the meantime, tourism growth in Thailand has also consistently increased. Even tourist numbers dropped by 6.66% earlier in 2014 as a consequence of political instability, however, it later rose up quickly by 7.5% or about 37.27 million tourists in 2018 (UNWTO, 2019)

One of major lifestyles that has converted into travels is a healthy lifestyle. The idea of being healthier empowers active participation in preventing or treating disease has been concerned among various generations, especially the Baby Boomers. The Baby Boomer (who were born between 1946 and 1964) is the current largest generation (Kotler & Keller, 2006), and commonly defined as work-centric, dedicated to career, success and family. While demand in medical and wellness services are rising, the costs are also continually increasing, especially in developed countries. The impact leads local citizens to seek for cheaper alternatives at similar level of quality in developing countries (Herrick, 2007). With existed availability and potential, Thai government routed to create a more viable set of medical tourism opportunity by positioning Thailand as "The Medical Hub of Asia" during year 2004-2008. To strengthen the strategy, government has continued to promote medical and wellness services in Thailand, and with contribution from Department of Health Service Support, many services are combined with travel activities, creating effectively integrated medical tourism (Department of Health Service Support, 2013).

As of present time, there are total 36 hospitals operating in Thailand, making the country ranked with highest number of hospitals in Asia. Thailand's leading hospitals include Bumrungrad International Hospital, many of Bangkok Dusit Medical Services Group (BDMS), Vejthani Hospital, Yanhee General Hospital, Ramkhamhaeng Hospital, Aek Udon Hospital, Sikarin Hospital and others. Many of these hospitals are JCI-certified (Joint Commission International Accreditation) which means they are accredited in this following areas: organization management, strategic direction, structural safety, hygiene and infection control, quality and patient safety, communication and human resource management (Joint Commission International, 2014).

Although credible sources like (Connell, 2006; Ricafort, 2011) and all agree that price is key factor to customers' decision making. Nonetheless, many discords with the theory as prices

varied directly with service quality. Therefore, when service provider lowers costs to attract more customers, quality of treatments and services also drop, and eventually could lead to Red Ocean strategy contradiction.

As normally the study of Medical Tourism focus on demanding of medical tourist, few or not update study focus on supply side, as well as the study of Thailand Medical Tourism was performed on 2006 which is not up to date. To do so the study of Medical Tourism's Cluster in recent is perfectly appropriate

### Objective

To analyze medical tourists' segmentation and consumption behavior, assess supplier and supporting industry of medical tourism and propose model for promoting medical tourism's cluster in Thailand.

### Scope of Research

The units of analysis in this study are the leading private hospitals including Bumrungrad International Hospital, Bangkok Hospital, Samitivej Sukhumvit Hospital, BNH Hospital, Yanhee International Hospital, Vejthani Hospital, Piyavete Hospital, Central General Hospital, Nonthavej Hospital and World Medical Hospital as well as their services.

