THE RISE OF MUSLIM PATIENTS FROM MIDDLE EAST TO ASEAN: THE CHALLENGE OF THAILAND IN REGIONAL COMPETITION

BY

MRS. NGAMNETR EIAMNAKHA

THESIS SUBMITTED IN PARTIALFULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF POLITICAL SCIENCE IN INTERNATIONAL RELATIONS

FACULTY OF POLITICAL

THAMMASAT UNIVERSITY

ACADEMIC YEAR 2015

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THESIS

BY

MRS. NGAMNETR EIAMNAKHA

ENTITLED

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was approved as partial fulfillment of the requirements for the degree of Master of Political Science Program in International Relations on August 14, 2016

Chairman

(Assistant Professor Wasan Lueangprapat, Ph.D.)

Member and Advisor

(Professor Jaran Maluleem, Ph.D.)

Member

(Dr. Anas Amatayakul, Ph.D.)

Dean

(Associate Professor Supasawad Chardchawarn, Ph.D.)
Globalization is driving many developing countries in Asia to intensify their Medical Hub competition policy to be a destination for worldwide medical tourism. The Islamic population, or so-called Muslims, is expected to increase to be about 30% of the world’s total population by 2020. The purchase behaviors among Muslims are moving toward an increasing demand for quality-oriented products and/or services. The shift of their economic power has a significant impact on world tourism. Southeast Asia is well known as a super-attractive tourism destination for Muslim people from rich countries.

This study is an analysis of Thailand’s capability to keep pace within ASEAN as a preferred destination for medical tourism and provides a basis for detailed recommendations for policymakers and the business sector regarding medical care for Gulf Nation visitors. The goal is to regulate healthcare resources on the policy side and to manage healthcare in a way that serves local consumers, while facilitating the competitive development of medical tourism for Thailand. In competing as a medical tourism destination for Muslim people, Thailand, Singapore, Malaysia, and the Philippines all play major roles in Southeast Asia. This review is focused on areas relevant to medical tourism; globalization and medical tourism,
countries competing in medical tourism in ASEAN, Muslim patients in medical practice and relevant other researches. This study was conducted to determine the influencing factors that satisfy Muslim people from Gulf Nations with Thailand as the destination of their medical tourism. A descriptive research has been performed by a mixed methodology to describe the relationship between discrete factors involved and to present the opinions of key actors in the competitive arena of medical tourism. A total of 115 respondents completed the research questionnaire. The multivariate analysis of variance was used in order to test relationships between variables. Six executive persons from the private sector were individually interviewed and they participated in a focus group discussion.

The results of the study find that there is statistical significance between the demographic elements, such as gender, occupation and frequency of visit, and the influencing factors satisfying Muslim people with Thailand hospitals as a medical tourism destination. Additionally, the statistical significance indicates the combined effects between the demographic factors, such as frequency of visit of the respondents and country of residence, to one primary influencing factor which was Muslim medical practice, and finds that Muslim medical practice is a satisfier for Muslim people from Gulf Nations, significant at level 0.011. For this reason research hypothesis H1 has been accepted. A qualitative study presents recommendations for boosting Thailand’s capability to be desirable for Muslims as a medical tourism destination within ASEAN. Further studies in the details of policy content should be conducted to get more informative results.

Although Thailand is not an Islamic state, it can create value-added for Muslim medical tourism. This study provides recommendations that cover key issues for various dimensions of analysis; in international relations, the economic dimension, and socio-cultural cooperation. Public Private Partnership (PPP) is also an intervention in policy implementation and a key to success for productive medical tourism. In addition, the study recommends strengthening regional cooperation and multi-lateralization among strategic partners in ASEAN medical tourism, based on the fundamental principle of equity of access to quality health care of ASEAN people, which is the innovative strategy - to integrate ASEAN soft power in medical tourism.
In conclusion, Thailand can expand its ability to compete within ASEAN, as well as move forward in global competition. According to the Medical Hub policy of Thailand, the theory holds that good governance of policy which is implemented by an active role and good integration of functional agents, including participation between public and private sectors, are the keys to successfully moving up the value chain of medical tourism for Thailand. These recommendations provide a basis for further empirical studies into details of particular relevance to the benefits of Thailand in keeping up as a preferred Muslim medical tourism destination within ASEAN.

Keywords: Muslim Medical Tourism, the Association of Southeast Asian Nations (ASEAN), Multi-lateralization, Gulf Nations
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Beyond the big feeling of gratitude, I appreciate my parents who are always behind me and supportive of me in my educational achievements. My beloved daughter and son are also a big part of my success. The fruitfulness of this study will be utilized for any public health policy development and in an International Relations dimension. I give praise and thanks to everybody who has motivated me for this achievement. For me, this is my greatest accomplishment of my education endeavors.

Mrs. Ngamnetr Eiamnakha
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<td>AEC</td>
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</tr>
<tr>
<td>df</td>
<td>Degrees of Freedom</td>
</tr>
<tr>
<td>f</td>
<td>Frequency</td>
</tr>
<tr>
<td>HA</td>
<td>Hospital Accreditation Thailand</td>
</tr>
<tr>
<td>ISO</td>
<td>International Organization for Standardization</td>
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<tr>
<td>JCIA</td>
<td>Joint Commission International Accreditation</td>
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<tr>
<td>MANOVA</td>
<td>Multivariate Analysis of Variance Sample Size</td>
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<tr>
<td>N</td>
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<td>SD</td>
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CHAPTER 1
INTRODUCTION

1.1 Background and Rationale

1.1.1 Globalization of Medical Care

Globalization has driven a new wave of global medical tourism all over the world. Many developing countries in Asia are intensifying their competition policy as a medical hub destination for worldwide medical tourism. In recent years, many leading hospitals in developing countries have set up offshoots abroad. Some wealthy patients have always travelled for various medical care needs. Recently, health insurance rules and restrictions on reimbursements have undermined this trend. However, medical tourism has occupied just a niche market consisting of middle-class people from rich countries.

There are several reasons for the increase in medical travel. First, the demographics of the developed countries such as Japan, the United States of America, the United Kingdom and many other European countries are causing a significant increase in demand for health care. The proportion of the population older than 60 years, in relation to the total population, is increasing rapidly. Similar trends are being seen in many countries across the world. At the same time, life expectancy in most countries has also increased steadily over the years; the combined result is significant strain on national healthcare systems. The inability of many health-care systems to deal with the increase in demand does, in many cases, lead to compromised levels of service and decreased access through long waiting lists and high costs. This drives many individuals to seek alternatives to domestic health care (Sundar, 2012). Medical tourism has become a US$60 billion a year business and is growing by 20% per year. Experts predict businesses and governments in developed countries will join the trend, “outsourcing” medical services to low-cost providers abroad. This growth of healthcare demand has induced dozens of hospitals around the world today to meet the stringent requirements for accreditation by the respected Joint Commission International (JCI), a non-profit outfit that assesses the quality and safety of health-
care programs. Bumrungrad Hospital in Thailand looked for information technology to run its operations a decade ago. Innovation will come from many places as the health-care market goes global and flat very fast.

Unlike general tourists needing medical attention, medical tourists are people who cross international borders for the exclusive purpose of obtaining medical services. Medical tourism has increased, in part, because of rising health-care costs in developed countries, cross-border medical training and widespread air travel. The medical tourism industry involves about 50 countries around the world, in which several Asian countries are clearly in the lead. In Asia, medical tourism is highest in India, Singapore, Malaysia and Thailand. These four countries, which combined comprised about 90% of the medical tourism market share in Asia in 2008, have invested heavily in their health-care infrastructures to meet the increased demand for accredited medical care through first-class facilities (Na Ranong & Na Ranong, 2011, pp.336-344).

1.1.2 Liberalization of Health Service in ASEAN Community

ASEAN community integration is a good example of globalization of medical care. Regionalism has enhanced ASEAN cooperation to explore further measures on border and non-border cooperation to supplement and complement the liberalization of trade in health service. ASEAN member States desire to mobilize the private sector in the realization of economic development, in order to improve the efficiency and competitiveness of their service industrial sector under the ASEAN Framework Agreement on Services (AFAS) (ASEAN Secretariat, 2008).

Liberalization of services is based on 12 broad sectors covering 128 services sub-sectors identified in the WTO Services Sectoral Classification List, in which health services is one of the major sectors of free trade among ASEAN member States. AFAS facilitates the establishment of free flow of services in the AEC by 2015, which creates a competitive, more efficient service delivery network to facilitate further growth in other sectors in the economy. Objectives of AFAS are: to strengthen cooperation among service suppliers in ASEAN; eliminate substantial barriers to trade in services; progressively liberalize trade in services beyond those undertaken under GATTS of WTO; and provide mutual recognition of qualifications
and experience through MRAs to prepare AMS for closer integration of ASEAN into the global economy (Ministry of International Trade and Industry, Malaysia, 2012).

Under AFAS, mode of supply has been divided into four modes to ensure business value for potential investors. Eliminating barriers to cross-border supply is Mode 1 and Mode 2 is consumption abroad. Mode 3 is commercial presence for foreign equity participation targets and Mode 4 is improving commitments made for Movement of Natural Persons, in which professionals in health care can move freely within ASEAN countries under Mutual Recognition Arrangements (MRAs) (ASEAN Secretariat, 2014).

Under the ASEAN Economic Community (AEC), a single regional common market of South East Asia countries will be created by 2015. The regional integration's objective is to create a competitive market of over 600 million people in ASEAN countries: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. There will be free flow of goods, services, investment capital and skilled labor following the liberalization. This will include tariff reductions and streamlining of certain administrative procedures.

Traditionally, Asians travel more within the region and there are more travelers from other countries that have begun to reach out to Asia as new visitors. Health care is one of the sectors to be internationalized. This is definitely a big challenge, as it is more complicated than just the popularity of Singapore and Thailand's "medical tourism" that patients travel from one country to another seeking better care at lower cost. The legal and licensing frameworks still need to be worked out. However, it offers potential for the free-flow of health services, etc. in the region. Presently, Thailand's medical service is stepping-up the pace of mergers and acquisitions and joint ventures in other AEC countries to help give them a better platform to better take care of developing AEC opportunities (Bangkok Post, 2014).

1.1.3 Developing Countries Court Medical Tourists

People have always travelled abroad for health care, but a decade ago the circumstances were very different. Before 1997, the USA and Europe were “the centers of the health care universe”, especially for cancer and neurological therapies, and played host to well-off people from other countries where care lagged behind that
available in developed nations. Asians could go to Singapore, which offered excellent treatment to those who could pay for it.

Medical tourism has become a US$60 billion per year business and is growing by 20% per year (MacReady, 2010). India alone welcomed about 500,000 foreign patients to its hospitals in 2012, and medical tourists will pump about US$2.2 billion into that country's economy. Experts predict businesses and governments in developed countries will join the trend, “outsourcing” medical services to low-cost providers abroad. Frustrated by high costs, long waits, and red tape, a growing number of people are seeking medical care in emerging nations like Thailand, India, and Brazil. Shrewd hospital administrators in these countries are actively courting foreign patients who are able to circumvent the shortcomings of their own health-care systems.

But when Asia slid into economic crisis between 1997 and 2001, many Asians could no longer afford to travel to Singapore, much less the USA. Sensing an opportunity, the major private hospitals in Thailand, Bumrungrad and Bangkok Hospitals for example, took this chance to aggressively attract patients from overseas. Vanity has also helped to fuel the growth in medical tourism. Therefore, governments and private businesses in developed countries, eager to take advantage of the cost savings of medical tourism, will establish formal agreements with foreign health-care providers that will set quality standards and safeguard patient safety.

In Asia, private hospital chains stand to be the rising stars, especially in ASEAN, such as Singapore's Parkway Health, in looking for foreign patients. Thailand's modern Bumrungrad and Bangkok chain hospitals already see tens of thousands of Americans a year. Bumrungrad has just opened a new extension, designed to handle 6,000 foreign patients, which it claims makes it the world's biggest private clinic accredited by the US Joint Commission International Accreditation (JCI), which also provides education, consulting services, and liability systems to hospitals around the world. The number of JCI-accredited hospitals outside North America jumped from three in 2000 to 375 by 2012 (www.jointcommissioninternational.org).

With ageing populations, hospitals in many developed countries will see a small but steady loss of highly remunerative procedures as more and more people
with no or inadequate health insurance go elsewhere for their care. The insurance companies will develop products specifically for the medical tourism market, and emerging nations will build more privately financed corporate specialty hospitals to capitalize on their relatively low-cost labor forces. These institutions will establish a culture of quality by following a basic rule of the 21st-century market-place: “expand regionally, compete globally”.

1.1.4 Muslim People and Medical Care Overseas

The Islamic population, or so-called Muslims, is expected to reach 28.3% of 7 billion people, or 2 billion people of the world population in 2014. The number of Muslims is expected to increase to be about 30% of the world’s total population by 2020. There is also expected to be a rise of Muslims' well being, such as purchasing power, standard of living, educational level, etc. The purchase behaviors among Muslims are moving toward an increasing demand on quality-oriented products and/or services. The shift of their economic power has had a significant impact on the world of tourism. Muslim travelers spent about US$126 billion in the last two years; their expenditure is forecasted to reach US$192 billion by the year 2020, increasing by 4% annually (Canvassco, 2014).

The trend intensified in 2001, after the terrorist attacks in the USA on September, 11, when people from Arab countries were discouraged from travelling to the USA. That year, Bumrungrad Hospital saw 5,000 patients from Arab countries. By 2006, the number of Arab patients at Bumrungrad had grown by nearly 20 times to 93,000 (Al-Hamarneh & Steiner, 2014, pp. 175-186).

NEOLIBERAL GOVERNANCE AND INTERNATIONAL MEDICAL TRAVEL IN MALAYSIA
By Meghann Ormond (McKinsey and company report, 2008).
http://www.medicaltourismmag.com/the-middle-eastern-patient/

The Service Sector Structure of the Arab world is a contributing factor driving their people to look for medical care overseas (Hammad, Kysia, Rabah, Hassoun & Connelly, 1999). In general, there are two distinct types of health providers in the Arab world: the government and the private providers. The government system is the largest of the sectors. These services are funded by general taxes and are established on the basis of a social insurance system. Government
services are usually open for everybody, but the quality, efficiency, and effectiveness of this system is markedly inferior to private services. Private services are for profit. They are owned by health alliances. These services are limited in number and access is limited to those who have the ability to pay up front for services or through private insurance. Private services are perceived to be of better quality and impart higher social status. The private services for profit provide private doctors, tertiary care, and private labs. There are also numerous private obstetrics and gynecological hospitals. Health ministries in the Middle East, in general, have a strong urban bias in their priority distribution of medical and health services geographically. Practically all comprehensive secondary and tertiary care is provided only in the cities.

1.1.5 Muslim Medical Tourism in Southeast Asia

Southeast Asia is well known around the world as a super-attractive tourism destination – rich in natural, cultural and leisure activities and all imbued with its unique blend of kind hospitality. Less well known are its medical tourism attractions, such as the five-star Bumrungrad Hospital in Bangkok and the luxurious Prince Court Medical Centre in Kuala Lumpur (Mazelsky, 2012).

With a flood of tourists over the past two decades, to Thailand and Malaysia in particular, the hospitality industry in these countries is now well established, and the local populace is well versed to manage and accommodate the millions of foreign visitors, in an effort to sustain the high number of tourist arrivals which now accounts for a significant part their GDP (in Thailand tourism constitutes about 7% of GDP) (Tourism Authority of Thailand (TAT), 2012). National tourism associations seek to continually find new aspects of what their country has to offer and create ever fresh marketing campaigns to highlight the attractions to the ever-growing band of foreign visitors. The tourism associations and respondent organizations in the major powers of medical tourism of this region – Bangkok, Kuala Lumpur and Singapore – have added a healthcare niche to their tourism offerings in an effort to broaden the appeal that each of these countries already has in abundance.

In 2013, the number of Omanis seeking medical consultations and treatments in the Southeast Asian country rose by around 30 per cent. In 2012, there
were approximately 1,000 Omani patients in Malaysian hospitals, while in 2013 there were 1,300 (MacDonald, 2014).

1.1.6 Gulf Nationals Prefer to Seek Healthcare Abroad

Among Middle East countries, Gulf Nations in particular are the resourceful and rich countries. Sizable numbers of nationals in Gulf Cooperation Council (GCC) countries say they would prefer to seek medical attention outside of their own countries if they had a serious health concern. In 2011, Kuwaitis (65 percent) were the most likely to prefer to receive medical care abroad, and Saudis (35 percent) were the least likely (Shamila Jamaluddin, 2012). Patients may choose to travel abroad because of poor quality of care or the unavailability of some medical specialties at home, such as oncology (Loschky, 2012).

Majorities of GCC nationals also do not have one personal physician they regularly see for medical care. Kuwaitis, who are the most likely to prefer medical care abroad, are also the least likely to say that they have one physician they regularly see (16 percent). Conversely, Saudis are among the least likely to prefer foreign medical care and among the most likely to have a physician they regularly see (38 percent) (Gallup survey, 2012).

Although most GCC residents are satisfied with the availability of quality healthcare in their area, outbound medical care remains an expensive problem for Gulf governments, with the UAE alone spending US$2 billion per year to send its residents abroad for treatments.

