

## **Chapter 1. Introduction**

The first recorded instance of medical tourism dates back thousands of years to when Greek pilgrims traveled 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. Epidauria became the original travel destination for medical tourism (*Awadzi & Panda, 2007*). Spa towns and sanitariums may be considered an early form of medical tourism. In eighteenth century England, for example, patients visited spas because they were places with supposedly health-giving mineral waters, treating diseases from gout to liver disorders and bronchitis.

Factors that have led to the increasing popularity of medical travel include the high cost of health care, long wait times for certain procedures, the ease and affordability of international travel, and improvements in both technology and standards of care in many countries. Many surgery procedures performed in medical tourism destinations cost a fraction of the price they do in the First World. For example a liver transplant that costs \$300,000 USD in America costs about \$91,000 USD in Taiwan (*Burkett, 2007*). A large draw to medical travel is convenience and speed. Countries that operate public health-care systems are often so taxed that it can take considerable time to get non-urgent medical care.

Medical tourists come from a variety of locations including Europe, the Middle East, Japan, the United States, and Canada. Factors that drive demand for medical services abroad in First World countries include: large populations, comparatively high wealth, the high expense of health care or lack of health care options locally, and increasingly high expectations of their populations with respect to health care.

Additionally, some patients in some First World countries are finding that insurance either does not cover orthopedic surgery (such as knee/hip replacement)

or limits the choice of the facility, surgeon, or prosthetics to be used. Medical tourism for knee/hip replacements has emerged as one of the more widely accepted procedures because of the lower cost and minimal difficulties associated with the traveling to/from the surgery.

A specialized subset of medical tourism is reproductive tourism and reproductive outsourcing, which is the practice of traveling abroad to undergo in-vitro fertilization, surrogate pregnancy and other assisted reproductive technology treatments including freezing embryos for retro-production (*Balaban & Marano, 2010*).

The typical process is as follows: the person seeking medical treatment abroad contacts a medical tourism provider. The provider usually requires the patient to provide a medical report, including the nature of ailment, local doctor's opinion, medical history, and diagnosis, and may request additional information. Certified physicians or consultants then advise on the medical treatment. The approximate expenditure, choice of hospitals and tourist destinations, and duration of stay, etc., is discussed. After signing consent bonds and agreements, the patient is given recommendation letters for a medical visa, to be procured from the concerned embassy. The patient travels to the destination country, where the medical tourism provider assigns a case executive, who takes care of the patient's accommodation, treatment and any other form of care. Once the treatment is done, the patient can remain in the tourist destination or return home.

International healthcare accreditation is the process of certifying a level of quality for healthcare providers and programs across multiple countries. International healthcare accreditation organizations certify a wide range of healthcare programs such as hospitals, primary care centers, medical transport, and ambulatory care services.

Medical tourism carries some risks that locally-provided medical care does not.

Some countries, such as India, Malaysia, or Thailand have very different infectious disease-related epidemiology to Europe and North America (*De Arellano, 2007*). Exposure to diseases without having built up natural immunity can be a hazard for weakened individuals, specifically with respect to gastrointestinal diseases (e.g. Hepatitis A, amoebic dysentery, paratyphoid) which could weaken progress and expose the patient to mosquito-transmitted diseases, influenza, and tuberculosis. However, because in poor tropical nation's diseases run the gamut, doctors seem to be more open to the possibility of considering any infectious disease, including HIV, TB, and typhoid, while there are cases in the West where patients were consistently misdiagnosed for years because such diseases are perceived to be "rare" in the West.

The quality of post-operative care can also vary dramatically, depending on the hospital and country, and may be different from US or European standards. Also, traveling long distances soon after surgery can increase the risk of complications. Long flights and decreased mobility associated with window seats can predispose one towards developing deep vein thrombosis and potentially a pulmonary embolism. Other vacation activities can be problematic as well — for example, scars may become darker and more noticeable if they sunburn while healing.

Differences in healthcare provider standards around the world have been recognised by the World Health Organization, and in 2004 it launched the World Alliance for Patient Safety. This body assists hospitals and government around the world in setting patient safety policy and practices that can become particularly relevant when providing medical tourism services.

If there are complications, the patient may need to stay in the foreign country for longer than planned or if they have returned home, will not have easy access for follow up care.

Receiving medical care abroad may subject medical tourists to unfamiliar legal issues. The limited nature of litigation in various countries is one reason for the lower cost of care overseas. While some countries currently presenting themselves as attractive medical tourism destinations provide some form of legal remedies for medical malpractice, these legal avenues may be unappealing to the medical tourist. Should problems arise, patients might not be covered by adequate personal insurance or might be unable to seek compensation via malpractice lawsuits. Hospitals and/or doctors in some countries may be unable to pay the financial damages awarded by a court to a patient who has sued them, owing to the hospital and/or the doctor not possessing appropriate insurance cover and/or medical indemnity.

### **Research Objectives:**

*The main purpose of research identified the complex of research objectives:*

- To identify the role of medical services (plastic surgery, cosmetology and beauty industry) in differentiating of Thai national tourist product;
- To create a special medical tours in Thailand for citizens of Russia, to evaluate the limits of demand for Thai national medical tour-product in Russia, the features of promotion and sales of Thai medical tours in these conditions;
- To develop a strategy for international marketing and distribution for Thai clinics , the features of medical services sales in international markets;

- To create and to realize a real project in the area of Russian customers attraction in Thai clinic (strategy for pricing, promotion, extra services, international distribution, sales and services modification and so on).

### *Research questions*

- How to use medical abilities of Thailand in the case for increasing Thailand's tourism attractiveness? How to increase inbound tourists flow in Thailand due to the usage of Thai national (public and private) medicine?

- Which potential for tourists flow generation does Russia have? Are these abilities enough for providing efficiency of Thai international medical services producing and international promotion?

- What strategy for entrance on the foreign markets (Russia) is a most proper for Thai SME (plastic surgery and beauty industry)?

- How can Thai SME (plastic surgery and beauty industry) be adjusted to requirements of international medical tourists? Which promotional and business model tools can be used for enhancing the effectiveness of international business activity of Thai SME (plastic surgery and beauty industry).

- Which conditions for business in sphere of plastic surgery and beauty industry Russia has now (competitors, State regulation, features of demand and local supply, limitations, prospects and so on) and how can Thai SME compete in these conditions?

- What kinds of effective State support can Thai SME (plastic surgery and beauty industry) get in the modern conditions?

*The main hypothesis* of the study. Population of Russia has a big potential for health and medicine services consumption. A very important feature of these markets is a broad perspectives for foreign (firstly, westerner, after – Asian) medical services supply. By this specify Russian markets are very differing from the markets of Western Europe, USA or Japan. In these condition Thailand (what health industry has some global advantages) gets a well chance to partly share these markets, to provide a stabile income from medical tourists, to differentiate a National Tourism product.