### Conceptual Framework

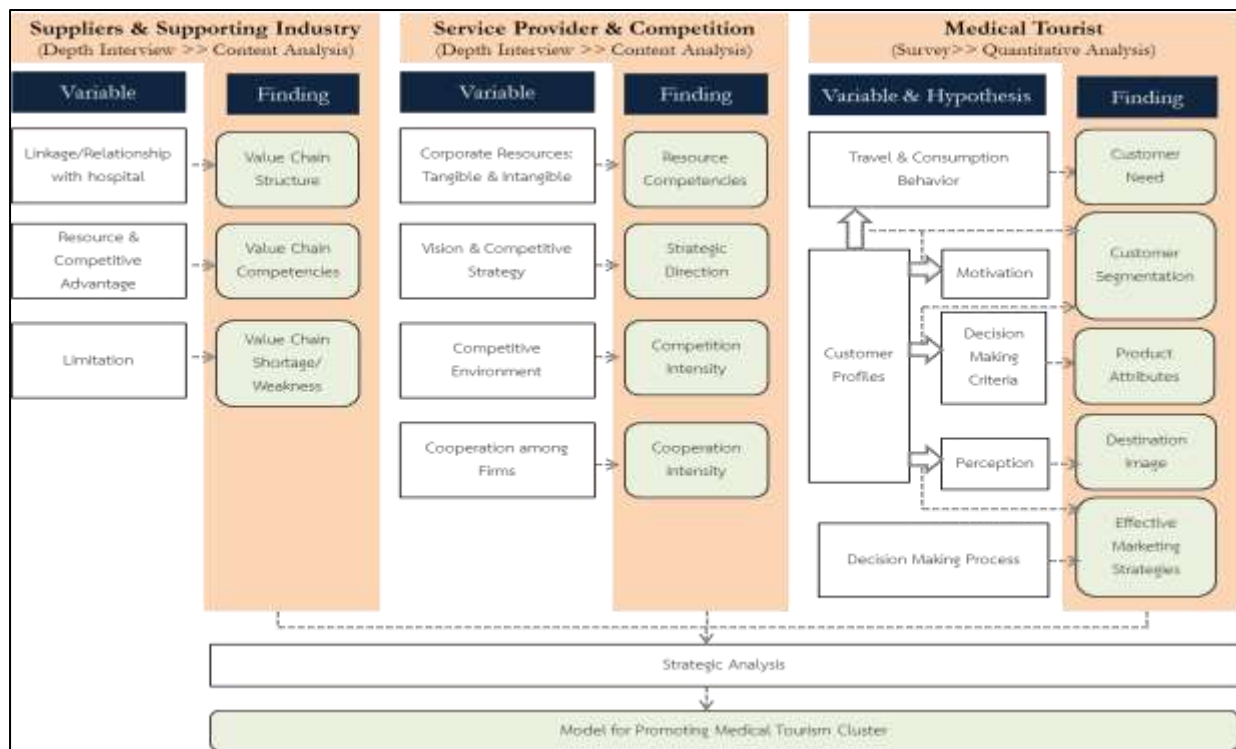


Figure 1 Conceptual Framework

## Definition of Terms

Medical tourism demand: the amount of medical services that consumers (tourists) will want to purchase at a given price (Lunt, 2011).

Medical tourist's behavior: the study of how consumers (tourists) select, purchase and use the services (Hirunkitti, Mechinda, Hirunkitti, Maenjing, & Sayapunt, 2009).

Medical tourism cluster: the group of business, both private and government sector that relate to tourism and medical service (Harryono, Huang, Miyazawa, & Sethaput, 2006).

## Literature Review

- **Medical Tourism**

The meaning of medical tourism is outbound travel of persons who seek for medical treatments and services unavailable in their home countries. Most of medical travels involved with recreational activities (Heung et al., 2010). MEDICAL can also refers to overseas travels for surgeries or similar treatments purposes, which allow the persons to enjoy exploring the destination country (Amit, 2004). Meanwhile, some studies define MEDICAL as an incident which the persons travel outside their home countries to obtain medical treatments for disease/symptom or wellness services such as dental care, cosmetic surgery and alternative medicine (Baker, 2010)

- **Medical Tourist's Decision Making**

People from across the global are turning to medical tourism to satisfy their healthcare needs. There are several main factors driving medical tourism. These can be divided into “push” and “pull” factors. Push factor of foreign medical service customer can be divided in two factors, 1) medical factor and 2) tourism factor. Medical factor consists of reputation of the hospital, the qualification of the medical service people and quality together with medical standards with the excellent of care. According to (Patients Beyond Borders, 2014; Wachter, 2006) cost is a strongly significant factor. While a patient would typically pay \$144,000 for a heart bypass in the United States, the average cost for the same procedure in India is only \$5,200 (Medical Tourism Association, 2014) It is projected that there is a huge savings versus the cost of domestic care (Woodman, 2008). Pull factors, on the contrary, are the result of the tourism attractions by the perceived of tourist (Bashar & Som, 2010). Pull factor also consist of country reputation in both tourism and medical service, variety of medical and tourism service, affordable/valuable cost (Kanittinsuttitong).

- **Medical tourism competence and strategies**

Thailand is one of the First Wave in Asia's medical tourism (OECD, 2011). Studies explained that apart from hospitality and beautiful tourist attractions, highest numbers of JCI-certified hospitals have benefited and made Thailand a strong competitor in the industry (Joint Commission International, 2016). With existed potentials, Ministry of Public Health promote the champagne medical hub of Asia, since 2004 and continually promote to present. has attempted to make Thailand a global hub for medical.