1.1.7 The Four Major Powers of Medical Tourism in ASEAN

Southeast Asia is a region with many countries playing roles in medical tourism. Table 1.1 compares the strength of each major power in medical tourism in ASEAN.
<table>
<thead>
<tr>
<th>Country</th>
<th>Medical Tourism Major Power</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>Recently ranked third in the world for its healthcare system by International Living. Medical tourism is governed by the government. The Malaysian government is actively promoting medical tourism in Malaysia. All is monitored and well-regulated. Malaysia, as a Muslim nation, has kept in touch with Arab patients.</td>
</tr>
<tr>
<td>The Philippines</td>
<td>Medical tourism in the Philippines is still in the beginning stage. The Philippines is looking to improve its health, transport, and tourism infrastructure in order to encourage medical tourism in its country by Public-Private Partnership. A big disadvantage for the Philippines is the high cost of medicines.</td>
</tr>
<tr>
<td>Singapore</td>
<td>Singapore is one of the top medical tourism centers of the world. The hospitals in Singapore are extremely well equipped and are staffed by highly qualified doctors, many of them with international qualifications. Singapore is expanding its services regionally, by establishing hospital networks or other forms of medical services, after the opening of the AEC in 2015</td>
</tr>
<tr>
<td>Thailand</td>
<td>More than 400 private hospitals in Thailand, the medical care provided is excellent and at much less cost. A big disadvantage for Thailand is internal conflict in politics.</td>
</tr>
</tbody>
</table>

### 1.1.8 Key Factor Analysis of Regional Competitiveness in Medical Tourism

In the arena of medical tourism, there are many factors that facilitate a country to compete, as follows:
• Domestic healthcare system which would increase access to quality healthcare
• Government sponsored and open environment for private investments, laws and regulatory measurements are significant
• Joint International Accreditation (JCI) implies the safety of patients
• High level of Medical Technology
• Number of patients coming that indicates a country’s strategy of marketing
• A reputation of country’s image as politically stable, modern city, regulatory environment, capacity planning
• The encouragement of Public-Private Partnership in Health
• Supportive factors, for example; highly skilled doctors, English speaking, health insurance, reasonable price, quality and range of services and procedures, advantage of tourism
• Visa approval for medical visits which extends length of stay, not only for patient, but including their family and entourages
• Health Sciences Authority (HSA): an official body to maintain standards of excellence in healthcare, including the organization to drive the policy of a country’s competitiveness, such as Malaysia Healthcare Travel Council and Singapore

1.1.9 Capability of Thailand in Medical Tourism

Thailand has many internationally accredited medical facilities. Accreditation and certification provide a tangible and visible commitment by the hospital to continually ensure a safe environment for its patients and staff. Not only do Thailand’s leading medical facilities achieve the highest international standards, but so do the individuals who work in them. Physicians, surgeons and nurses have been trained to the highest levels. Many of these doctors have won awards for their work and more than 500 Thai doctors practicing in Thai hospitals are American Board Certified.

The cost of medical treatments is significantly lower compared to identical treatments in the developed world. There are no long waiting lists in
Thailand. There is appeal in the ease with which appointments for treatment can be made; Thailand hospitals have numerous operating theatres and enough qualified surgeons so that there is little, if any, waiting for scheduling for even the most complex and invasive procedures.

Thailand’s medical technology is state of the-art and the level of service is virtually unprecedented in the world. Many patients and visitors are pleasantly surprised to find hospitals in Thailand with excellent restaurants, coffee shops and personalized room service. The hospitals themselves offer facilities usually found in 5-star hotels, where patients can enjoy immaculate private rooms, room service including halal food and access to prayer facilities. But most importantly it is the people’s ‘Thai-ness’ and their ability to provide a warm welcome and supportive care for their patients and their families that really sets Thailand apart from other countries. Combine this with a dedicated Arab service desk and Arabic speaking staff at many of the leading medical institutions; the attraction is that Middle Eastern medical visitors are extremely well taken care of in Thailand.

These last points are particularly notable in private hospitals such as Bumrungrad International Hospital and Bangkok International Medical Center. Bumrungrad, in particular, which sees some 460,000 international patients a year, is renowned in the relatively new world of medical tourism as one of the global leaders in this field. These hospitals are luxurious, spacious, immaculately clean and fitted with the latest technology. Both are Joint Commission International (JCI) accredited.

In Thailand, there are several factors that allow hospitals to keep costs low. First, the cost of living is simply less in Thailand than almost anywhere in Europe and North America. Second, their doctors are salaried hospital employees who just practice medicine without the additional burden of running an office. They also graduate medical school without the crushing debt so common among new physicians in the USA. Moreover, the hospital runs a strictly cash business—it has no accounts receivable department, which streamlines matters considerably. And Thai doctors do not struggle with prohibitive liability insurance. Punitive damages are unheard of in the Thai court system. The cost of medical treatments is significantly lower compared to identical treatments in the developed world. For example the cost of a heart bypass in the United States is around US$130,000; in Thailand this procedure performed by
skilled and qualified doctors is $11,000. Most cosmetic treatments are around 50% less in Thailand compared to the USA. In the USA a breast augmentation costs $3,500 to $4,000, as opposed to Thailand where it costs $2,600 to $3,200.

One of the great advantages of receiving medical treatment in Thailand is the ease with which appointments for treatment can be made. Thailand hospitals have numerous operating theatres and enough qualified surgeons that there is little, if any, waiting for scheduling for even the most complex and invasive procedures.

1.1.9.1 Thailand Targeting Middle East

Thailand must not overlook unexplored medical tourism potential in Eastern Europe, Central Asia and the Middle East (TAT, 2012). Besides Russia, whose citizens have become big travelers to Thailand, Ukraine, Kazakhstan and Uzbekistan are the three rising stars listed by TAT. These countries could help to offset declining tourism from European states beset by slowing economies. Medical and wellness tourism is mirroring mainstream tourism in where customers come from. Thailand has been successful in attracting tourists from Russia in recent years, with the number of tourist arrivals from that country rising by 24% to 1.31 million in 2012.

In the Middle East, TAT is looking for new markets in Gulf countries as traditional channels, such as Dubai and the wider UAE, have become saturated. TAT sees potential in Oman, Qatar, Saudi Arabia and Jordan. TAT also plans to boost the number of visitors from Lebanon and Egypt, where Thailand's tourism image is positive. Thai medical tourism is largely ignored by tour operators, leaving hospitals to sell their products direct to consumers or use non-travel related representatives to drum up business. The Middle East and Australia are the strongest markets for Thailand medical tourism.

Thailand’s medical, health and wellness tourism industry expects a further boost of business as the ASEAN Economic Community rules begin in 2015, but expects stiff competition from Malaysia, Singapore and Indonesia, especially for Muslim tourists. Bangkok Hospital of Thailand is aiming for more patients from ASEAN countries in two years time. In 2013, Bangkok hospitals had 812,447 patients of which 130,335 come from overseas, including Gulf States Qatar, United Arab Emirates, Kuwait, Oman, Saudi Arabia and Bahrain. There are Thai doctors who can
speak Arabic, as well as Arabic translators and an Arabic wing in the hospital. Malaysia is also a choice destination for overseas Muslims.

To ensure it continues to be a leading destination, Thailand has increased the length of automatic visa extensions from 30 to 90 days for all Gulf State nationals, and visa extension is planned to be available by all ASEAN members by 2014. Thailand intends to enlarge its customer pool by training or recruiting Arabic-speaking doctors, nurses and translators, including internationally accredited medical facilities, to provide a tangible and visible commitment by the hospital to continually ensure a safe environment for its patients and staff. Physicians, surgeons and nurses have been trained to the highest levels. Many of these doctors have won awards for their work and more than 500 Thai doctors practicing in Thai hospitals are American Board Certified.

Most importantly, it is the people’s ‘Thai-ness’ and the ability to provide a warm welcome and supportive care for their patient and their family that really sets Thailand apart from other countries. Combine this with a dedicated Arab service desk and Arabic speaking staff at many of the leading medical institutions and you can see why Middle Eastern medical visitors are extremely well taken care of in Thailand.

The Bangkok Hospital Medical Center is also in league with this prestigious group. Speaking to Middle East Health, of the 460,000 international patients from 190 countries they see each year, about 100,000 are local expats, the other 360,000 fly in. Of these about 66% come intentionally for medical treatment, the other third are unintentional, meaning they require medical attention while visiting the country for holiday or business. Thailand sees around 120,000 to 130,000 Arab patients a year, mostly from the United Arab Emirates, Qatar and Oman. Patients visited the country for cosmetic and aesthetic surgery and a wide variety of treatments in all specialties including Cardiology, Oncology, Orthopedics and spinal surgery, Neurology, Pediatrics and Endocrinology. To accommodate the large family entourage often with an Arab patient, the hospital provides serviced apartments for accompanying relatives and there is a full range of hotels in the vicinity.
1.2 Statement of the Problem: Disadvantage of Thailand in Muslim Medical Tourism

The inherent limitations or constraints that create disadvantages in medical tourism for Thailand which are potentially risky for Muslim medical tourism have been identified as nine weaknesses, as follows:

- Thailand’s lack of transparency in uniform pricing across hospitals, although prices are typically lower than in the West (Herrick, 2007);
- Language barrier making Thailand difficult for tourists to communicate with health professionals, English is seldom used in Thai society;
- Thailand has no regular quality assessment program to increase credibility with potential foreign medical tourists, although Thailand has 22 private hospitals accredited by JCI;
- Thailand has no central authority to address medical tourism marketing. Government agencies in charge of medical tourism are not well integrated, because medical tourism is dispersed among agencies in the Ministries of Health, Ministry of Foreign Affairs and the Tourism Authority of Thailand (TAT), and there is no agency to take responsibility for complicated health insurance issues;
- Thailand has a shortage of capable doctors and other medical staff, and a lack of expert medical staff cannot attract patients to pay expensive operation fees (Connell, 2006, p.149);
- Only a few well-known Thai hospitals, such as Bumrungrad Hospital, Samitivej Hospital, and Bangkok Hospital are capable of attracting foreign medical tourists;
- Compared to the other Muslim countries in ASEAN, Thailand has not much expertise in culture of the Islamic world, while the top 3 concerns of treating Muslim patients are: 30% are unsure of cultural practice, 23% about communicating diagnosis and treatment and 21% are unsure of physical examination guidelines and protocols (Evans, 2012);
Medical Hub policy is a controversial issue in Thai society, private sector has a point of complaint as a cause of a brain drain of medical personnel from the public sector which affects the accessibility to health services of Thai citizens, and the double standard of service is also an argument between the two sectors of healthcare provision;

Currently, domestic political unrest is a critical issue which affects the loss of Thailand’s competitive strategic position in medical tourism.

Further, Thailand is also exposed to threats, such as uncontrollable global factors and intense competition in an Asian medical tourism market.

In addition, Thailand should prove itself more if it wants to become a regional hub for medical tourism in the long term, competing with arch-rivals Singapore and Malaysia. One major barrier to this quest is internal politics, because this will undermine patients’ confidence, and they might decide to go elsewhere.

Thailand is geographically a medical hub. So far, there is no clear evidence to show that any country in the region, whether Singapore, Malaysia or Thailand, will succeed in the goal of becoming such a hub permanently. All three counties are still scrambling to adopt marketing strategies to publicize their services and claim status as the regional medical-service destination for Muslim people from Gulf Nations in particular.

1.3 Research Question

1.3.1 What are the influencing factors that lead Muslim people from Gulf Nations to be satisfied with Thailand as a medical service destination in ASEAN?

1.3.2 How does Thailand keep pace within ASEAN as a preferred destination of Muslim medical tourism from Gulf Nationals?

1.4 Scope of Study

This research study is primarily focused on Muslim medical tourists from the Middle East, who travel outside of their home country to receive various medical treatments in Thailand's private hospitals. Literature review was done for comparison
of the competitiveness in medical tourism of four countries in Southeast Asia, which are; Malaysia, the Philippines, Singapore and Thailand. Mixed-methodology, both of quantitative and qualitative, was applied to collect data. The semi-structured questions in the qualitative method were used to interview high level administrators of private hospitals in Thailand, namely Bumrungrad International Hospital, Bangkok Hospital Medical Center, and The Private Hospital Association of Thailand within a duration of two months.

The questionnaires used for the quantitative method were distributed to Muslim patients and their companions from Gulf Nations who came for medical treatment in the four famous JCI accredited hospitals in Thailand, namely in Bumrungrad International Hospital, Bangprakok 9 International Hospital, Bangkok Hospital Medical Center, and Vichaivej Hospital. Convenience sampling was used in this study, a type of non-probability sampling which involves the sample being drawn from a part of the population that is approachable. This kind of sampling is appropriate for this research study, because the total number of population is unknown. The sample population selected in this research was those who were readily available and convenient. The researcher focused on determining the factors which affect the motivation of Muslim medical travelers from Middle East to come to the aforementioned four private hospitals in Thailand for medical treatment purposes, with the purpose of providing policy recommendations to maintain Thailand’s competitiveness in ASEAN among Muslim medical tourists from Gulf Nations.

1.5 Objectives of the Study

1.5.1 To analyze the competitiveness of the four major ASEAN competitors; Thailand, Malaysia, the Philippines and Singapore in the medical tourism sector.

1.5.2 To identify problems, or obstacles that affect the development of medical tourism in Thailand according to the nation’s strategy on Medical Hub, provide solutions to overcome these obstacles, and propose better policies.

1.5.3 To assess the capacity of Thailand to maintain the country's competitiveness in the region among Muslim medical tourists from Gulf Nations.
1.5.4 To offer a theoretically based analysis for Thailand’s public policy in evolving future competitiveness in the medical tourism industry.

1.6 Significance of the Study

Thailand, as a major destination in the medical tourism industry in ASEAN, has developed a thriving medical tourism industry, capitalizing on skilled practitioners offering high quality care with hospitality, international accreditation and well equipped facilities at a reasonable price. This research seeks to find recommendations for better policies to maintain Thailand's competitiveness in ASEAN among Muslim medical tourists from Gulf Nations. The Ministry of Public Health, and other relevant ministries and private sectors, can benefit from this study on the various aspects that would improve policy processing and motivate medical tourists who are seeking medical treatments in Thailand as their main destination in Southeast Asia.

1.7 Definition of Terms

This research study uses the following terminologies to create an understanding between the researcher and the readers regarding definitions and the use of such words in a different context.

1. Medical tourism is also commonly known as health tourism. It is a term initially coined by travel agencies and the mass media to describe the rapidly-growing practice of traveling across international borders to obtain health care (Shaywitz & Ausiello, 2002, pp. 354-357). Medical tourism is the process of “leaving home” for treatments and care abroad or elsewhere domestically. In some cases, medical tourism includes a relaxing vacation during the visit in the country destination chosen for medical treatment (Deloitte Center for Health Solutions, 2008).

2. The Association of Southeast Asian Nations (ASEAN) is a political and economic organization of ten countries located in Southeast Asia: Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Cambodia, Laos, and Vietnam. Its aims include accelerating economic growth, social progress,
sociocultural evolution among its members, protection of regional peace and stability, and opportunities for member countries to discuss differences peacefully (ASEAN Secretariat, 2006).

3. The Gulf Cooperation Council (GCC) is the group of countries bordering the Persian Gulf formed to create economic, scientific and business cooperation among its oil-exporting members (Hamdan, 2012). These Middle East countries share the common faith of Islam, an Arabic culture, and an economic interest separate from OPEC. On a per capita basis, they are among the richest countries in the world. The GCC consists of six members: The Kingdom of Bahrain, Kuwait, The Sultanate of Oman, Qatar, The Kingdom of Saudi Arabia and The United Arab Emirates (UAE).

4. Muslim patients from Middle East are the group of Muslim patients from GCC leaving home to seeking medical attention outside of their own country for their health concerns.

1.8 Theoretical & Knowledge Based

1. Globalization & Liberalization: applies to describe emergence of medical tourism in the free trade market.

2. Post-Fordism: used to describe emerging medical tourism in the regional free trade market.

3. Competition State: explanation to understand the rationalization of regional service leading to take advantage in a large market.

4. Competitiveness theory: applies to explain comparative advantage of ASEAN medical tourism in the global Muslim market.

5. Classical Theories: used to describe International Trade by applying Porter’s Diamond Model to explain national advantage in medical tourism.

