ABSTRACT

The health markets across all the countries are propelled and powered to scale up to unprecedented heights by the forces of globalization/corporatization unleashed by the introduction of economic reforms. After the advent of globalization, the health service markets are expanding at much faster rates than ever before. One of the major triggering factors for this phenomenal growth is the attitudinal changes among people coupled with the rising incomes, stressful work schedules, life style changes and so on. All these issues have been discussed and explained briefly after developing a modest but a wholesome framework that encompasses, among other things, marketing, marketing strategies, the dynamics of purchase decisions, research methods etc. which have some nascent theoretical underpinnings.

It has been noticed that the health status is both the cause and consequence of economic development. There seems to be a vicious circle between the two. Consequently, there is an undepletable demand for health services. This is further accentuated by the faster rates of development. As a result, there is a huge untapped potential in the global health service markets. This is nothing but the foreign medical tourism. Accordingly, an attempt is made to investigate in our study, the ways and means of “exploring and exploiting” the immense market potential available in the global markets. As a first step, an attempt is made to identify, evaluate and assess the competitive strength of our emerging hospital sector to exploit the potential in foreign medical tourism market. In this regard, the management techniques such as the SWOT, RBV and VCA have been used. They also give guidelines to take up the capacity-building measures in the hospital sector. The conceptual analysis also brings out the meaning, nature and significance of “credence goods” which directly impact the brand building strategies of the hospitals.

It has been observed that there is certain and definite competitive advantage/strength in our hospital sector to face, survive and grow in the intensely increasing global competitive environment. In this context, a brief competitor-analysis has been undertaken to critically examine the veracity of our competitive strength. After analyzing all these and other related issues on the basis of secondary data along with a brief account of conceptual analysis, a field
survey was designed and carried out (July 2008 – December 2008) on the Bangalore’s major hospitals that receive the FMTs. The field survey is divided into two components — one deals with the hospitals and the other with the FMTs.

The hospitals and the FMTs data analysis reveals that the majority of FMTs who visit the Bangalore hospitals are basically from developed countries like USA, UK. The FMTs seek sophisticated advanced treatments in the area of Cardiac, Orthopedic and Neurology. The FMTs prefer to come to Bangalore (or India in general) because of the high quality of treatment available coupled with lower costs of treatment. Further, the longer waiting time seen in their respective countries propels them towards Bangalore hospitals. The main channels to reach the potential customers are found to be the doctor’s reference and websites.

The frequency of the visits to India by the FMTs reveals that most of them happened to be “First Time Visitors”. The hospitals need to take extra care of these FTVs as they will play a dual role as selling and publicity agent. The analysis further reveals that the FMTs can be categorized into three clusters viz., quality driven, cost and quality driven and value driven. The striking observation is that no one (FMT) in any of the clusters would like to compromise on the quality of treatment.

The empirical assessment validates the fact that Bangalore is one of the most preferred medical tourist destinations due to the availability of professional experts and technological sophistication perceived to be on par with the best in the world. The analysis also highlights that perceptual differences exist between the FMTs from the developed and developing countries as also the type of treatment sought by them.

The overall driving force which has emerged in recent years is the increasing intensity of the desire to “Live Lively Longer”. The outcomes of both the conceptual (theory) and empirical (practice) analysis together implicitly present a sprouting marketing theory of health services so as to explore and exploit the hidden potential of health services market.