Michael E. Porter's "Diamond Model" was applied to discuss factor as follow, 1) Factor Conditions, Kulkalyuenyong ; Manirochana and Vivanichakul (2016); Wuthirakkajorn showed that medical treatment prices in Thailand are lower than in developed countries as a result of low production costs, but Thailand faces shortage of medical specialist and foreign language speaker. 2) Demand Conditions, the Special Economic Zone has contributed to Thailand's reputation as a MEDICAL hub as expats going to work in neighborhood country would prefer to seek treatment in Thailand. Thailand has long had a history of being a tourist friendly country, is one of the key reasons that customers pick Thailand for their treatment. 3) Related and supporting industry, as Thailand is a world leader in tourism, it has the capacity and infrastructure to handle medical tourism in a positive way. (BOI, 2017; Turner & Freiermuth, 2017). 4) Firm strategies, structures and rivalry, the competitive strategy of Thailand's medical tourism, (1)

Price, Lower price than Singapore, which state themselves as high-end research and treatment (Lee, 2016). Even India offers lower prices, but suffers from perception of poor sanitation and logistics (Kaur, Sundar, Vaidya, & Bhargava, 2007). (2) Quality, medical tourists mostly choose healthcare providers on reviews (Sarwar et al., 2012) or from international certification (Awadzi & Panda, 2006), thus medical service providers must seek accreditation and maintain a standard of service.

- **Medical tourism cluster**

Medical tourism cluster is like tourism cluster, by adding the core business of health care provider and health care supplier to the cluster but the act of government is greater than normal in promoting, supporting and seriously conduct the medical provider (Harryono et al., 2006; LitCare; Pizzurno, Alberti, Giusti, & Papa, 2014; Yelemessova, 2018), Some research have also suggest that, local certify mark authorized by government which is friendly understand and reliable to foreign medical service customer might create reliability

(Lertputtharak, 2013), as Thailand had Hospital Accreditation (HA), launched by The Healthcare Accreditation Institute, the public organization under Ministry of Public Health may persuade trust from medical tourist (Chokdumrongsuk, 2010; Thaveechai & Jun-eam, 2016).

The conclusion of medical tourism cluster is to point the concern unit with MEDICAL which has many function, as indirect and direct effect to foreign patient, however malfunction of the cluster might occur an obstacle to MEDICAL, vice versa, functioned cluster surely energize MEDICAL with the greater opportunity.

### **Research Method/ Research Methodology**

This research procedures start with medical tourists who obtained medical services in 4 leading hospitals in Thailand medical tourism industry with convenience sampling for 70 questionnaires each hospital, totally use 280 questionnaires to conduct as quantitative data collection method, to discover medical tourists' behavior at renowned private hospitals. Descriptive statistics was used to find frequency and percentage of medical tourist information, travel behavior and decision making process, and finding the mean and standard deviation of travel behavior, motivation, decision making process and perception. Inferential statistic was as follow, t-test to find the relation of gender and one way ANOVA for travel behavior, motivation, decision making process and perception. The survey was design follow the construct of Consumer Buying Behavior which consist of motivation, consumption behavior, decision making criteria, decision making process and perception (Steffi, 2015). Researcher added destination image to the survey for reaching the information of Thailand's medical tourism in tourist perception. Secondary, in-depth interviews with 10 hospitals' executives were used in qualitative survey method to explore their management, competency and abilities to deliver quality services, the question in this interview were conducted follow the instruction of medical business strategy. Lastly, in-depth interviews were used once again with 8 suppliers and firms whose products/services support medical tourism, to discuss their product development plans and how to satisfy medical tourists' needs, as the instruct of medical service value chain theory. Content analysis were used to analyze entire interviews

Survey and interview question as the derived from the research questions as the table below:

Research Question and Instrument	List of Interview Questions	References
Analyze medical tourists' travel and consumption behavior, motivation, decision making criteria, perception and decision making process ----- 280 Questionnaires	What are the effecting factors of medical tourists: 1) Travel and consumption behavior 2) Motivation 3) Decision criteria 4) Perception 5) Decision making process	Hirunkitti, 2009. Crook, 2010. Jotikasthira, 2010. IMTJ, 2014. Ozan-Rafferly, 2014. Vahdat, 2014. Drinkert, 2015. Landreville, 2016. Sirthummanukul, 2016.
Analyze and explore medical tourism service provider's resources, vision and competitive strategy, competition environment and co-operation among firm ----- Interviewing	How are the: 1) Competencies of hospital 2) Strategies direction 3) Competition intensity	Cleverley, 1992. PWC, 2015. Chang, 2017. Kotler & Keller, 2017. The Korea Time, 2017. Elrod, 2018.
Analyze and explore value chain structure, value chain competencies and value chain shortage and weakness of medical tourism supplier and supporting industry ----- Interviewing	How are the medical tourism: 1) Value chain structure 2) The linkage or relationship with hospital 3) Resources and competition advantage 4) Limitation	Porter, 2000. Porter, 2008. Ferrelra, 2009. Christian, 2011. Salley, 2011. Pizzurno, 2014. Kaewkittichain, 2018.