6. ASEAN Economic Community Blueprint: refers to explain the integration of international political economics.
1.9 Expected Outcome

1. Policy Recommendation: Transforming of Thailand’s medical tourism
2. Academic Opinion: Efficacy of country’s strategy of competitiveness
3. Technical Approach: value adding of Thailand’s medical tourism and capacity building of supportive factors
CHAPTER 2
REVIEW OF LITERATURE

This chapter discusses an extensive review of academic and grey literature, and includes several research studies that have been made regarding the rapidly emerging phenomenon of global medical tourism, drawing on the cases of Thailand, Singapore, Malaysia, and the Philippines, the four regional hubs for medical tourism in Southeast Asia. The review is focused on areas relevant to medical tourism, as follows:

1. Globalization and medical tourism
2. Government and government strategies in medical tourism
3. Theories and Knowledge Based
4. Countries competition in medical tourism
5. ASEAN Economic Blueprint
6. The major powers of medical tourism in ASEAN
7. Characteristics of the country of choice
8. The role of State and government in medical tourism
9. Stakeholders in Thailand’s medical tourism
10. Muslim patients in medical practice
11. The Marketing Mix or Four P’s Framework
12. Consumer / customer satisfaction
13. Relevant researches
14. Chapter summary

2.1 Globalization and Medical Tourism

2.1.1 General Review of Related Field

Medical tourism is a concept that combines health care and leisure travel. It is a growing phenomenon with policy implications for health systems, particularly of destination countries. Private actors and governments in Southeast Asia are promoting the medical tourist industry. The primary goal of international patients
engaging in medical tourism is to have access to the highest quality of health care from internationally accredited hospitals around the world at a more affordable medical treatment cost. State-of-the-art hospital facilities, excellent health care services, certified professional physicians and reasonably priced medical procedures are some of the key drivers for medical tourism. With the continuous rise of health care costs and long waiting times in various developing countries, more people are inclined to travel abroad in search of less expensive medical treatment and convenience.

In medical tourism, citizens of highly developed nations bypass services offered in their own communities and travel to less developed areas of the world for medical care. Medical tourism is fundamentally different from the traditional model of international medical travel, where patients generally journey from less developed nations to major medical centers in highly developed countries for medical treatment that is unavailable in their own communities. The term medical tourism does not accurately reflect the reality of the patient's situation or the advanced medical care provided in these destinations. Nevertheless, this phrase has come into general usage and it provides an unambiguous way of differentiating the recent phenomenon of medical tourism from the traditional model of international medical travel.

2.1.2 Defining and Conceptualizing Medical Tourism

History

In the ancient times, there was a strong link between religion and healthcare. Medical tourism was focused on mineral thermal springs, sacred temple baths, hot springs, iron-rich mineral springs and therapeutic temples in Europe, and Yoga and Ayurvedic medicine in India. From 1900 to 1997, the USA and Europe became world healthcare centers for quality high-end medical treatments for the rich and famous (Health-Tourism, 2008).

During the Asian economic crisis in 1997, Asian countries marketed their healthcare as international destinations due to a cheaper exchange rate. After the 9/11 event, with JCI accreditation and partnerships with prominent USA-based health providers, medical tourism continued to grow in Asia and Latin America as emerging healthcare destinations.
Though medical tourism is not a new phenomenon, based on the travel industry viewpoint, it is a new area in the global tourism arena. It has become increasingly important in the developing countries of Asia and Latin America. The availability of the facilities and the focus of medical tourists vary according to time and venue. The growth of medical tourism is determined by culture, religion, beliefs, new inventions and technological advancement in modern medical science. In the new era, medical tourism has becomes affordable to the middle to upper class citizens seeking quality healthcare with relatively cheaper cost.

**Definition**

The definition of medical tourism varies according to the demand side of the interpretation (departure countries) and the supply-side of interpretation (destination countries). Medical tourism is defined as ‘out-of-country health care’, ‘international medical travel’ or ‘health-related travel (Connell, 2006). Medical tourism is outsourcing of medical or health care (Bies & Zacharia, 2007, pp. 1144-1159). Therefore, medical tourism can be defined as outsourcing a healthcare facility which varies according to the availability of the resources in promoting healthcare as international trade in a particular country. In this study, medical tourism will be focused on quality medical care provided, which specifically involves medical procedures by trained medical professionals or surgeons who provide medical treatments for illness, enhancement and reproductive medicine.

There is no absolute definition for medical tourism, but it is generally accepted that this term is used to refer to travel activity that involves a medical procedure or activities that promote the wellbeing of the tourist. Figure 2.1 illustrates the components of medical and healthcare tourism (Tourism Research and Marketing (TRAM), 2006).
2.1.3 Reason for Medical Care Overseas

2.1.3.1 Price

Price is the main reason most people initially cite for their decision to go overseas for better medical treatment at reasonable price. Medical tourism reverses the trend of many businesses and the tourism industry in general in that those looking overseas can expect more honesty up-front and fewer hidden costs than those considering a USA hospital.

Table 2.1
Comparing Medical Treatment Pricing

<table>
<thead>
<tr>
<th>Procedure</th>
<th>USA</th>
<th>Singapore</th>
<th>Thailand</th>
<th>India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hip Replacement</td>
<td>$24,000</td>
<td>$15,000</td>
<td>$10,000</td>
<td>$6,300</td>
</tr>
<tr>
<td>Breast Augmentation</td>
<td>$10,000</td>
<td>$8,000</td>
<td>$3,150</td>
<td>$2,200</td>
</tr>
<tr>
<td>Spinal Fusion</td>
<td>$62,000</td>
<td>$9,000</td>
<td>$7,000</td>
<td>$5,500</td>
</tr>
<tr>
<td>Coronary Angioplasty</td>
<td>$41,000</td>
<td>$11,250</td>
<td>$4,150</td>
<td>$3,500</td>
</tr>
</tbody>
</table>
Table 2.2
Dental Fees at Bangkok International Hospital in Thailand

<table>
<thead>
<tr>
<th>Procedure</th>
<th>Thailand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Cleaning</td>
<td>$40</td>
</tr>
<tr>
<td>Root Canal</td>
<td>$150-$300 per tooth</td>
</tr>
<tr>
<td>Ceramic or Metal Crown</td>
<td>$400-$500</td>
</tr>
<tr>
<td>Full Dentures</td>
<td>$300-$450</td>
</tr>
<tr>
<td>Dental Implant (per Implant)</td>
<td>$2400</td>
</tr>
</tbody>
</table>

Source: Transparency Market Research.2013

2.1.3.2 Service
If staying overnight in the hospital, the benefits of medical tourism are overwhelming. A deluxe suite at Bangkok’s Bumrungrad or Bangkok International Hospital includes a large bedroom, living room, two complete bathrooms and a city view for US$200 a night, ultimately $400 including nursing, equipment, flat panel TVs, Wi-Fi and meals for three. This should be compared to a single room in the US, which will run upwards of $800 for the room, not including services and other charges. When staying multiple nights with a family member, the value of having the extra room (and complimentary roll-in beds) cannot be overstated. Rooms get cheaper, including singles and even shared rooms, but also get even grander.

2.1.3.3 Quality
One of the major issues that prospective medical tourists grapple with is perceived reduction in quality, not just in facilities but also in the physicians themselves. It is natural to assume that if something is cheaper then it must be of lower quality, but for a well-planned medical tour the situation is the opposite. Many people assume that if a doctor is any good he will immediately leave a developing country for a promising career of wealth and prestige in a western country, and many do this with considerable ease in terms of finding a job or getting a visa.
2.1.3.4 Availability
Medical tourists also have greater access to different treatment types than those who choose not to travel.

2.1.3.5 Tourism
Medical tourism is often as much about the tourism as the medicine. For those undergoing major surgery, there is no better place to recover than a bungalow with a view of the beach while receiving spa treatment or massage. Similarly, South Africa offers safari medical tourist packages, where a family visits for treatment followed by a wildlife safari. Individual hospitals will often have associated travel agents that will arrange all manner of getaways following an operation. In the USA, many companies are also appreciating this strategy, sending employees on vacations to save on medical costs and saving on health insurance while giving their workers care they otherwise might not have access to (Runckel, n.d.).

2.1.4 Reason Not to Medical Travel
2.1.4.1 Language and Culture Barrier
Many medical tourists have little experience traveling overseas and especially to non-English speaking countries. For language and culture shock, India, Thailand and Singapore generally lead the medical tourism hubs, but all have major failings. Indians tend to speak better English, but are much less accommodating culturally, and while the language barrier is lower, the cultural barrier is much higher. Thais in the tourism sector generally speak good English and the service is excellent, with foreign restaurants and a genuine attempt to please, however outside the tourism sector English ability is quite poor. Singapore is a developed country with good English and fine infrastructure, but it often strikes tourists as cold and unsettling.

2.1.4.2 No Legal Recourse
Overly litigious patients are often blamed for a country’s medical woes, however this does offer a firmly established path for legal recourse after gross incompetence or negligence. The fact of the matter is that medical tourists have few options if there is a major problem. While the treatment for complications are also low-priced, there will be effectively no opportunity to get financial compensation either to pay for more treatment or for emotional distress. Though, the kind of
incompetence that leads to lawsuits in many countries is rare in the major tourism hospitals due to less hectic work shifts and a surplus of staff. This makes it vitally important to choose a reputable hospital or agent to deal with.

### 2.1.4.3 Agencies

Agents can take care of other issues with medical care trips, such as air tickets, hotel bookings and tour packages. If people have little experience traveling, they are a safe bet. When looking for agents to recommend a location for medical care, however, it is better to research and choose the destination country oneself. Agents earn on a commission and often service several countries, and thus will tend to steer people to more expensive hubs like Singapore or South Africa.

### 2.1.5 Medical Tourism in Competitive Industry

#### 2.1.5.1 Globalization

**Identification**

Globalization has caused many countries to reevaluate their economical strengths and weaknesses, as well as reassess what products or services in which the country can benefit. One such product and service that has emerged over the past decade is medical tourism. Medical tourism involves the practice of citizens exercising their personal healthcare choices in less restrictive areas. It is the traveling by candidate service recipients from one institution, jurisdiction or country where treatment is not available to another institution, jurisdiction or country where they can obtain the kind of medical procedures and innovative treatments they desire. Despite the less restrictive policies that encourage this business, these services often can also be offered as a lower-cost and more-timely option.

Because of the nature of this practice and its policies, this phenomenon has only occurred in certain specific areas around the world. These regions and countries have attractive policies in place and have implemented unique marketing strategies that encourage the medical tourism business. This industry has demonstrated significant impacts on these countries’ economic health. This issue is to more thoroughly understand, through the analysis of another country’s experiences, policies and marketing strategies, why the United States should take advantage of the opportunity to further participate in this emerging industry (Morrison, 2005).
(2) Description

Medical tourism is a universal term that encompasses several specialty markets. Included in these specialty markets are health tourism, reproductive tourism, suicide tourism, as well as other niche business opportunities. Tourism, in the sense of this emerging market, is basically to travel from a place where treatment is not available, because of the prevailing rules, to a place where it is available. These rules are not necessarily laws, but may also be the personal and moral convictions of the health care provider, institutional policy guidelines, and recommendations by committees. Thus, policy, in some fashion, is a driver of this industry.

Medical tourism is also the most common practice carried out all over world. However there are other specialty markets within medical tourism that are also emerging as significant businesses. Health tourism is travel to a recuperative climate with natural therapeutic resources.

Once consumers commit to travel for their desired medical treatment, often consumers will also take the opportunity to be a tourist in the visiting country and enjoy what it has to offer. Thus, consumers may combine their holiday and medical care into one venture. Medical tourism is comprised of three basic aspects: hospital/health services; hotels; and travel/leisure. Thus, with attractive policies and/or the correct marketing strategies, this emerging industry can have significant opportunity for economic growth and infrastructure development for participating nations.

(3) Related Cases

As noted, medical tourism is a universal practice with numerous specialty markets within this business. Because this is an emerging industry, extensive research for any particular country or on any individual branch of medical tourism, its policies and marketing strategies is not available. Therefore, all areas comprising medical tourism for many of the participating geographical regions or nations will be addressed. In summary, this case study will address a broad overview of the industry.

2.1.5.2 Policy Impacts

(1) Social

The policy behind medical tourism has two distinct functions. In the case of those countries benefiting from medical tourism, standing policy allows
for the nation to promote this business to consumers who are willing to travel and have the ability to pay. In essence, policy allows consumers new and different options for their healthcare needs. Medical tourism policy offers consumers choices. Secondly, this policy can also be enacted to protect the nation and its consumers. In the healthcare field, ensuring necessary and quality service is of the utmost importance. Therefore, policy, in the medical tourism sense, protects the rights of its participants while also giving consumers more opportunity and choices in their healthcare.

(2) Environment
While medical tourism focuses on fulfilling healthcare choices, traveling to a different country or state is also necessary. This is the basic premise behind medical tourism. Thus, by traveling to another geographical area, it is promoting tourism to a location. Tourism is being used as a means for providing capital for development and preservation of these geographical areas.

(3) Economic
Medical tourism has had significant economic impacts on particular geographical regions and nations. The goal of this industry is to provide economic stimulus to the geographical areas, which are often developing nations. The objective of this business is to increase jobs, income, and quality of life of the participating nations of medical tourism. This business also promotes infrastructure development to support the industry.

(4) Other
Since this is an emerging competitive industry, countries seek education, advanced skills and training to benefit from this profitable business. Therefore, medical tourism, and the policies around it, has encouraged participants to receive continued education and training. Additionally, this business also requires the use of advanced technology, and this, in turn, encourages participating countries to gain more exposure to these various technologies.

2.1.5.3 Legal Clusters
(1) Disclosure and Status / Policy Issue
While there is no main policy issue, policy, or less restrictive policy, is the backbone of this industry. Most often, consumers are willing to travel to
receive medical procedures in a geographical location that maintains policies that are
less prohibitive than their current location’s policies. There are other factors, too, that
encourage medical tourism, like time and money. However, if policy is not in place to
eourage this business, regions or countries would not be able to participate and
benefit from this industry. Additionally, because of their particular standing policies,
nations are better able to market themselves to new consumers globally.

(2) Forum and Scope / Existing Policy Framework

International: The concept of medical tourism is primarily to
eourage consumers to travel globally. Therefore, most countries enact a policy
framework that is attractive to worldwide consumers on the basis that if they are
willing to travel and pay the necessary fee, consumers are able to receive the
healthcare practice they desire.

National: Medical tourism does not require a consumer to cross
national borders. Often, medical tourism is evident from State to State or jurisdiction
to jurisdiction. In this case, policy encourages consumers to travel from one area to
another area where policy is more attractive or less restrictive. This type of medical
tourism that markets this practice is more often seen in the specialty market of
reproductive tourism.

Regional: Although countries do not tend to formulate policies
based on regional expectations, there are certain geographical areas that do benefit
more from the medical tourism industry. Southeast Asia has marketed itself as the
primary geographical area to cater to medical tourism consumers. Since this has
become a competitive business, nations in this geographical area continue to analyze
and reform their policies to encourage this practice and rise above their competitors.
Additionally, as this industry continues to emerge, this similar phenomenon is
becoming more apparent in the European Union as well.

(3) Decision Breadth / Stakeholders / Policy Actors

Policy is often shaped by numerous actors. The government plays
a large role in outlining medical tourism policy in its nation. However, there are other
actors that can affect policy. Healthcare providers, institutions, special committees,
advisory boards, associations, as well as numerous other players, can all impact policy
guidelines.
On the tourism aspect of this industry, there are also other actors that can influence policy. Businesses, recreational organizations, as well other associations and groups can impact policy guidelines that encourage medical tourism.

### 2.1.5.4 Legal Regulatory Framework

Although there is no documented legal regulatory framework for the medical tourism industry, there is always a legal liability concern when dealing with the healthcare industry. The healthcare industry is a much regulated business entwined with liability issues. Therefore, nations enact policies that address this concern on an individual basis. Because some countries are willing to take on more risk with healthcare liability, they have been able to emerge as leaders in this industry. Other countries, like the United States, have not been able to benefit as greatly from medical tourism because of increased legal liability and policy.

### 2.1.5.5 Trade Cluster

**1. Type of Measure**

Research states that the economic profit that the medical tourism industry contributes to the nation’s gross domestic product (GDP) is the measure of its success. This financial revenue can be calculated by healthcare earnings, as well as by the profits from tourism related activities. Besides the monetary value that is calculated, countries can measure the effects of this industry by the increase in number of tourists, as well as the number of new jobs. Together, countries are able to determine the many influences that the medical tourism industry has on its economy.

**2. Relation of Trade Measure to Environmental / Tourism Impacts**

*Directly Related to Product:* The revenue generated from the consumers traveling to the country for their healthcare needs will go towards building the nation’s healthcare system and tourism infrastructure.

*Indirectly Related to Product:* Because medical tourism crosses many different types of business sectors, the revenue generated will also indirectly support these other sectors as well. While this practice will primarily benefit the healthcare and lodging industries, the service and recreational industries will also profit from this business.
Not Related to Product: The result of the medical tourism industry is far-reaching. Not only will it benefit many different business sectors directly and indirectly, medical tourism can provide an increase in a country’s overall economic health. Revenue generation will increase the GDP. This resultant growth will encourage development of the country’s infrastructure and its people’s quality of life.

Related to Process: Revenue generated from the medical tourism business will, it is hoped, encourage further development of the infrastructure that is required to carry out the medical tourism product. Development of the healthcare system, as well as the travel and tourism infrastructure, will benefit the country and its people on the whole.

(3) Trade Product Identification / Trade and Services
The medical tourism product generally provides numerous types of services. First and foremost, medical tourism is providing a consumer with the healthcare service that they need or desire. In addition, this type of business also offers the consumer the lodging services that they require to participate in this process. Often consumers will also take part in some leisure, recreational or sightseeing activities while visiting the country. Therefore, the tourism industry may also be providing a service to these consumers as well.

(4) Impact of Trade Restriction
Because the basis of this industry requires consumers to travel for their healthcare needs, trade restrictions on travel would impact its capabilities. Among the two most problematic restrictions would be on visa issuing and International Travel Bans to specific regions or countries. Thus, if the consumers are unable to travel to the desired country, the product and service cannot be sold.

2.1.5.6 Industry Sector
As suggested previously, the primary industry sector for medical tourism includes the healthcare industry, as well as the international travel and tourism industry. The secondary industry sectors would include service, information technology and communication industries.
Exporters and Importers

In the medical tourism industry, the export is the consumer. Because the consumer comes into the country for their healthcare needs, they provide foreign currency to the economy. In the end, they leave the country with the desired medical care. It is the hope that there are no real imports and that all of the goods and services are provided domestically.

2.1.5.7 Macro/Environment Cluster/Tourism Policy Clusters

(1) Environmental Problem Type / Environmental Aspects

Although the main focus of the medical tourism product is the healthcare service provided, countries are also encouraging consumers to be tourists. As a tourist, they are enjoying the beauty and recreation of the area. The hope is that some of the revenues from these activities will go into developing the environmental infrastructure, as well as conservation and preservation.

(2) Resource Impact and Effect

This type of practice does not really require any substantial amount of environmental resources. Therefore, there are no major impacts or effects of the medical tourism business on a nation’s environmental resources.

(3) Urgency and Policy Review

On the whole, medical tourism is still in an emergent state. Therefore, this practice has not necessitated any type of real urgency. However, most of the countries participating in this business have launched a global advertising and marketing campaign to varying extents. Each country has unique marketing strategies that target specific markets. Additionally, because each country seeks growth, each has their own unique policies that allow for the attraction of these consumer markets.

(4) Substitutes and Alternative Policies

The most common alternative to receiving healthcare in one’s desired country is obtaining one’s healthcare needs in a competitive country. Therefore, countries attempt to make their policies as attractive and simplified as possible to attract the consumer. If not, consumers may find a different country with less restrictive policies to provide them their desired care.
2.1.5.8 Other Factors

(1) Culture

Because this industry is carried out in many different countries around the world with various languages and practices, culture can play a significant role in this business. Nations must be cognizant of culture when marketing to specific target markets. Additionally, consumers must appreciate culture and traditions that may affect their foreign healthcare experience. Because many of the countries providing this service are developing countries, culture can be very different and varied. All participants in this business must understand and appreciate that culture can play a significant role in the medical tourism process.

(2) Trans-boundary Issues

For medical tourism on the whole, overwhelming trans-boundary issues are not present. However, there are two specific markets within medical tourism, reproductive and suicide tourism, which do present trans-boundary challenges. With reproductive tourism, often consumers travel to another jurisdiction to receive a service that cannot be provided at home. Abortions and decisions surrounding in vitro fertilization can be two specific practices that can present challenges to the consumer. This is true for suicide tourism as well. There are issues surrounding the rights of the individual accompanying the consumer. Some countries view this as assistance, which often is prohibited. Therefore, although medical tourism does not present too many trans-boundary issues, specific markets can present challenges and should be more closely analyzed.

(3) Rights

For the most part, medical tourism is not affected by one’s rights. However, when dealing with reproductive and suicide tourism, a consumer’s rights must be considered. Consumers have rights. However, they may be affected by receiving treatment in a foreign country or upon returning to their home country. Consumers must consider their rights, and they may seek treatment in alternative locations if a different area’s policies better serve a patient’s rights. This could be true for practices or procedures such as abortions, in vitro fertilization, as well as euthanasia. Thus, consumer’s rights may play a part in decisions made for the medical tourism product.
(4) Policy Implications

Many countries around the world, particularly developing countries, have taken advantage of the benefits of medical tourism. This emerging industry can provide significant economic stimulus for a country’s revenue growth and financial health. It can also stimulate infrastructure development and improve the quality of life of the country’s people. However, nations must position themselves correctly to reap this profit.

Nations must establish attractive policies that encourage medical tourism practice in their country as well as attract consumers to participate in this phenomenon. Nations may often demonstrate less restrictive policies than their neighbors and competitors.

Once a nation has policies in place, they must correctly market themselves. Countries use different and unique marketing strategies, such as lower-cost, more-timely, higher-quality, to promote their services to their target market. Thus, this industry can demonstrate significant impact on the county’s economic health, however less-restrictive and attractive policies must be in place first. Countries must also market themselves properly to continuously enjoy the benefits of this emerging business.

2.2 Government and Governance Strategies in Medical Tourism

This is an overview of current government and governance strategies relative to medical tourism development and management around the world. Most studies on medical tourism have privileged national governments as key actors in medical tourism facilitation and regulation and, in some cases, even provision. However, with the multiplication of supra- and sub-national regions, each with their own distinct responsibilities and levels of autonomy, and the growing role of private-sector players, it is important to consider the various nested and overlapping governance types and practices at play. This chapter, therefore, identifies governance strategies at various levels in and across both source and host contexts relative to medical tourism.
2.2.1 Governments as Facilitators

Governments at national, sub-national or supra-national levels that see medical tourism as beneficial to development are increasingly initiating strategies to enhance it. This is most often the case with host contexts where medical tourism is perceived as a trigger for economic development, but is also the case with source contexts that see it as an opportunity to reduce burdens on their own national health systems (Ormond & Mainil, 2014).

2.2.1.1 Host Contexts

(1) National level

Within the context of health sector marketization and liberalization and the shift from manufacturing to services, medical tourism has been identified by national governments of numerous high-, middle- and low-income countries as an ideal economic growth engine (Lim, 2005; Lee, Yu & Noh, 2011; Liu, 2012, Ormond, 2013). Proponents suggest that medical tourism offers countries with limited industrial bases or those with governments wishing to transition to knowledge-based economies a clean, service-based industry in which to invest (Turner, 2007). The Malaysian and Taiwanese governments, for example, have earmarked medical tourism as a special growth sector, alongside manufacturing and informational technology (IT) service export, tourism, value-added agricultural processing and smart logistics.

Correspondingly, much work is underway within these and many other host countries to improve the stock of medical facilities and their management. This includes the purchase of the latest in brand-name medical equipment and IT, building new facilities, acquiring national and international accreditation, and training and retaining more doctors and nurses in order to host ever-larger numbers of medical tourists. In some cases, national governments also avail significant subsidies and tax incentives to hospitals in order to accomplish these changes (Turner, 2007, p.313; Ormond, 2013). Medical tourism has been increasingly identified for its potential not only for trickle-down benefits from the improvement of health services, but also to spur growth in specific allied sectors such as pharmaceuticals, medical research and development, and tourism (Connell, 2006). With the Singapore government’s interest
in becoming an Asian healthcare hub, for example, medical tourism promotion joined attempts to attract foreign investment in internationally-renowned flagship hospitals (e.g., Johns Hopkins Singapore International Medical Centre) and biomedical research (e.g., Biopolis research park) in order to raise the country’s international profile by opening it up ‘to new forms of foreign educational knowledge, institutional structures, practices, and technologies’ (Olds, 2007; Waldby 2009, p. 377).

(2) Sub-national Level

Within countries, in-bound medical tourism tends to be concentrated in specific cities (e.g., Chennai and Bangalore in India) (Solomon, 2011) and provinces (e.g., Penang, Melaka and Selangor in Malaysia) (Ormond, 2013b) due to existing travel routes and infrastructure, cross-border social, cultural and political linkages, and real and perceived medical specializations (see, e.g., Kangas 2010 on ‘Toyotaization’). Given this variegation, municipalities (e.g., Busan and Jeju City in Korea) and provincial governments (e.g., Gangwon in Korea (Yu, Lee & Noh, 2011), and Goa, Kerala and Maharashtra in India (Turner, 2007; Qadeer & Reddy, 2010, p. 72)) have developed their own medical tourism destination management approaches. Sometimes these are complementary to their respective national governments’ strategies; at other times, their interests may be at odds with them. Medical tourism is increasingly used to attract multinational hospitals, international staff and medical tourists to special economic zones and industry clusters developed in host countries to foster national economic development (e.g., Jeju in Korea, Iskandar Malaysia in Malaysia, Dubai Health Care City in the United Arab Emirates (UAE), Health City in the Cayman Islands, St Luke’s Medical Center Global City in the Philippines, and the Free Economic Pilot Zone of Taoyuan International Airport in Taiwan). These special territories, often developed and managed by national governments or public-private consortia, typically host a mix of international medical care, training and research institutions and may offer special tax exemptions and different ownership, investment, employment, immigration and mobility regimes.

(3) Supra-national Regional Level

Governance at this level focuses on harmonising member States’ sociocultural, economic, political and security concerns in order to ensure peace, stability and shared prosperity across a region. The European Union (EU), widely-
known as a platform concerned with facilitating EU nationals’ mobility within the region, is now at least 40 years into a process of continuous expansion of citizens’ rights with regards to patient mobility (Mainil et al., 2014). It initially focused on coordinating social and health policy for economic migrants and pensioners residing in EU countries outside their own. Temporary patient mobility, however, was subject to individual jurisprudence until recently. A plethora of legal cases (e.g., Decker/Kohll in 1998) provoked the EU to develop a legal framework to enable/facilitate travel for health reasons within the EU, resulting in the EU Directive on Patients' Rights in Cross-border Health Care (2011/24/EU), after long debates and amendments. The facilitation of this type of mobility enforces legal and financial relationships between source and host nations. With the Directive in place, member States now also effectively function as both source and host countries. This has led to concern and contention in countries wary of unmanageable inbound foreign patient flows, as well as concern with provider safety standards. Belgium, for example, has set up a patient mobility observatory to safeguard its citizens’ access to the Belgian health system. EU intra-regional patient mobility is bolstered by other cooperation initiatives like the EUREGIO II research programme which supports health and health service-related cross-border activities in EU border regions and the European Union Cross-Border Care Collaboration (EUCBCC), which endeavours to facilitate EU citizens making informed choices about whether to seek health care in another member State, and if they so choose, to ensure that the administrative and clinical processes are straightforward and ensure continuity of care (EUCBCC, 2011; Maastricht University, 2013). Other supra-national regions have taken different approaches to intra-regional patient mobility. The Association of Southeast Asian Nations (ASEAN), for example, has earmarked health care as a priority sector for regional integration by improving health equity in a region home to half a billion people and extreme economic contrasts, as well as developing health care as a marketable industry (Arunanondchai & Fink, 2007). Because accessible health services for citizens are no longer [deemed] the sole responsibility of the State (Hashim et al., 2012), ASEAN seeks to ‘empower consumers to become active participants in health care’ (ASEAN Secretariat, 2009, p.75). Without stipulating individual member States responsibilities, ASEAN instead focuses on liberalizing
health care, air transport and tourism, and minimizing visa requirements for intra-ASEAN travel by patients who are ASEAN nationals (ASEAN Secretariat, 2009a, 2009b).

(4) Cross-sectoral Policy Networks

Public policies are not made solely by governments, but rather through hybrid arrangements involving a range of different actors. The argument is that, increasingly, cross-sectoral partnerships and multi-layered points of policy-making are seen as replacing the hierarchical, centralized state (Liu, 2012, p. 459).

In the case of medical tourism, such cross-sectoral policy networks increasingly assume the form of national booster organizations (Ormond & Sothern, 2012). Many national governments promoting their countries as medical tourism destinations have followed the model of Singapore Medicine, a (now defunct) multi-agency public-private partnership (PPP) launched in 2003. As part of the push for Singapore to become a regional hub of medical excellence, the partnership was used to enhance Singapore’s standing in the international arena and its relations with its neighbors (Lim, 2005, p. 464).

Several national booster PPPs have since emerged in other parts of Asia, such as the Malaysia Healthcare Travel Council, the Philippine Medical Tourism Program, the Korea International Medical Association and the Taiwan Taskforce for Medical Travel. Indian stakeholders are also working to establish one (Qadee & Reddy, 2010, p. 74). These consortia, typically led by special bodies formed by national governments or private-sector associations, bring together diverse public and private bodies. Public bodies include ministries, departments, boards and agencies working at the national level in the fields of health and welfare, economic planning, trade and industry, tourism, immigration and foreign affairs. Private bodies include medical facilities (e.g., hospitals, clinics/ambulatory care facilities, research and training institutes, etc.) and wellness facilities (e.g., spas, etc.), travel and hospitality professional associations, medical travel facilitators, medical professional and hospital associations, insurers, and strategic economic research institutes (Ormond, 2013b, p. 31). Their objectives include the following:
• Develop public-private collaboration to produce common strategies (e.g., create joint promotion strategies and marketing plans, identify suitable sending countries, develop accreditation principles, identify fee ceilings, enable transparent reporting, develop human resources, manage biomedical waste, etc.);
• Develop a unified destination image and perform reputation management (e.g., participation in international trade fairs and organization of ‘familiarization tours’ for foreign journalists and healthcare providers, develop/maintain quality travel and hospitality infrastructure);
• Identify obstacles to market access and develop strategies to overcome them (e.g., improve foreign relations, establish memoranda of understanding with schools, insurers and governments, ease immigration requirements to facilitate entry, develop one-stop centers and international patient centers, formulate tax incentives for the development of private healthcare facilities and personnel, develop industry clusters and special economic zones, relax medical advertising restrictions, train and certify medical tourism facilitators, etc.);
• Develop strategies to minimize potential negative effects on national health systems (e.g., corporate social responsibility, etc.) (Ormond, 2013b, p. 30).

National booster PPPs, therefore, are meant to foster cooperation amidst competition in order to streamline bureaucratic obstacles to the entry of medical tourists and industry development (Lim, p. 466). Yet, the distribution of power within these bodies varies significantly. In the study of Taiwan’s emerging industry, hospitals saw the national government as being primarily responsible for policy planning and for providing the resources for policy implementation (Liu, p. 461). Similarly, in the Malaysian case, the benefits hospitals derive from PPP participation are highly uneven, since some have more political and economic clout than others (Ormond, 2013b). Furthermore, national governments involved are by no means monolithic entities with complete internal coherence. Struggles unfold within
national governments between and within different ministries, agencies and departments over the conceptualization of medical tourism and responsibility for directing policy regarding it. For example, while certain Taiwanese government bodies involved were dedicated to commercializing health care for foreign markets, others committed to ensuring citizens’ health above all were more reticent (Liu, quoted).

2.2.1.2 Source Contexts

(1) National level

Unlike medical tourism host contexts, less scholarly attention has been given to source contexts. Many source country governments avoid facilitating out-bound medical tourism, as it is perceived as undermining their own national health systems and providers. The United States, for example, has not yet allowed the inclusion of medical tourism as an option for Medicaid users (Herrick, 2007) and it has only recently been suggested that the UK’s National Health Service (NHS) might economically benefit from medical tourism (Hanefeld, Lunt, Smith & Horsfall, 2013). However, while not commonly perceived as ‘medical tourism’, several types of bilateral agreements between governments and cross-border contracting by national insurance funds are already in place to enable nationals of one country to be treated in another (Glinos et al., 2010). For example, the Dutch insurer CZ has outsourced medical care for their Dutch clients to Belgian hospitals. While this ostensibly facilitates patient mobility, it does so within an EU framework where the rights of insured citizens are protected. Bi-lateral agreements have also been mooted between the UK and India, though officials disagree over whether India should concentrate on its local population first, instead of offering services to foreign patients (Alvarez et al., 2011). Elsewhere, deficits in national health systems, especially in low-income countries, push nationals to pursue care in neighbouring countries. Many pay out-of-pocket because their home governments do not support their efforts (Ormond, 2013a), though some bilateral agreements exist between countries to formalize these practices (Lautier, 2008; Crush et al., 2012).

(2) Sub-national level

Particularly in the EU, hospitals in border regions of neighbouring countries may work together to compensate for reduced medical
capacity in one area with availability in another (Augustin et al., 2013; Baeten, 2013). The longstanding cooperation between the Zorgsaam hospital in Terneuzen, the Netherlands, and Ghent University Hospital in Belgium is a successful example. However, national-level interests can complicate cross-border cooperation. For example, a cross-border center of excellence in cardiovascular diseases was to be launched by the Aachen University Hospital, Aachen, Germany, and the Maastricht University Hospital in the Netherlands, but plans were halted, according to the press release, as a result of increasing financial pressures on health care in the Netherlands, as well as in Germany and the uncertainty surrounding future political decisions (Glinos, 2013, p.115).

### 2.2.2 Governments as Regulators

In their scoping review, the five dominant narratives about medical tourism across source and host contexts are: as a user of public resources; as a solution to health system problems; as a revenue-generating industry; as a standard of care; and, finally, as a source of inequity (Johnston et al., 2011). Citizens, policymakers, civil society and industry actors in both source and host contexts are concerned with the challenges and benefits that medical tourism may pose to healthcare access and financing, standards and continuity of care, and the equitable distribution of healthcare resources on their own national health systems and economies (Helble, 2011; Snyder, Crooks & Johnston, 2012). As such, both source and host governments are engaged in the regulation of medical tourism.