Procedures of data collection and analysis can be design as follow:

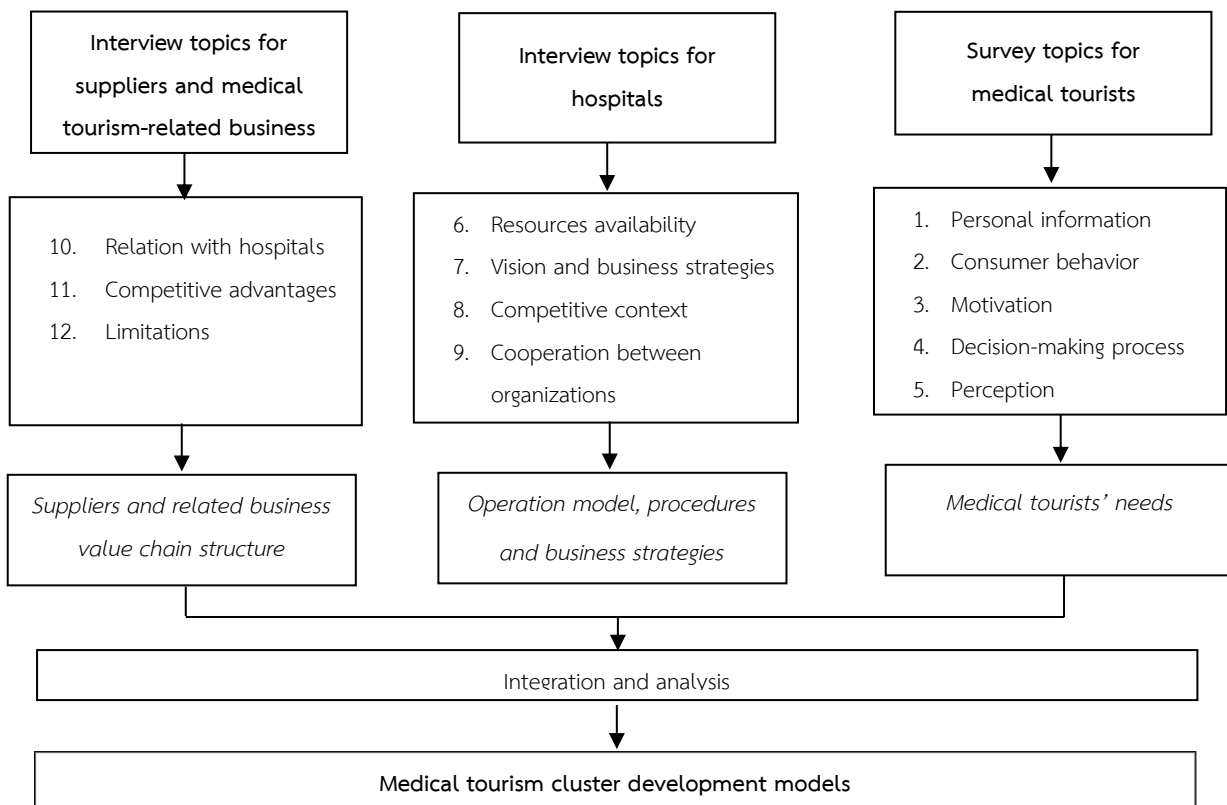


Figure 2 Research Framework Analyzing



## Result

As the objective 1 study consumption behavior of medical tourist found, results from demographic analysis and hypothesis testing can be used to segment as, medical tourists in Bangkok are mostly from Asia (44.4%) were male (54%); Having well experience of obtaining medical service abroad, including Thailand (about 85% of total). Source of finance: Out of pocket payment (about 74% of total). Loyalty: Very high loyalty to Thailand (about 89.2% of total considers nowhere else apart Thailand). Mode of purchase: Directly making reservation (72.4% of total). In addition, female customers have level of push motivation higher than male customer. Income: The richer customers seem to have higher experience of length of stay than the poorer group. However, the middle-income group customers seem to have less concerned on accessibility and responsiveness when making decision compared to other income group. Education: Less educated groups have higher experience of obtaining medical service abroad but have shorter length of stay compared to the higher educated group. Occupation: Unemployed group have higher experience of obtaining medical service abroad than other occupation group due to the flexibility of time