#### 2.2.2.1 Host Contexts

Medical tourism development cannot be divorced from domestic health policy interests in host countries (Lim, 2005; Ormond, 2011; Lunt et al., 2013). For example, the Singaporean government defended the investment in and promotion of medical tourism based a ‘healthcare ecology’ argument (Yap, 2006). There, medical tourism served rhetorically as a sustainable destination management solution for maintaining the economies of scale required for such a tiny nation-state to sustain the high-quality, high-tech medicine it provides to its residents (Turner, 2007; Mainil et al., 2013; see also Lee, 2012 on Costa Rica). Elsewhere, however, medical tourism may be generating more challenges for host countries than resolving them. Pressing
issues include aggravation of medical professionals’ rural-to-urban brain-drain and the diversion of resources essential for public health systems to private health systems (Connell, 2011). National governments in medical tourism destinations are involved in multiple manners and to various degrees, relative to the host country’s stage of development and strength of engagement by private-sector supply-side actors. Adopting Singapore’s neoliberal stance, national governments should provide oversight, not micro-manage, and should intervene only when there is market failure, allowing the private sector to take the reins and assume the bulk of responsibility (Lim, 2005, p. 465). In practice, however, national governments are a good deal more involved in medical tourism-related regulation. For example, the Korean central government initially facilitated efforts undertaken by supply-side actors via regulatory reform, relaxing medical advertising restrictions in the Medical Act, and organizing conferences to inform and bring together public and private partners (Yu, Lee & Noh, 2011, p. 870). It then went on to intensify its role as regulator and facilitator by getting directly involved in overseas marketing, due diligence, the development of human resources and the conception and implementation of national-level plans, including extensive flagship developments like Jeju Island in South Korea.

Various host countries’ governments have assumed much the same role by coordinating medical education to suit the future demands of medical tourists, liberalizing medical advertising, pressuring medical facilities to acquire internationally- and nationally-recognized accreditation, and encouraging improved hospital reporting. Some, like Malaysia, also have used medical tourism as a tool to support the further corporatization and privatization of the existing stock of national healthcare providers (Chee, 2010; Ormond, 2011). At the same time, some national governments are working to ensure that local people benefit from medical tourism or, at least, that its impacts on their care access are mitigated. In response to public concern following on negative media coverage on medical tourism, for example, Israel launched the Commission for the Examination of Medical Tourism in Public Hospitals in 2011 that advocated for the establishment of a set of general guidelines meant to guarantee that medical tourists would not ‘crowd out’ domestic healthcare users, and that the revenue from medical tourism would be used to improve Israeli healthcare services (Zehavi & Zer, 2012, p.197).
2.2.2.2 Source Contexts

Some source countries take actions to protect their citizens pursuing medical care abroad. The EU Directive on patient mobility, for example, serves as a means with which to regulate such mobility and thereby protect both the EU citizens and member-States involved. Certain national governments have also sought to protect their citizens by regulating internet marketing on medical tourism and banning cosmetic surgery advertising (Hanefeld et al., 2012; Smith, 2012). Some have gone much further with regulation (Van Hoof & Pennings, 2011, p. 546). Some nations react to their citizens going abroad to evade restrictions by implementing even more restrictive laws. Turkey has recently become the first state to ban reproductive travel in pursuit of donor gametes. Several states in Australia have enacted or are considering laws that prohibit international commercial surrogacy. Given the prospect of out-bound medical tourists returning home with complications or hospital-acquired infection, source contexts are also increasingly called to consider the impacts on, and responsibilities of, their own health systems (Crooks et al., 2013). Poor communication between patients’ doctors in source and host countries leads to important disjuncture in ensuring the continuity of care. What is the role of source countries’ general practitioners, should they encourage or discourage their patients to travel abroad for treatment? (Lunt et al., 2013). And to what extent should host contexts be made accountable by source contexts to share responsibility and liability for longer-term risks? (Crook et al., 2013). The use of bi-lateral agreements, for example, has been suggested as a means with which to protect healthcare needs of both in such circumstances (Alvarez et al., 2011; Snyder et al., 2012). Finally, to what extent should source contexts be responsible for ensuring access to quality health care for their own people, whether within or outside of their borders? Though more evidence is needed, source contexts with predominantly private health systems may induce greater international patient mobility, because many citizens may not be able to cover their care costs (e.g., the USA and its 46 million uninsured) (Forgione & Smith, 2007), whereas there may be less impetus in contexts with responsive publicly-funded health systems.
2.2.3 Governments as Providers

Unlike facilitating and regulatory practices by host and source governments, little study has attended to governmental provision of health services to foreigners residing outside of a host country. Very few host nations’ governments directly provide care to private medical tourists. With a state-run medical travel broker, such as ServiQual, foreigners get fee-based access to its fully socialized health system. However, there are currently a handful of other experiments at institutional level where the distinction between public and private health care is increasingly blurred. For instance, Jamaican and Malaysian public hospitals are opening private wings to subsidize the needs of their public health users and there is the opening up of the UK’s NHS to international patients (Lunt et al., 2013). More familiar are government-to-government agreements whereby source country governments reimburse host countries for their citizens’ treatment costs (Glinos, Baeten & Maarse, 2012; Lautier, 2008). Intra-regional flows between lower- and middle-income countries, thought to comprise the bulk of medical tourism, also sometimes make use of host countries public health systems without these receiving reimbursement (Ormond, 2013a). The Southern African Development Community’s 1999 Health Protocol, for example, has sought to formalize arrangements between South Africa and healthcare-dependent neighboring countries, though the latter struggle with reimbursement (Crush, Chikanda & Maswikwa, 2012). Bilateral agreements also exist on humanitarian and diplomatic grounds (e.g., Belgium receiving Libya’s most serious war casualties for medical treatment) (Mainil et al., 2013a).

2.2.4 Conclusion

The complex and varied roles that different types and levels of government play in medical tourism challenge the State to reflect on medical tourism’s multi-dimensionality, expanding its horizons beyond the individuals and industry immediately involved in its supply and demand to include a range of other stakeholders. With health care becoming ever-more globalized, source and host governments charged with managing the short- and long-term health, social and economic needs of their regional, national and local subjects react differently to medical tourism. As we have seen, host contexts are much more active in medical
tourism facilitation, regulation and provision. This is logical; host contexts’ national, sub-national and cross-sectoral policy-making bodies have strategically embraced medical tourism as a growth tool. However, source contexts are also beginning to assume a bigger role. Greater cooperation between host and source contexts would benefit the sustainable management of medical tourism for all involved, and cross-border, cross-sectoral policy networks could be a tool to enhance such cooperation.

2.3 Theories and Knowledge Based

2.3.1 Medical Tourism in Globalization

A concept of globalization in this chapter, as applied to describe emerging of medical tourism in a free trade market according to growing demand for health services as a global phenomenon, is linked to economic development that generates rising incomes and education. Demographic change, especially population ageing and older people's requirements for more medical services, coupled with epidemiological change, i.e. rising incidence of chronic conditions, also fuel demand for more and better health services. Waiting times and/or the increasing cost of health services at home, coupled with the availability of cheaper alternatives in developing countries, has lead new healthcare consumers, or medical tourists, to seek treatment overseas. The correspondent growth in the global health service sector reflects this demand. The globalisation of healthcare is marked by increasing international trade in health products and services, strikingly via cross-border patients.

For most people needing medical care, the last thing on their minds is travel, but a growing number of American medical tourists are setting out for India, Thailand and Latin America for everything from dental work to breast implants to major heart surgery. Rising health care costs in the USA push people to seek medical treatments elsewhere, while medical facilities in developing countries have not only caught up to western standards, but also in many ways exceeded them. These tourists are usually surprised to find brand new facilities and equipment as hospitals and medical tourism hubs around the world join in the fierce competition for this fast growing market.
2.3.2 Post-Fordism

Post-Fordism is a modern economic and social system, the period after Fordism. This theory is based on industrialized and standardized forms of mass production and consumption which the researcher applies to describe emerging of medical tourism, which need new information technologies marketed to niche markets. Products in Post-Fordism economies are marketed to niche markets based on social class, rather than in mass consumption patterns. Service industries in Post-Fordism predominate over manufacturing and the workforce is feminized.

2.3.3 National Competitiveness Theory

2.3.3.1 Competition State

Competition State is aimed at maintaining the State generic function of stabilizing the national polity and promoting the domestic economy in the public interest. Political actors take a proactive and preemptive lead in this process.

Medical tourism is on Thailand’s agenda to promote the country’s competitiveness in the global market. The researcher applies this concept, associated with Porter’s Diamond model, to explain the challenge of Thailand to develop the country’s strategy of medical tourism by State intervention which aims at adjusting, sustaining, promoting and expanding in the global economy. Competition State reinforces actor, and undermines generic, functions of the State in traditional social justice and public interest. Theoretically, Competition State is a guideline of the Muslim medical tourism market, oriented for Thailand’s competitiveness.

2.3.3.2 Porter’s Diamond Model

The Competitive Advantage of Nations, also known as the “Porter Competitive Advantage”, is basically an evaluation of how competitively a nation participates in international markets (Porter, 1990). Porter offers a diamond-shaped diagram to outline the framework of four key factors that can modify four ingredients to become more competitive. The four ingredients are: the availability of resources; the information used in deciding which opportunities to pursue for the company; the goals of individuals in companies; and the innovation and investment pressure in companies. This study applies the national competitiveness theory to explain how competitively Thailand participates in the global Muslim market of medical tourism.
Porter’s Diamond of national competitive advantage is a modern international trade theory (Porter, 1990). It was derived and used to conceptualize the four conditions that are important when conducting international business. These four factors originate from earlier country-based and firm-based theories. In simple terms, the country-based theories relate to the international trade theories of the nation as a unit of business and the firm-based theories are those which relate to the firm as a unit of business. International business can be defined as commerce or business involving one or more countries and/or businesses located in a different country (Fisher, Hughes, Griffin & Pustay, 2006). In either situation, it involves cross border or trans-border commercial activities, hence including the complexities arising in different legislation, political environments, cultures, societies and other factors. As medical tourism generally involves the participation and activities of people and transactions in more than one country, this is appropriately relevant to international business. Originally, Porter’s Diamond of national competitive advantage was developed from the observations of the practices of about one hundred international businesses across ten different countries. Therefore, many of the components would encompass and consider most of the elements that are essential for the strategic decision-making of a firm intending to conduct international business. In the shape of a two dimensional diamond, four main components are included in this model (see Figure 2.2). These include factor conditions, demand conditions, related and supporting industries, and firm strategy, structure and rivalry. Two additional elements, which refer to chance and government, were later included in the conceptualization to recognize the importance of these two additional components in the influence of international business, medical tourism is included.
Porter’s Diamond of National Competitive Advantage

2.3.3.3 Factor Conditions
With factor conditions, many medical tourism products are located in warm, pleasant environments. Therefore, the basic factors, which include ideal climatic conditions, natural resources and geographic location, are an advantage for medical tourism, especially for those visitors from colder climates. In addition to these basic factors, there are advanced factors that have assisted in the development of medical tourism. These include investments made by people, who usually offer medical tourism services, predominantly in private hospitals (companies) and governments. Other advanced factors include the utilization of the world-wide-web resources for the communication and marketing of the medical tourism product internationally. In terms of quality, it is said that there is little difference in the medical tourism services offered in the advanced western countries and those in the eastern or developing countries.
For reliability, most of medical doctors and their staff are trained in western countries, have worked in western hospitals and then returned to their country of origin (eastern or developing countries) for various personal reasons (CBS, 2004, 2005). Furthermore, the recruitment of foreign-trained doctors by these private hospitals, plus attractive work conditions has helped to staff these hospitals with well-qualified people. Therefore, the quality of such healthcare services are equivalent and the services far better than that found in the hospitals in developed countries. Labour, in a large population, is relatively cheap in developing industries. Therefore, many of the activities involved in financing a hospital can be managed at a cheaper cost, because salaries are generally lower and, in turn, the savings are passed along to the patient who pays much less for the same healthcare service than that found in their home country.

2.3.3.4 Demand Conditions

As the ageing population increases, there is increasing demand for medical services which cannot be met in many western countries under the public healthcare service. For much of the population, private healthcare is too expensive and so patients are placed onto public waiting lists for medical treatment. As these lists get longer and the price of healthcare increases, it is logical that alternative measures, which can serve this necessary demand, will be supported to improve the quality of life of these patients. Quite often, simply the cost of an expensive holiday could finance medical treatment and a recuperative break away in the destination country. This is very attractive for many people; both physical and mental well-being are addressed (Garcia-Alter, 2005; Henderson, 2004). The former is taken care of by surgical procedures; the latter involves recuperation and pampering in an exotic location that can promote mental health and wellbeing during this process. Hence, such a medical tourism experience is very attractive. A further demand for medical tourism is created by the increasing population that do not subscribe to private healthcare insurance. There are various reasons why some people do not have medical insurance; these are usually cost-related. Consequently, this would be a group of patients who would either benefit from medical tourism, or not be able to afford any treatment at all. Insurance companies that have to pay for the cost of medical treatment of their insured clients are continuously seeking ways of reducing their
expenses and improving their services. These companies are gradually creating a demand for medical tourism as well. Where companies allow flexible claims for healthcare services, these companies may pay a smaller amount of compensation to their clients who have paid less for their medical treatment received overseas. For example, India has targeted the National Health Service to explore the use of medical services overseas. Such international business arrangements are somewhat like a sophisticated form of subcontracting or offshoring of services, which is a commonly utilized business strategy to reduce costs.

2.3.3.5 Related and Supporting Industries

Since medical tourism involves travel to a foreign location, there is demand for some form of accommodation in the hospital or in a hotel, and also for local travel at the destination. Therefore, medical tourism relies upon a developed infrastructure. The tourism industry includes the provision of travel by the airlines and accommodation in hotels and motels, and also taxis for local travel. Furthermore, there are activities that cater for the leisure and recreation of tourists, which can provide ideal facilities for a relaxing and pampered recovery from any medical procedures. With such sound infrastructures in place in most developing countries, not much further infrastructure investment is required by local businesses and host governments, such as spa and massage. In addition, foreign governments are aware that the value of the tourism dollar can be increased by the introduction and support of medical tourism and so have supported businesses investing in this new industry. Furthermore, it is recognized that a medical tourist rarely travels alone. It is common for another relative to accompany the patient and, therefore, the accompanying person or entire family may travel to the selected destination and stay long for the necessary duration of the medical treatment. Governments further encourage medical tourism by allowing visas to be easily obtained and so do not hinder the process.

2.3.3.6 Company strategy, structure, and rivalry

This factor shifts from the macro-related (at country level) toward those at micro level (at level of the firm) in Porter’s Diamond. At micro level, the future of individual enterprises (including hospitals) participating in medical tourism will be dependent on their strategy, structure and rivalry. Although medical tourism is supported by governments, as with other tourism businesses, those companies which
do not provide a quality service and maintain a good customer satisfaction rating cannot remain sustainable in the market environment. As medical tourism becomes more attractive to many countries, there will be much more international competition and rivalry. Therefore, with medical treatment being equal across many countries, the tourist would begin to select their target destination based on other reasons. Some medical enterprises have compiled packages to make it easier for tourists who then do not need to spend so much time in researching their travel and accommodation requirements (Medical Tourism, 2005a, 2005b). With the medical tourism facilities increasing in demand over time, as with other international business operations, there is room for multinational enterprises that can offer such healthcare services internationally. With a multinational enterprise comprising staff that is recruited internationally, there are facilities within the structure of the firm to enable these enterprises to expatriate medical staff to manage future subsidiaries around the world. Although doctors are required by law to register with the local medical associations before they can practice in the local environment, there is no such requirement for the CEO to manage and start such operations in any country. Thus, it will not be unusual in the near future to have different forms of entry modes in medical tourism, such as with franchising agreements or joint ventures.

2.4 Countries Competition in Medical Tourism

In an interconnected global marketplace, linked by air travel and full of countries jostling for notice, it's no wonder that medical tourism has spurred competition as a resource for economic development (Clay, 2011). Nations see the money flowing into healthcare and want a share for themselves. They also see real advantages to becoming healthcare delivery hubs (www.HealthTourismInAsia.com, 2009).

Table 2.3
Medical Tourism Destination

<table>
<thead>
<tr>
<th>Asia/Middle East</th>
<th>The Americas</th>
<th>Europe</th>
<th>Africa</th>
<th>Other</th>
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<tr>
<td>China</td>
<td>Argentina</td>
<td>Belgium</td>
<td>South Africa</td>
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<td>India</td>
<td>Brazil</td>
<td>Czech Republic</td>
<td>Tunisia</td>
<td>Barbados</td>
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</table>
The Countries That Implement Medical Tourism Policy Western Hemisphere

2.4.1 United States

Medical tourism to the USA is based simply on the high level of medical technology there. American people take their search for high quality medical care global, giving little attention to the proximity of potential destinations or the cost of care (McKinsey & Co., 2008).

While these patients might not be medical tourists in the cost-saving sense (they're often wealthy and come from countries with cheaper care than the United States), they do show that global competition is a two-way street. The USA might send out many patients, but it attracts others. Inbound patients, those seeking treatment in the United States, represent higher-than-average revenues for the industry.

The USA faces competition as other countries, notably China and India, invest more in research and development, and noninvasive methods make it easier for other countries to offer treatments that previously required invasive surgery (Carneiro, 2012). In addition, USA medical centers must work to earn inbound patients, and as costs for health care increase, this country becomes less attractive to medical tourists.

2.4.2 Argentina

Argentina, located in South America, can be reached from most USA cities within 10 to 14 hours. It is the most European-esque country on the American
continent. Argentina became a destination for medical tourism following the collapse of their currency (the peso) in January 2002, which had previously been pegged to the US dollar. This collapse resulted in extremely favorable exchange rates for USA citizens visiting Argentina. Buenos Aires, the country’s largest city and capital has long been known for its advanced health care system and highly skilled doctors who are fully qualified and hold degrees from the world’s top universities in the USA and in England. There are many modern hospitals and clinics throughout the city where people can receive world-class healthcare at a fraction of the cost in the USA. The partner clinic in Buenos Aries is among the top medical travel dentistry clinics in the country. The USA Embassy in Buenos Aries, as well as the leading American corporations, refers their employees to this clinic. In fact, Argentine plastic surgeons are at high demand, since as many as one in thirty Argentines have some form of plastic surgery. The most popular cosmetic surgeries performed in Argentina include liposuction, laser surgery, and breast augmentation. There are many clinics in Buenos Aires where there are doctors who are fluent in English and have access to the most up-to-date technology specializing in hosting travelers coming to Argentina for medical procedures which are cheaper than their host countries, the USA in particular. However, the current weakness of the Argentina Peso is unpredictable.

2.4.3 Mexico

Medical tourism and healthcare in Mexico might seem like a similar model to the United States. In the Mexican healthcare system, private insurance is available to those who can afford it, while the government takes certain steps to subsidize healthcare for those citizens who are too poor to afford any comprehensive healthcare of their own, however healthcare in Mexico is wildly cheap in comparison. In fact, several world health organizations have rated the healthcare system in Mexico as excellent, with many California policies even requiring patients to undergo specific health procedures in Mexico, where healthcare is cheaper and prescription medications are just pennies on the dollar. As a result medical tourism in Mexico has been increasing for years and is a booming growth industry for Mexico (Medical Tourism in Mexico, n.d.).

Additionally, the public healthcare system in Mexico rivals that of those found in European countries, such as England and Switzerland. The Mexican
constitution guarantees that all citizens have the right to healthcare, and the federal government subsidizes all or some of the costs of healthcare, depending on the employment status of the patient in question.

Mexico enjoys some of the best public healthcare in the world; as a result, the Mexican population is seeing lower mortality rates and enjoying a better quality of life. In the coming years, healthcare in Mexico will become a major world player, with several countries looking to it as a model for their own healthcare systems. And as America’s Baby Boomers are starting to approach their golden years, retirement living in Mexico is becoming an increasingly popular choice for active seniors and their spouses.

There are many reasons for the increase in number of people prepared to get medical treatments like heart surgery, dental work, cosmetic surgery, orthopedic treatments and weight loss surgery in Mexico. Some new hospitals are state-of-the-art and can be compared to the best in the world. The development of medical tourism in Mexico has reinforced patient confidence in Mexican hospitals, and many of them get large numbers of foreign patients. In addition to the price, what attracts patients to Mexico is the experience of the doctors. In the case of many medical procedures, the Mexican doctors have more experience than USA doctors, as either the procedure has not yet been approved in the USA by the FDA or has only recently been approved.

Besides, traveling to Mexico is quite convenient for Americans and Canadians as the distance is less and there are frequent flights to major cities. Many Americans choose to get their weight loss surgeries and dental implants in US-Mexico border areas, where they can conveniently travel by road, and sometimes, return the same day.

Mexico may offer nearby care at lower prices to Americans, but it is struggling with perceptions of drug wars, violence, and poor quality care.

**Middle East** (Middle East Medical Tourism, 2012)

**2.4.4 Jordan**

Jordan is the leader in the medical tourism industry in the Middle East region. The country serves Muslim medical tourists from Iraq, Syria, Yemen and other countries in the region. The country offers state of the art medical treatment in all of the 106 hospitals in the country.
2.4.5 Turkey

Turkey has a strategic location that makes the country a well known destination for the medical tourism in the region. The country is the second largest country in terms of the medical tourist arrivals and also the second largest in terms of revenue generated through medical tourism. The creation of the health zones in the country by 2014 is expected to attract more medical tourists to the country. The medical tourism industry is estimated to attract a large number of medical tourists thereby generating revenue of US$408 million by 2016.

2.4.6 Iran

The major challenge for Iran in order to promote its medical tourism is the harsh political outlook to the western countries. In the coming years, the country is expected to attract many thousand medical tourists from Iraq, Syria and Lebanon, thereby generating revenue of many US$ millions.

2.4.7 Israel

Israel has positioned itself as a pioneer in IVF treatments, cancer treatments and nuclear medicine. With rising numbers of medical tourists, an upsurge in numbers of government and private hospitals has been witnessed. The growth in medical tourist arrivals can be attributed to the world class amenities in the hospitals. The medical tourism revenue is expected to grow at 5.7% for the years 2012-2016.

2.4.8 Saudi Arabia

The medical tourist arrivals in the country are projected to increase to 105,000 by 2016 at a CAGR of 20% for the years 2012-2016. Saudi Arabia has increased investment in medical infrastructure and has facilities welcome for Muslim medical tourists who prefer a luxurious environment of Muslim culture.

2.4.9 United Arab Emirates

The Medical Tourism of UAE Initiative was announced in 2012 by Shaikh Hamdan Bin Mohammad Bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Dubai Executive Council. Since then, several measures have been taken to unify medical tourism procedures in collaboration with the Dubai Health Authority (DHA), General Directorate for Residency and Foreigners Affairs (GDRFA) and the Department of Tourism and Commercial Marketing (DTCM), among others.
The UAE is promoting its medical tourism in the world by the creation of the Dubai Healthcare City (DHCC). The country has the highest number of JCI certified hospitals, 14 in the region. In the coming years, the UAE is expected to play a significant role in the medical tourism industry in the Middle East region.

Dubai aims to become a top destination for health tourism in the Middle East. The projects are part of DHA, the authority’s strategy for 2013-2025, which builds on Dubai’s long-term sustainable development vision to promote Dubai as a favored destination for health tourism in the Middle East. The line-up of projects will give Dubai an assured portion of the global healthcare market. In this, the emirate is well placed with world-class healthcare and niche specialties. Furthermore, it has a reputation as a politically stable, modern and developed city and provides for regulatory environment, capacity planning and the encouragement of Public Private Partnerships (PPP).

The medical tourism initiative in UAE will be implemented by hosting medical exhibitions, participating in overseas exhibitions, encouraging global healthcare providers to set up businesses and increasing government and private investment in healthcare. The DHA looks into identifying gaps in services, building capacity and increasing investors, and expects a steady increase in healthcare requirements. Within the DHA network of health centers and hospitals, Dubai has increased capacity by about 12 per cent and is looking into different parameters to ensure sustainable growth (www.albawaba.com).

2.4.10 India

India hopes to use medical tourism to build its healthcare infrastructure. While it has well trained doctors and up-to-date hospitals, healthcare remains out of the reach of many Indians. Money flowing in from outside the country could help fix that. India today has some of the most modern hospitals and highly qualified doctors. India can offer these medical tourists treatment at a fraction of the price of treatment in American and European countries. The most common diseases for which people seek treatment in India are heart surgery, knee transplant, dental care, and cosmetic surgery. Very often patients in America and Europe have to wait in queue for many years for their turn to get treatment. In India, there are no queues. A patient can get treatment from the first day that he or she lands there. Along with this, English-
speaking patients face no problem in India, as all Indian doctors speak English well. English is a second language in India. This has given India an upper edge in medical tourism compared to other Asian countries. Treatment is available in India for a quarter or sometimes even 1/10th of the cost of the treatment in their home country (Healthy Business, 2011).

India's potential in medical tourism is huge (Mehta, Rana, Wharton). Some 80 percent of foreign patients coming to India are from the neighboring countries and from Iraq, Afghanistan, the former Soviet Union, etc., and now increasingly from Africa. But now, with India proving itself as a credible provider of value healthcare, with the Western population aging, and healthcare becoming more difficult there, India expects more people to come from the USA and the UK.

2.4.11 South Korea

South Korea is one of the major centers for medical tourism in Asia (Medical Tourism to South Korea, 2011). In 2010, Korea attracted 81,789 foreign medical tourists who spent approximately US$100 million. The majority were Korean-Americans. In 2014, medical tourism was up 52 percent from 2009, which public health officials in Korea attribute to expensive USA healthcare (Kim, Lee & Jung, 2012).

Health care in South Korea is cheap and extremely efficient. Most of the hospitals belong to the private sector and are staffed by doctors many of whom have international qualifications. The hospitals are equipped with the latest technology and medical equipments. The hospitals and clinics are of world-class standards. Most of the doctors speak some English. The cost of treatment in South Korean cities is very much less as compared to American hospitals. It is easy to fill a medication prescription at a pharmacy. Drugs are available at comparatively cheap prices. The biggest group traveling to South Korea for care wasn't looking for lifesaving treatment, though. Fourteen percent of medical tourists received cosmetic surgery.

Many hospitals in South Korea have specially set up international departments. The South Korean government has introduced measures to increase the influx of medical tourists to South Korea. The visa process for foreign patients has been eased. South Korean government and hospitals have also come together in their marketing efforts to encourage medical tourists, especially from Asian countries to
visit South Korea. South Korea has been able to establish itself as a major center for cosmetic and plastic surgery. In fact, South Korea is considered the world’s capital for plastic surgery. South Korea has also become a major destination for those seeking stem cell transplants used in cancer treatment. The government has also launched the Korea Medical Service Promotion Agency to make foreigners more aware of the country’s low-cost, high quality medical care and to attract more medical tourists.

The Korea Health Industry Development Institute in the USA is working to offer insurance plans that direct even more patients to South Korea, in hopes to attract more non-Korean patients to the country (Jo, 2010).

2.5 ASEAN Economic Blueprint

According to South East Asia integration for the ASEAN community in 2015, this chapter aims to explain regional political economics principles via free flow of services in A2 of the AEC blueprint related to promoted regional medical tourism, as follows:

A2. Free Flow of Services

Free flow of trade in services is one of the important elements in realizing ASEAN Economic Community, where there will be substantially no restriction to ASEAN services suppliers in providing services and in establishing companies across national borders within the region, subject to domestic regulations. Liberalization of services has been carried out through rounds of negotiation, mainly under the Coordinating Committee on Services. In facilitating the free flow of services, ASEAN is also working towards recognition of professional qualifications with a view to facilitate their free movement within the region. This recognition is significant for developing scenarios of ASEAN cooperation as the hub of global medical tourism.

2.6 The Major Powers of Medical Tourism in ASEAN

The health sector in Southeast Asia is expanding business rapidly, attributable to rapid growth of the private sector, and notably countries there are capitalising on their popularity as tourist destinations by combining high quality
medical services at competitive prices with tourist packages. Some countries are establishing comparative advantages in service provision based on their health system's organizational structure. Thailand is most famous for its private hospitals treating a vast range of conditions and drawing patients from all over the world. Malaysia has experienced a healthcare tourism boom. If Indonesia were to deregulate its healthcare sector, and allow foreign doctors, surgeons and specialist nurses to work alongside, train and lead knowledge-transfer with local medical practitioners, not only might more patients (especially lucrative private ones) stay in Indonesia, but there could be startling growth in foreign direct investment in Indonesia’s health infrastructure. This would, in itself, bring trickle-down benefits for Indonesia’s public health sector and Indonesia would be a source of patients for its next-door neighbours. Singapore is attracting patients at the high end of the market for advanced treatments like cardiovascular, neurological surgery and stem cell therapy. Regulations which prevent foreign doctors from practicing have hampered foreign direct investment into the medical sector.

2.6.1 Thailand

Thailand is equipping itself to become the hub of medical tourism and health-related travel in the world. The cost of getting a medical or surgical procedure performed in Thailand is a fraction of that in developed countries. Many Thai hospitals are foreseeing a huge business in medical tourism and are gearing themselves for it. In the more than 400 private hospitals in Thailand, the medical care provided is excellent and at very much less cost. Thai hospitals are receiving many clients from the Arabic countries also. To cater to these clients, these hospitals hire Arabic-speaking personnel. Thailand’s hospitals are world-class. Many hospitals have invested huge amounts in equipment and care management standards and have achieved JCI standards. Thailand is fast becoming the destination of choice for cosmetic surgery, cosmetic dentistry, LASIK surgery, as well as other major surgeries. Thailand is also the most popular choice for people who are seeking to get sex reassignment surgeries performed. The lower labor costs of medical practitioners in Thailand enable them to offer significant cost savings in various medical procedures. Many doctors of Thailand hold USA certification. In Thailand, a patient
can get everything from organ transplant, cardiac surgery, and cosmetic surgery performed at a fraction of the cost. A knee replacement procedure would cost one-fifth of what it costs in the United States. A coronary artery bypass surgery would cost US$12,000 in Thailand compared to US$100,000 in the United States. Medical tourism in Thailand promoted by private medical facilities is now driven by government agencies, public–private partnerships, private hospital associations, and airlines, as well as hotel and restaurant chains.

2.6.2 JCI Accredited Hospitals in Thailand

The Joint Commission International (JCI) is the health care industry’s official accreditation institution. There are over 120 hospitals in the world that are accredited by the JCI. Several other organizations, such as the International Society for Quality in Health Care (ISQUA), the National Committee for Quality Assurance (NCQA), the International Organization for Standardization (ISO), and the European Society for Quality in Healthcare (ESQH), have taken steps to ensure that medical tourism facilities provide the highest-quality clinical care (Deloitte Development LLC, 2008). Hospitals in Thailand take pride in providing high quality standards of health care services. Thailand was the first country in Asia to achieve JCI accreditation in 2002. Currently, there are 17 hospitals in Thailand that are accredited by the JCI (ThailandMedTourism.com). The following is the up to date list of the hospitals that are JCI accredited:

1. Bangkok Heart Hospital
2. Bangkok Hospital
3. Bangkok International Hospital
4. Bangkok Hospital Pattaya
5. Bangkok Hospital Phuket
6. BNH Hospital
7. Bumrungrad International
8. Chiangmai Ram Hospital
9. Praram 9 Hospital
10. Ramkhamhaeng Hospital
11. Samitivej Srinakarin Hospital
12. Samitivej Sriracha Hospital
(13) Samitivej Sukhumvit Hospital
(14) Synphaet Hospital
(15) Vejthani Hospital
(16) Wattanosoth Cancer Hospital
(17) Yanhee Hospital

The JCI accreditation aims to continuously improve the safety and quality of care in an international standard. Among the above are the top three hospitals in Thailand that have been accredited by the JCI and are gaining popularity among medical travelers worldwide.

2.6.3 Thailand’s Policy of Medical Hub

The Thai government is taking steps to develop Thailand into a medical hub in the region, with an emphasis on wellness and high-quality services at international standards. It believes that the policy on the Medical Hub will help promote medical tourism and turn Thailand into a wellness destination in this part of the world. The policy has been categorized into four groups: Medical Service Hub; Academic Hub; Product Hub; and Wellness Hub (Department of Health Service Support, 2014). Toward this aim, the Department of Health Service Support has worked out a strategy, to be implemented from 2012 to 2016, for the development of Thailand into a medical focal point. The strategy involves four major areas: medical treatment; health promotion; traditional Thai medicine; and alternative medicine and health products, especially Thai herbs.

In fact, the policy was established in 2004, but has been given greater importance recently, under the condition that the international healthcare provided should not affect the availability of good, affordable health care for Thai patients. The Ministry of Public Health was assigned to work in an integrated manner with various relevant agencies in translating this policy into action.

To balance the access to quality healthcare for Thai people, the Department of Health Service Support purposes to encourage health establishments in Thailand to raise the standards of their services at all levels in coordination with enhancing the competitiveness of Thailand in medical tourism, as the country has several strengths in terms of specialized medical practitioners, experienced health personnel, modern facilities and equipment, hospitality, excellent services and
reasonable prices. To date, many hospitals have been recognized and approved as meeting the standards set for the Hospital Accreditation of Thailand and international standards, such as ISO and moving in advance to achieve JCI. As a result, Thailand was the first country in Asia to achieve JCI accreditation. In many private-sector hospitals, foreign patients can be assisted by interpreters and coordinators whenever there is need for any such services. To ensure consumer protection, medical services are also regulated to mandate the highest ethical standards and quality of care.

Thailand has earned a reputation as an excellent location for spa services in Asia. Bangkok is known as the “Spa Capital of Asia”, generating income through traditional Thai massage, beauty treatment services, and alternative medicine, thereby creating a sales channel for herbal products used in spa treatments. Apart from Bangkok, such major tourism destinations as Chiang Mai, Phuket, and Samui offer inclusive spa resorts and wellness retreats, as well. To ensure hygiene and safety, these health spas require certification by the Ministry of Public Health.

Statistics compiled by Thailand’s Ministry of Public Health show that, in 2012, foreign visitors sought medical services here on more than two million trips. Popular health services include medical check-ups, cosmetic surgery, transsexual surgery, dental care, orthopedic surgery, and heart surgery. Medical tourism generated 52 billion baht in revenue for Thailand in 2008, 58 billion baht in 2009, and 65 billion baht in 2010. The earnings rose to 97.8 billion baht in 2011 and 121.6 billion baht in 2012. The figures have not been confirmed in 2013 and 2014 due to the big flood and political turmoil in Thailand (Department of International Trade, 2014).