The objective 2 study service provider's resources, vision and competitive strategy together with environment and co-operation among firm by interviewing with 10 hospitals' executive found, 1) Sources of competitive advantage in international medical service market, at country level, data clearly reveal that relative worthiness compared to other destination is a crucial key source of competitive advantage for Thailand over other countries. This advantage is a result of many factors; for example, world class standard, lower cost of treatment, lower cost of transportation and living daily. The second source of competitive advantage is relatively more attractive destinations compared to other countries. At the provider level, trust is the most important source of competitive advantage among the medical service providers in international market. Strategies of service providers, medical provider for medical tourism have rather different vision positioning, according to their size, scope of services, targeted customer segment. However, it can be summarized into following categories. (1) Leader in specific type of service: Specialist hospital represents a good image of Thailand's medical efficiency. (2) Leader in Asia: The alliance and network of medical service provider facilitate foreign medical service customers who travel around the country and look for the specialist from selected hospital. (3) Leader in specific country market: With the increase of Burmese and Chinese patients and the decrease of Arabic

patients, the new target groups are emerging. Strategic Direction of medical, most of the services providers located in Bangkok are taking advantage of the opportunity in growing medical tourism, the growth strategies which they are applied are as follow. (1) Market penetration: All of interviewees have intention to expand their revenue by continuous improvement in their service quality and extensive investment. (2) Product development: Some of the interviewees set their firm to grow via offering medical and non-medical services to their customer. In addition, each hospital may have more than one specialist center. These specialist centers can be another key strategy to promote medical and may lead Thailand to the medical hub of Asia. 3) Market Development: The target hospitals are expanding market to new segments for customer. They use several modes of entry from light investment to large investment. In addition, merger and acquisition are the dominant strategy of the large sized hospitals, the M&A enable them to faster access to new customer segments as well as specialized physician. 4) Vertical Integration: the large hospital tends to expand their business in the related activity in supply chain, mostly in backward integration. Competition Intensity of medical provider in Thailand, is rather high in this market due to a number of competitors with moderate entrant barrier. However, the large market size and diversity of medical services product help turn down the competition intensity. (1) Pricing competition: In fact, pricing competition in domestic market is very intense but it was an opportunity with less price sensitive in major market, as they acknowledge the fact of operation cost and high price of precious medical equipment. (2) Relationship with Forward network: Representative office, clinic or alliance hospital in oversea is another strategy. (3) Resource acquisition: The medical service business has expanded rapidly. To build a new hospital may waste the time to run the business, thus some group of private hospital have the business expansion plan by purchasing the business of local private. The medical specialist is insufficient, and therefore the hospitals have to offer the interesting and attractive benefits to the medical specialists in order to secure them with the hospital. Cooperation intensity of medical provider in Bangkok, the cooperation among the hospitals can generate competitive advantage to them in term of lowering cost, enhancing customer satisfaction, and access to customer. (1) Sharing administration and supportive resource: Networking and alliance hospital might take an advantage from this strategy. According to the economies of scale. (2) Sharing medical doctor: Specialist medical doctor in Thailand is insufficient and the cost of hiring the specialist is very high, the rotation of medical specialist among the alliance hospitals is applicable as the solution.