The number of foreign clients seeking medical tourism services in Thailand is on the rise. They come mainly from Japan, the United States, China, Taiwan, the United Kingdom, Germany, countries in ASEAN and the Middle East.

In promoting the Medical Hub, the Thai government introduced a new regulation in the initial stage on 4 January 2013 for the granting of visa extensions from 30 days to 90 days to nationals of six Middle Eastern countries. The six countries include the Kingdom of Bahrain, the State of Kuwait, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia, and the United Arab Emirates. This privilege under the Medical Hub project would be extended to other ASEAN countries, as well, when the ASEAN Community is in place in 2015.
In preparation for the ASEAN Economic Community, the Ministry of Public Health is preparing to rearrange a policy to promote academic hub as the regional center of medical education for training more personnel to meet the expected growing demand for medical care, as well as providing technical assistance for the neighbor countries. In the private healthcare sector, The Bangkok Hospital Group is the major provider, with 13 network locations throughout the country, and is expanding its medical tourism markets in ASEAN, especially Brunei Darussalam, Indonesia, and Malaysia (The Government Public Relations Department, 2013).

The weakness of Thailand’s Medical Hub policy is that the plan to turn Thailand into a medical hub has been around for years. Although no government has yet produced any concrete action, Thailand continues to receive many foreign patients due to its good skills and services of physicians and other medical staff. Regardless, even without the goal of becoming a medical hub, Thailand needs to overhaul its medical training to produce more doctors and nurses for the entire system. It is estimated that 40,000 more doctors are needed to ensure quality healthcare, but only 2,500 graduate every year (The Private Hospital Association of Thailand, 2012).

2.6.4 Indonesia’s Policy of Medical Hub

Indonesian health tourism was worth close to US$1 billion in 2013. Current key challenges for the Indonesian health system, such as the geographical inequities in access to and distribution of health services, and poor quality of public health services, particularly in rural areas and remote islands are closely linked to the issues of the motivation, payment, training and support of doctors.

To approach the better health system of Indonesia, the government has increased understanding of the constraints and complexities involved in addressing some of the issues, such as misdistribution of doctors. Ministry of Health clarified the limitations imposed by civil service status, new political imperatives, such as a two year moratorium on new recruitment to the PNS. The medical professional associations (MPA’s) provided clarification to the Ministry of Health on the requirements for training and the limitations that imposes on sending residents to work in rural locations.
2.6.5 Malaysia’s Policy of Medical Hub

Malaysia has fast gained a reputation as one of the major medical tourism destinations of Asia. Malaysian hospitals are among the best in the region and most private hospitals have internationally recognized quality standards, which include MS ISO9002. Malaysia has become the chosen destination for medical travelers from all across the world due to many reasons. The cheaper cost of treatment in Malaysia, state-of-the-art hospitals and clinics, highly qualified doctors, and picturesque tourist destinations. Most private hospitals in Malaysia provide accommodation facilities to tourists. Given Malaysia’s low cost of living, Malaysia ranks as among the top four centers of medical tourism in Asia, along with Thailand, India and Singapore.

Malaysia was recently ranked third in the world for its healthcare system by International Living. Three of its private hospitals have won international medical tourism awards, and last year 768,000 medical tourists sought treatment there.

Malaysia is one of the very few countries where medical tourism is governed by a government monitor and is well-regulated for quality of medical services.

Many hospitals in Malaysia have set up international departments to cater especially to the international patients. The Malaysian government is actively promoting medical tourism in Malaysia. As a result, the number of private hospitals providing quality medical care to international patients has increased over the years. Medical and surgical procedures in Malaysia cost only 20 to 25 percent of the same in the USA or UK. The official language of Malaysia is Malay, but English is spoken and understood by a majority of the doctors and health staff. The prices of medical and surgical procedures are a fraction of those in developed countries. Malaysia, as a Muslim nation, has kept in touch with Arab patients.

Medical tourism in Malaysia is ranked in the top five destinations for health tourism. The majority of the foreign patients seeking medical treatments in Malaysia are from Indonesia, Singapore, Japan, and West Asia. In 2012, Malaysia received 671,727 patients from around the globe.

Medical tourism started to be given prominence by the government of Malaysia after the Asian financial crisis as an economic diversification. The National Committee for the Promotion of Medical and Health Tourism was formed by the
Ministry of Health in January 1998. In 2009, the Ministry of Health Malaysia had set up the Malaysia Healthcare Travel Council (MHTC) to be the primary agency to promote and develop the country's health tourism industry, as well as position Malaysia as a healthcare hub in the region (Malaysia Healthcare Travel Council, 2012).

2.6.6 Singapore's Policy of Medical Hub

Singapore is one of the top medical tourism centers of the world. It attracts about 200,000 medical tourists every year. The hospitals in Singapore are extremely well equipped and are staffed by highly qualified doctors, many of them with international qualifications. Singapore is known for its cleanliness and is a close competitor of Thailand and India for medical tourists. Patients who come to Singapore seek heart surgery, some brain surgery, and yet others seek cancer treatment, and are guaranteed world-class medical treatment in hospitals equipped with the latest equipment, maintaining cleanliness and world-class safety standards.

The Health Sciences Authority (HSA) maintains standards of excellence in healthcare. To cater specifically to the international patients, many hospitals in Singapore have established international departments to assist international patients with appointments to top specialists, hospital transportation, accommodation, and services such as translation services, visa assistance, and currency exchange, etc. Costs of medical treatment in Singapore are considerably cheaper than in developed countries. However, treatment costs in Singapore are higher than treatment costs in Thailand, India, or Malaysia. In order to improve their medical expertise, both private and government hospitals in Singapore regularly collaborate with reputed western hospitals to keep up with the latest medical innovations and procedures. In addition to providing world-class medical care in all branches of medicine, Singapore has developed expertise in procedures such as organ transplant, reproductive and fertility issues, limb reattachment and joint replacement. That the government of Singapore has focused on such policies is very significant as follows:

- **Injects extra measure competition** -
  
  by emphasizing action to develop Singapore as a center for Clinical Medical Hub of Asia, with a technology center and medical experts. Marketing in Bangladesh; for example, Singapore has media publicity through the daily
newspapers to show that Singapore is a center of expertise and treatment of heart disease (Cardiology), along with a reduction in the immigration process. In the case of Bangladesh, there has been a comfort level to those who are traveling to medical treatment in Singapore. There is an easier on-arrival visa for the terminally ill who receive treatment from the hospital in Singapore.

· **One Stop Service** -
  
  by creating a One-stop Centre to provide services to those who come to receive medical treatment. This provides information on medical specialists, hospital information, accommodation, stages of immigration, etc., to create transparency in the cost of medical care, such as providing clear information on the treatment and medicine, etc.

· **Social Security System** -
  
  in addition, the Singapore government has also established a social security system, to benefit to the public health fund and on into old age. The social security system of Singapore is divided into three levels:

  1. Medisave or health savings account, which is compulsory for people to spend money in their account.
  2. Medishield, a voluntary health insurance system that covers diseases with high medical costs. It will be deducted from the savings account to purchase health insurance in this section.
  3. Medifund is a system of government public welfare, for those with no money to pay for adequate medical care.

  When people in Singapore are sick, people take a little money from health savings accounts to pay the hospital. In the case of diseases with high medical costs, it has purchased insurance voluntarily, which will be responsible for all costs. However, those with very high medical bills they are unable to afford can obtain a social worker.

  A study of health savings accounts in Singapore found that it can reduce costs in the long run less frequently. Singapore's experience suggests that health expenditure programs and Medishield / Medisave account for only 10 percent of the cost of the overall health of the entire country.
However, after the financial crisis in the year 1997 the number of people admitted to hospital in Singapore has decreased, due to medical costs in Singapore that are much higher, as a result of increased costs in the business, medical and wages, and scarcity in the medical profession. In addition, Singapore has increased foreign competition in the business of healthcare, such as from Malaysia and Thailand.

In this present Social Security system, Singapore has also allowed people to use hospitals in Malaysia. The Social Security system will pay for medical expenses, because medical costs are cheaper in Malaysia, while there is a similar standard of care (Singapore’s Policy of Medical Hub, 2010).

2.6.7 Philippines’ Policy of Medical Hub

Medical tourism in the Philippines is still in the beginning stage. Some of the private hospitals have gained fame across the region and are attracting patients from the surrounding areas. Most medical tourists come here to seek eye, dental and cosmetic surgery treatments. St. Luke’s Medical Center started a medical referral program in 1995, obtained international medical accreditation and forged alliances with the international medical insurance systems of other countries. Asian Hospital plans to duplicate the work practices of Bumrungrad Hospital of Thailand, which have made Bumrungrad Hospital a big success in medical tourism. About 10 percent of Asian Eye Institute’s patients are foreigners, although from the Asian subcontinent. The Philippines is looking to improve its health, transport, and tourism infrastructure in order to encourage medical tourism in its country. However, medical costs in the Philippines are higher than in Thailand or India. A big disadvantage for the Philippines is the high cost of medicines there, which often forms a large part of the total medical bill. Many hospitals and clinics are ISO certified and undergo periodic accreditation from the Department of Health. Many of the hospitals are Joint Commission International certified. The most common medical and surgical procedures for which patients seek treatment in the Philippines are cosmetic and plastic surgery, dermatology, weight loss surgery, ophthalmology and dentistry. The cost of these procedures is a fraction of that in the USA and UK, plus the added benefit of a vacation at a beautiful tourist destination.
The Philippines is the export country of medical professionals, nursing in particular, because of their skill in English language. Now, the Philippines is implementing Public-Private Partnership (PPP) to be a tool for driving the country’s policy on Medical Hub starting from specialized medical care in orthopedics.

2.7 Characteristics of the Country of Choice

Figure 2.3 depicts an abstract of a two-stage model about factors that impact decision making in seeking medical services worldwide. The model for choosing vendor and country overseas for the outsourcing of IT services argues that selecting a foreign country occurs first, with different factors impacting the decision which includes political system, infrastructure and legal system (Palvia & Sharma, 2007). Once a foreign country has been selected, then decision is made in selecting an international facility. The model used to explain medical tourism suggests that no one factor is dominant in the decision, but all play a crucial role in choosing healthcare on an international basis (Smith & Forgione, 2008).

2.7.1 Choice of International Country Location (Ricafort, 2011)

2.7.1.1 Economic Conditions

Medical tourism is a lucrative business model for any host country. For instance, medical tourism will be the next key driving force for the developing economy. It is estimated that medical tourism will account for 3-5% of India’s healthcare delivery market, while Singapore estimated that medical tourism will contribute 1.2% value to GDP by 2013 (Mitra, 2007). Furthermore, in Thailand, medical tourism generates the equivalent of 4% of the country’s gross domestic product (NaRanong, 2011). Countries experiencing economic stability and growth have an advantage with American patients, since stable economic markets can respond rapidly to stimuli and facilitate the provision of services to a broader sector of clients (Smith & Forgione, 2008).
2.7.1.2 Political Climate

Safety is a significant factor to any medical travelers worldwide. Medical tourists will be attracted to regions without risks of revolutions or uprisings. Therefore, threats of terrorism and political insurgency typically undermine the medical tourism industry. A stable political environment with high degree of personal safety becomes one of the essential factors in the decision making processes for medical travelers. In Thailand, political turmoil in 2014 affected the willingness to come for medical tourism of the niche foreign patients.

2.7.1.3 Regulatory Standards

American patients seeking international treatment often consider the legal and regulatory environment of the host country. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) was established in order to
provide patient protection and safety. This Federal law was enacted to protect a patient’s health information use and disclosure.

2.7.2 Choice of International Medical Facility

2.7.2.1 Cost

The huge cost differential of medical treatments from several developed countries compared to many emerging medical tourism destinations is one of the primary driving forces of the rapid growth of global medical tourism. The number-one factor cited for why Americans travel abroad for health care is cost. Medical procedures in Thailand costs only one-third of the amount for a similar procedure performed in a hospital facility in the United States. Therefore, the appeal of substantial savings will continue to fuel demand for medical services in developing countries.

2.7.2.2 Hospital Accreditation / Infrastructure

Accreditation standards are a vital factor when evaluating the quality of care provided by a foreign hospital facility. The primary accrediting body in health care within the United States is the Joint Commission International (JCI). Medical tourists often rely on hospitals to provide a standard of care that equals or exceeds in the western country. Hence, the JCI evaluates and accredits health care organizations around the world, which aims to improve safety and quality of care to an international standard.

2.7.2.3 Quality of Care

Some other issues of quality of care are also important before choosing a medical facility abroad. Medical travelers take precautions on any endemic diseases such as HIV, malaria, typhoid, hepatitis, tuberculosis and etc. that they might encounter during their visit. A patient would prefer to seek treatment from a facility that contributes to reducing the likelihood of contracting a serious disease during the procedure or during follow-up treatment in the country.

2.7.2.4 Physician Training

The board certified and internationally trained physicians who are able to speak in English typically appeal to international patients. Bumrungrad International Hospital, which is a top facility for global medical tourists, advertises
that over 200 of its doctors are board certified in the United States. These are important aspects of the medical doctors that contribute to the choice of facility for medical tourists around the globe.

2.7.3 Specific Theories

2.7.3.1 Demographic Factors

The perception of customers or patients may vary depending on one's demographic background. Demographic characteristics such as age, income, and gender are most often presumed to influence one's level of product knowledge.

1. Gender: research and writing related to sex and gender have been expanding at a rapid pace since the late 1960’s (Unger, 2001). Consumer perceptions are affected by materialism, gender and nationality (Kamineni, 2005).

2. Age: gender and age significantly affect the perceived image of tourist destinations (Baloglu & McCleary, 1999).

3. Country of Residence: a direct approach in examining differences in tourist motivations between nationalities and between destinations (Kozak, 2002).

4. Occupation: the different social classes demonstrate distinct preferences for a variety of products, including leisure activities (Kotler & Armstrong, 1995). Occupation is one indicator of a person’s socioeconomic status.

5. Income: travelers at lower income levels might be expected to engage in more searches to offset their relatively greater perceived risk (Van Raaij, 1986). Higher income levels, on the other hand, have been found to be positively associated with greater levels of information search, including the use of destination specific resources (Gitelson & Crompton, 1983).

6. Frequency of Visit: the frequency of visit as consumer behavior is an important determinant of choice decisions (Bell & Lattin, 1998).

2.7.3.2 Consumer / Customer Satisfaction

Customer satisfaction is directly related to customer retention, since satisfaction is the major antecedent of customer loyalty (Oliver, 1997). Excellence in quality is a means for customer satisfaction. In order for consumers of medical tourism in Thailand to experience customer satisfaction, the product that they should receive must exceed their expectations. Patients typically define satisfaction when the
hospital provides high quality of services that are comparable in the United States or in western countries. Moreover, medical travelers search for easy accessibility in terms of hospital location and flight arrangements. Safety and inexpensive health care cost are also essential aspects of the overall customer satisfaction of international medical tourists.

### 2.8 The Role of State and Government in Medical Tourism

#### 2.8.1 The State and Government

This looks at the differences between the roles of the State and governments in developing health tourism and what they can contribute to establishing a health tourism destination.

Health tourism development and promotion and State blessing, endorsement, support and commitment should go hand-in-hand. But it should be clear that “government” and “State” are not synonymous (Constantinides, 2014).

Governments (and Government Ministers) come and go, not infrequently, even before their term is up. States (or Nations), on the other hand are permanent, at least, in most cases. In the context of health tourism, we should look to the State and not to governments. This is because the sustainability of health tourism relies on certainty and consistency. Governments are associated with government policies and politics which often change with a change in government.

#### 2.8.2 The Role of State and Government in Medical Tourism

**Development and Promotion**

Right from the beginning, it needs to be pointed out that the role of the State should not be that of the entrepreneur. And of course, the State should in no way compete against the private sector.

One role of the State is that of commercial diplomacy which in the case of health tourism refers to supporting the promotion of businesses and destinations. Diplomacy is the work of the State, and so is Commercial Diplomacy. This is a reason why the State places commercial attachés at their embassies abroad.
2.8.2.1 The State's Role in Stakeholder Concerted Action Initiatives

Development-related stakeholder concerted action initiatives, such as development and promotion master plans and the founding of industry representative bodies, must not be State creations and certainly not State-led. Nevertheless, the private sector should be able to rely on State blessing, endorsement, support and commitment for these initiatives.

We should demand that the State be a supporting partner, rather than the leader. And the State should act as the “guarantor” of consistency and continuity of the stakeholder concerted action initiatives.

The State, in its effort to demonstrate support and commitment, can co-fund initiatives associated with industry shaping and destination enhancement even if this needs to take the form of a Public Private Partnership (PPP).

2.8.2.2 What the State Must Not Do in the Case of Medical Tourism

In the case of medical tourism, the State must not see medical tourism as a source of revenue for public sector hospitals. As if State intervention, aiming to regulate and legislate, is not enough, we even see governments regarding medical tourism opportunistically. Some Health Ministers think that the development of medical tourism can translate into revenue for public sector hospitals. With this in mind, these ministers aim to formulate regulation and legislation which will drive business to the public hospitals.

With regards to medical tourism, the role of the State is to provide healthcare to its own citizens as part of a National Health System. The State should also ensure that the infrastructure is in place which will allow the private sector to develop medical tourism to address international patients. The government’s benefit should be in the form of taxes collected from private sector medical tourism activity.