The objective number 3 study suppliers and supporting business of Medical Tourism's value chain in in terms of 1) Linkage/relation with hospital 2) Resource and competitive advantage 3) Limitation. As the collecting data for study, researcher found, Value chain structure: (1) Intermediate agency and medical travel facilitator consists of medical travel agent, representative office, alliance hospital or clinic, MEDICAL information centre and insurance agency that give an advice to foreign medical service customer with the essential details. Representative and alliance hospital have more responsibility as to fundamentally diagnose the patient and to follow up. (2) Supplier and key resources is the medical service providers which are supported by many functions and business, but the core suppliers of medical service supplier are medical equipment firm, pharmaceutical firm, laboratory, imaging and radiology firm which are unique and different from other business. The expertise and collaboration of the suppliers help strengthening and create the high capability to the medical service in Thailand. (3) Supporting industry, key supporting of medical tourism is tourist attraction. As a leading tourism destination, the tourism promotion in Thailand also supports medical tourism. The other supporting units such as translation centre and financial institution also facilitate a good service to foreign medical service customer. (4) Regulator and promotor, in Thailand, the tourism regulators are the government units, but the tourism promoters can be both government unit and private firm. Value chain competencies, (1) Intermediate agent (Facilitator), from the competency in healing and servicing of hospitals or medical service providers in Thailand, The good relationship between intermediate agents and hospitals relate to a continuous transfer of foreign medical service customers for the treatment in Thailand. Many hospitals manage the aspect of intermediate agent by themselves. (2) Supplier and key resources, more than 60 hospitals in Thailand are accredited by JCI standard. Many pharmaceutical factories and medical equipment companies are certified by ISO standard (3) Supporting industry, Thailand is renowned for tourist attractions. The charming Thainess is also admired by foreigners that help promoting hospitality industry. (4) Regulator and promoter, the supportive government sectors promote the good image and the efficiency of MEDICAL in Thailand. Value chain weakness/ constraint, (1) Intermediate agent (Facilitator), sometimes the agent mistakenly provides incorrect information to the medical tourist because of the ambiguity of the hospital in terms of specialized field of treatment, skill of medical specialist, insufficiency of specialist and rotation of specialist. This error results in the trustworthiness of both agent and medical provider. (2) Supplier and key

resources, the competency in producing medicine and medical equipment in Thailand is limited because the medicine and medical equipment are registered as a copy right on an invention. Communication skill in English of medical personnel is also a problem, thus English must be spoken as the main. If there is a miscommunication, it may lead to the poor outcome of the treatment. (3) Supporting industries, it will be really helpful if there is the medical tourism information center controlled by government sectors. This information center can truly empower the medical tourism in Thailand. (4) Regulator and promoter, the medical tourism industry is the business unit that involves with many government sectors. As the complicated, the medical tourism promotion cannot be managed smoothly. The settlement of single main government sector to control and development seems to be beneficial.

The objective number 4 is to propose the Model of promoting medical tourism cluster in Thailand: The regulator and facilitator agents are now separated from supplier and supporting industry for better clarity of the model. As a result, the model consist of 4 key elements in foreigner medical service cluster, including medical service demand by foreigner, medical service provider, suppliers and supporting industries, and regulator and facilitator, as shown in figure 3.



**Figure 3** Model of Promoting Medical Services to Foreigner in Bangkok

Medical service demand by medical tourist, to leverage growing demand of medical service in foreigner market, this research proposes P-R-I-M-E marketing approach for medical service provider which consist of Partnership, Reputation, Influencer, Multi-product and multi-segment positioning and E-marketing. Medical Service Provider, to enhance and sustain competitive advantage, this research proposes S-P-E-C-I-A-L strategic approach for medical service provider

which consist of Specialized in something, Professionalism of human resources, Excellent service hospitality, Collaboration for synergy, Image management, Alliance with famous institution, Learning organization. Suppliers and Supporting Industry, to promote the competencies of suppliers and supporting industry in medical service for foreign market, this research proposes C-A-P-A-B-L-E guidelines for relevant organization which consist of Capacity of medical and nursing school production, Accreditation system for supporting service, Patient-friendly attraction, Advance RDI in medical treatment and technology, Board connection of agent and representatives, Language proficiency of supportive staffs, Ease of immigration procedure. Regulator and facilitator, to accommodate the growth of medical service for foreign market effectively, this research proposes E-F-F-I-C-I-E-N-C-Y approach for the organization functioning as regulator and facilitator which consist of Effective legal enforcement, Facilitation measures for medical tourist, Foreign consumer protection mechanism, Integrated and cross-function execution, Continuous commitment to policy goal, Investment promotion scheme, Enhancing cluster competencies, New business model and innovation promotion, constraint relaxation by G2G collaboration, Yet: Agile operation in public service.

## **Conclusion and Discussion**

1) Demand analysis of medical tourist, from the research results on segments of medical tourist, the segmentation by purpose of visit found this study is in line with two groups defined by Cohen (2006), namely tourist with purpose of travel and treatment and patient who travel. This study also found that the largest group of foreign customers in Bangkok is Baby Boomer generation, this can be explained by the fact that Baby Boomers normally seek for advanced healthcare and high quality services at reasonable prices (Delinsky, 2005; Goulding & Shankar, 2004).

Regarding to the motivation of foreign medical customer, research finding shows that they have moderately low push motivation level, this might contradict with (Jotikasthira, 2010; Lunt, 2011). However, they have very high level of pull motivation which is consistent with (Lunt & Carrera, 2010).

On the decision making criteria, it was found that foreign medical customers with partly insurance coverage have more concerned about the cost, this finding is in accordance with Sarwar et al. (2012) who found that medical tourists from developed countries, with insurance

coverage, are price-sensitive; they are attracted by price of services available in developing countries which are much lower than in their hometown.

To find appropriate marketing strategy for foreign medical, this study also found that internet marketing is extremely powerful channel that most of customer in this market use to search for information. This finding is in accordance with Rerkrujipimol and Assenov (2011) who stated that the most effective channel for successful medical tourism is the internet, due to its ability to reach target customers at lowest cost. This finding also fits with studies on customers' online behavior conducted by Cohen (2006) and Lunt (2011) finding that medical tourists tend to research online rather than other ways.

2) Analysis of medical service providers' competencies, strategy, competition, and cooperation

Customer's trust is the key sources of competitive advantage in the market of medical tourism. The qualitative analysis result from this study identify several factors mutually creating the trust. Professionalism of medical staff is one of the important factors. This finding confirms the statement of Rerkrujipimol & Assenov (2011) that people or medical specialists are vital to medical tourism and medical specialists who graduated from leading universities in USA, UK, Germany, Japan and Scandinavia are more

The research also points out that international hospital accreditation standard and word of mouth are the key determinants of customer's trust because medical tourists often choose healthcare providers on reviews by other tourists and patients (Sarwar et al., 2012) or from certification from recognized international organizations (Awadzi & Panda, 2006). However, in Thailand, there is an abundance of hospitals with JCI accreditation. Competition within Thailand's medical tourism sector is, as a result, highly competitive.

3) Analysis of supplier and supporting services' value chain, competencies, and weakness.

The results of this research identify that tourism is a key supporting industry for MEDICAL market. This finding reaffirms many theories regarding to medical tourism. Kasikorn Research Center (2013) explained that medical tourists prefer to stay within short range of their hospital of choice while staying in four or five-star establishments and to enjoy tourism-related activities in their recovery period including shopping and sightseeing.

Quality of supplier and supporting services is found as a critical success factor and the industry should further enhance their competency in this aspect. This finding supports the

argument of Mathew, John, and Kumar (2013b) that supply chains in the medical service industry is centered on the quality of the product and involves multi-level components.

#### 4) Model for promoting medical services to foreigner in Bangkok

The research analysis ends with the conclusion from objective 1 to objective 3. Finally, it proposes model for promoting MEDICAL in Bangkok. This model is rather consistent with industry cluster concept developed by Porter (1990), although this study combines the supplier and supporting industry together and inserts regulators and facilitator into the model. As a results shown in topic 4.4 in Chapter 4, the model purpose key strategic options to each element; including P-R-I-M-E for marketing the foreign medical customer, S-P-E-C-I-A-L for enhancing competencies of medical service providers, C-A-P-A-B-L-E for enhancing competencies of supplier and supporting services, and last but not least E-F-F-I-E-N-C-Y for regulator and facilitators.

### **Recommendation/ Implication**

This research purpose comprehensive recommendation to key parties in the industry of medical tourism are as follows: (1) The medical services for foreigner concerned should pay attention to rising up of Asian tourist. As the Asia population is equivalent to 59.66% of the population over the world and the convenience in traveling. (2) The medical service providers should develop their customer relation management, as most of respondents were repeated visit and obtained medical services. (3) Medical school, nursing school and other medical science school should increase production capacity, especially the specialize. (4) Medical service providers should have more specialist hospital, as the need specialized person to take care their health and with the reason of image of specialist hospital able to encourage trust from tourist. (5) Government sector should operate MEDICAL centre to facilitate foreign medical service customer which the updated and reliable information as 1 stop service. (6) Government sector should operate translation centre. This translation centre might operate like tele-service or making the reservation in advance for deliver interpreter on site. (7) Government sector should empower to specialty working group of medical tourism. (8) Medical should engage customer more by link the medical service with tourist attraction, which able to accommodate more impress from customers. (9) Medical service supplier should develop their efficiency in producing need supplier like medicine or medical equipment to decrease an import of supplier which cause of high operation cost.

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