2.8.2.3 The State in Destination Creation

Creating contemporary medical tourism destinations is, to a large degree, about the private sector investing to develop the Industry (also known as “industry shaping”). But the State is also a decision-making and investment-making stakeholder. Consequently, the industry needs to have faith, trust and confidence that the State will “do its bit”. The private sector, before it invests, expects the State to demonstrate its approval, support and commitment. The expectation is of the State’s
acting to provide legislative and regulatory consistency and certainty and contribute to infrastructure development.

Contemporary destination creation begins with industry and typically involves implementation of a five-stage module project:
- Segmentation;
- Integration;
- Administration;
- Development;
- Promotion.

Within this context, supportive governments interested in the development of medical tourism should “put their money where their mouth is” by at least funding the first two steps of the project. Industry will then have the confidence and motivation to fund the other three.

After industry shaping, which makes a destination integrated, efficient and competitive, the destination will need to undergo further development in the form of enhancement in order to develop competitive advantage.

### 2.8.2.4 Special Legislation for Medical Tourism Development and Promotion

At the very start, it needs to be pointed out that the “development, provision and promotion of services, in the context of Medical Tourism” does not require sector-specific legislation. As it is, the development, promotion and offering of services is happening — totally legally.

### 2.8.2.5 The Role of Legislation to Remove Obstacles in Medical Tourism

Any national regulation or legislation should be “enabling” — aiming to facilitate and empower the private sector. In the context of Medical Tourism, the primary objective of legislation should be to “enable” rather than to “regulate”. “Enabling Legislation” can, of course, be introduced to beat the competition.

Other examples include the permitting of medical practices banned in other countries, such as experimental treatments and the performing of transplant surgery with “bought” organs. Often, government intervention (in the form of regulation and legislation) is a poorly-veiled reactive initiative to protect vested
“influential” interests (usually, interests of politically connected incumbents). The incumbents may often have powerful connections which are used to enforce and retain market-distorting and anti-competitive practices.

2.8.2.6 Some Examples of Helpful Legislation

(1) Legislation permitting "change of use"

Several countries today have an abundance of “legacy” (redundant and under-occupied) facilities, mainly in the tourism and hospitality sectors. In practice, simply scrapping these is either not feasible or not desirable. So the dilemma and conundrum arises: “what to do with them?” The simple and obvious answer is to “repurpose” them (change of use). The idea is to find a way to allow these facilities to offer health-related services. But, wanting to repurpose a facility can run into legal obstacles. To facilitate this legacy scenario being played out, in several countries “law-modifying” legislation is required.

(2) From “In-patient Treatment” to “Day Case"

In some countries, certain cases which traditionally required hospitalization (in-patient treatment) treating these on a “day case” basis is illegal. This is an absurdity in the law – and an example where the law does not follow the progress in medical science and technology. Nevertheless, and not surprisingly, some private hospitals (which earn part of their profits by providing “hotel accommodation”) are opposed to the scrapping of this antiquated law. But in the end, logic and the demands of the “informed” market will prevail – although it may still require protracted lobbying and political will.

(3) Medical Tourism Visa

“Ease of Entry” to a health tourism destination is a big “make or break” issue. The increase in cross-border terrorism and illegal immigration is more and more reversing the trend in international travel liberalization.

Some medical tourism destinations have addressed this by legislating the issuing of Medical Tourism Visas (although, countries such as India, are having second thoughts).

As Porter’s Diamond model mentioned, the researcher will apply this concept to explain the involvement of stakeholders in Thailand’s medical tourism, divided into four groups as shown in Figure 2.4
2.9 Stakeholders in Thailand's Medical Tourism

**Figure 2.4**

*Stakeholders in Thailand's Medical Tourism*

Source: Department of Health Service Support (2013).

2.9.1 Policy Makers

- Ministry of Public Health
- Ministry of Tourism and Sport
- Ministry of Commerce
- Ministry of Foreign Affairs
- Health Professional Councils
- The Association of Private Hospitals of Thailand
- The Association of Thai Spas

2.9.2 Business Sector

- Public hospitals
- Private hospitals
- Medical schools
- Insurance companies
- Other healthcare providers such as spa and massage
2.9.3 Supporting Industries

According to the policy of medical tourism destination, there are various industries related to the healthcare business. The main industries are service and facilities, for example hotel and accommodation, touring, restaurant, healthcare service such as spa and massage, shopping, transportation, etc. The other related businesses are health products and education.

2.9.4 Patients and Clients

When people travel abroad for seeking medical treatment, especially Muslim people from Gulf Nations, often a big family or entourage may accompany with their medical touring. This benefits the host country because of the money spent by their entourage.

2.10 Muslim Patients in Medical Practice

Muslim patients who are foreigners seeking healthcare overseas mostly are wealthy and well educated, while others come from less privileged families and may be new immigrants or visitors. To provide better medical practice to Muslim patients, physicians need to know helpful guidelines for treating most patients of Middle Eastern origin (The Middle East Center of the University of Pennsylvania, 2012).

It is important to remember the language needs of patients. While many Muslims, especially people from the Middle East speak English well, this will not be equally true across categories of class and gender. Beyond language, there are several cornerstone concepts to remember when treating a Muslim patient.

2.10.1 Privacy and Gender Segregation

Modesty is a major concern for Muslim women. Gender mixing among patients is an unnecessary stress for Muslim patients. In addition, male practitioners are generally preferred by male patients; female practitioners are sometimes required for female patients (especially in gynecological matters).

An important point to remember when dealing with unmarried women, regardless of their age, is that virginity is conceived of as the presence of an intact
hymen in much of the Muslim world. This may necessitate a clear, tactful discussion of what certain procedures entail.

2.10.2 Food

Although not all Muslims follow strict dietary rules, most do not eat pork and do not eat meat that is not halal, or killed in a ritual way. To be safe, vegetarian or kosher meals are alternatives. Furthermore, avoid alcoholic beverages (alcohol is prohibited by Islam) and foods/sauces made with wine or beer.

Food is important for morale and family support. If patient protocol allows, it will help the patient emotionally to have food from home. There is also a second benefit to home food; older women in the family tend to have "traditional" remedies and may administer them in addition to medications. By giving these concerned family members an official function, they will be satisfied that they are assisting the treatment.

2.10.3 Medical Procedures and Explanations in the Clinic or Hospital

2.10.3.1 Communication: Communication is important, as Muslim patients may be disoriented in a hospital setting. Use a translator to explain procedures and hospital billing procedures, health care, insurance, etc. If possible, it is best to use a same-sex translator from the hospital.

2.10.3.2 Patients: Patients (especially older ones), may speak little English. They also may not understand machines or invasive procedures. Explain images and procedures.

2.10.3.3 Writing Prescription/Daily Behaviors: Explain each medication and separate essential medicines from those for symptoms. Relate daily behavior to treatment regimen (e.g., "eat one pill with breakfast") and explain in detail how medications are to be administered.

2.10.3.4 Family: A Muslim patient is accompanied by family, which is extremely important in the Middle East. Within the bounds of confidentiality, keep family members involved in decision-making and assume patients will not give you a decision about their care or finances without family consultation. Medical care in the Islamic world is often a family affair, organized and administered by mothers and younger female relatives who should be carefully instructed in treatment regimen.
They can also be trained to administer home diagnostic tests and assist with special diets. Isolation of patients is difficult to maintain in the home. Many traditional family environments involve mixing food and personal space with family members. If a treatment regimen requires isolation, take this into account.

2.10.4 Popular Practices and Religious Concern

2.10.4.1 Ramadan and Fasting: Muslims fast during the holy month of Ramadan. Some Muslims may consider medication as food from which they must abstain during Ramadan. Be sure to ask the patient whether he/she will fast for Ramadan. The Qur'an (Muslim Holy book) allows medical exemptions from fasting.

2.10.4.2 Traditional Medical Ideas and Compliance: In case the patient has any reservations about the treatment regimen, discuss any traditional preconceived medical ideas that might contribute to the patient's compliance or non-compliance. Many families use home/folk remedies that may not be considered to be medication, but may be counter-indicated with prescribed medication.

2.10.4.3 Death and Grieving: As with all patients, consider the preferences of the deceased and the religious and traditional customs of the family when encountering loss. Also be aware that outward signs of grief are a sign of respect for the dead.

2.10.5 Patient-Physician Social Interaction

Muslim patients accord a great deal of authority to physicians and will be comforted by some degree of formality in speech and dress, which shows respect for them and reassures them of physician competence. Titles and formal address are usually preferable to first names and informality.

2.10.5.1 Greetings: Always shake hands with male patients or male family members when greeting them or saying goodbye. Shaking hands with females should be left up to the female patient.

2.10.5.2 Body Language: In the Muslim world, good posture is considered polite.

2.10.5.3 Respect for the Elderly: The elders are held in high esteem in Muslim culture and are treated with the utmost respect.
2.10.5.4 Stereotyping: Muslim Middle Eastern patients should be treated as individuals.

2.11 The Marketing Mix or Four P's Framework

The marketing mix model or commonly known as the 4P’s consists of Price, Product, Place and Promotion (Porter, 1990).

2.11.1 Product

A product refers to any tangible object or intangible service that is offered to a customer. In this study it defines the physical attributes of a medical facility in Thailand, which are board certified physicians, hospital’s accreditation, advanced medical equipment, hospitalities of medical services and Muslim medical treatment. Determining the various aspects of a product is important in order to maintain differentiation from competitors.

2.11.2 Price

The price is the amount that the customer pays for the product. The price of a product or service must reflect the customer’s willingness to pay. In the medical tourism industry, the price denotes the affordability of the various medical procedures in Thailand compared to a patient’s home country. This includes the cost of an added benefit of a holiday tour in an exotic destination after a medical treatment.

2.11.3 Place

Place includes the accessibility of the facility to foreign patients and indicates the hospital location environment as well as its proximity to tourist attractions and shopping centers.

2.11.4 Promotion

A promotion is a method used to communicate the features and benefit of a product or service to the customers. In medical tourism, promotion includes services offered by the hospital such as transportation, arrangement of visa extensions and special promotion.
2.12 Consumer / Customer Satisfaction

Satisfaction is the major antecedent of customer loyalty (Oliver, 1997). In medical tourism in Thailand, patients typically define satisfaction when the hospital provides higher quality of services and hospitalities than what they can get in their home countries. Safety and affordable medical care cost are also satisfiers.

2.13 Relevant Researches

Kristine Mae F. Ricafort (2011) studied on the factors that lead international medical tourists to choose hospitals in Thailand as their medical tourism destination according to rank are the following: (1) The hospital provides professional and certified doctors; (2) the hospital offers fast service and outstanding patient care; (3) the hospital provides superb facilities and excellent medical treatments; (4) the hospital offers high technology medical equipments; (5) the hospital accepts insurance plan coverage and claims; (6) the hospitals’ medical costs offers value for money; (7) the hospital offers affordable medical treatment costs; (8) the hospital has an international accreditation; (9) the hospital provides accessibility by local transportation; (10) the hospital offers cheaper cost of medical treatment plus travel than at home country; (11) the hospital provides cheaper doctor and administrative fees; (12) the hospital is situated in a safe and secured location; (13) the hospital provides promotion offer on various medical treatments; (14) the hospital is located in a quiet place that is conducive for recuperation; (15) the hospital provides extra services such as airport pickup transfer and visa services; (16) the hospital offers special rates for hotel accommodation; (17) the hospital is situated in a famous city; (18) the hospital is nearby to tourist attractions and shopping centers; (19) the hospital offers special rates for travel tours after medical treatment; (20) the hospital provides affordable travel tours after medical treatment.

Seongseop (Sam) Kim, et al. (2011) found that Thailand’s medical tourism market is the largest in the world in terms of the number of foreign medical tourists and revenues. Strengths include; strong government support, effective marketing policies, and high quality hospitals and infrastructure. Opportunities are;
globally increasing senior population, quick medical treatments, and development of digital technologies. However, weaknesses are found as; having no cooperative teamwork between public and private medical sectors, language barrier, distrust of medical facilities or services, no regular quality assessment program for hospitals, and existence of only a few internationally well-known Thai hospitals. Thailand is also committed to threats such as uncontrollable global factors and intense competition in an Asian medical tourism market.

2.14 Chapter Summary

An initial informal literature scan using the search criteria "Muslim medical tourism in Southeast Asia" in Google Scholar revealed a lack of data and authoritative sources on medical tourism, particularly for figures for number of patients and estimated earnings. Academic literature was searched exhaustively in the PubMed and Social Science Research Network databases using the search criteria "Muslim medical tourism in Southeast Asia" and "Thailand Medical Tourism", generating a range of mostly conceptual research. Abstracts were scanned for reference to Thailand, Singapore, Malaysia and the Philippines and reference to Muslim patient from Middle East and cultures in general. Additional articles were located using the reference list of selected articles. Study selection was considered in the context of health systems/medical tourism in Asia. Articles gathered were then categorised according to content focus (e.g. private hospital competitiveness, medical tourism empirical evidence). Other grey literature sources included management consultancy research reports and working papers on medical tourism. Subsequent to analysis, potential policy options were outlined based on the literature and/or innovative examples of comparative health policy responses in the Southeast Asia region.

Medical tourism is a niche industry “where people often travel long distances to foreign countries to obtain medical, dental and surgical care while simultaneously being holidaymakers, in a more conventional sense” (Connell, 2006). Because of the long waiting times and expensive medical care in several developed countries, people seek for faster and cheaper medical services in other countries.
Countries in ASEAN are actively capitalizing on the trend, offering health care / resort packages that promise the best of medicine with the attractions of tourism (Wolfe, 2006). Singapore, on the other hand, focuses on modern technology rather than price, while Thailand is famous for reasonable price with hospitality and quality of care.

Nowadays, the safety and quality of care available in many offshore settings is no longer an issue (Deloitte Development LLC, 2008). JCI is one of the many organizations that are accrediting hospital facilities to be of a high quality standard. Technological advances in health care, coupled with advances in electronics business strategies, will continue to fuel the interest in medical tourism among patients (Smith and Forgione, 2008). Investing in the medical industry is a way to increase GDP of the country, upgrade services, generate foreign exchange and create a more favorable balance-of-trade situation, and boost tourism.

This chapter began by explaining about how globalization drives growth of medical tourism in various countries worldwide, followed by an overview of government and governance strategies in medical tourism, including factors related to medical practice for Muslim patients. Previous studies regarding theories and knowledge-based that give the reasons for the popularity of the medical tourism phenomenon have been discussed. Worldwide countries’ competition in medical tourism has also been presented in this chapter. Furthermore, it includes the blueprint of the ASEAN Economic Community mentioning regional integration for economic development. The major powers of medical tourism in ASEAN have also been explored in this chapter to identify ASEAN’s opportunities to be a preferred medical destination of the world. A Model of Medical Tourism Decisions has been applied to explain characteristics of the country of choice. According to Porter’s Diamond, stakeholders in medical tourism have been explored for their involvement in policy driving and country competitiveness in Muslim medical tourism. To know more about Muslim cultures and the way to treat them, Muslim Patients in Medical Practice has been described. The following chapters will assess the capacity of Thailand to maintain the country's competitiveness, as well as consider the challenge competitors in the region among Muslim medical tourists from Gulf Nations continue to face. The
last chapter offers a theoretically based analysis of the strategic location of Thailand as the preferred ASEAN medical tourism destination.
CHAPTER 3
RESEARCH METHODOLOGY

This chapter explains the procedure conducted in determining the opinion of Muslim tourists from Gulf Nations toward Thailand as their medical tourism destination in ASEAN. Descriptive research has been applied to identify problems, or obstacles that affect the development of medical tourism in Thailand, assess the capacity of Thailand to maintain the country's competitiveness, as well as considering the challenge competitors in ASEAN among Muslim medical tourists from Gulf Nations, and offers a theoretically based analysis for the propose of better policies of Muslim Medical tourism in Thailand. This chapter covers the research framework of the study, as shown in the conceptual framework, framework of quantitative study, structure of questions in qualitative study, research questions, data collection methods, limitations and a chapter summary.

3.1 Research Framework

The main idea of this study is explained by a conceptual framework developed by the researcher. The study applies mixed-methodology research techniques to explore the factors that satisfy Muslim medical tourists from Gulf Nations with Thailand’s medical services, including content analysis of Thailand’s government policy on medical tourism and data collected from the major service providers in the private healthcare system. The investigation purpose is to answer: how does Thailand keep up with Muslim Medical Tourism as a destination in ASEAN? The findings from this study are developed to provide the policy recommendations, academic approach and technical approach as shown in Figure 3.1.
This study applies mixed-methodology research techniques to explore the factors that satisfy Muslim medical tourists from Gulf Nations with Thailand medical services. In the *quantitative method*, the purpose of the survey is to use questionnaires to collect data from a sample group about their perceptions, experiences, and opinions toward Thailand medical tourism. An investigation and analysis were identified through the use of survey questionnaires, which provided the opportunity to gather
large amounts of data from many respondents (Gall, Borg & Gall, 1996; Krathwohl, 1998).

A hypothesis was developed and analyzed through the use of Statistical Package for the Social Sciences (SPSS). There are two sets of factors: (1) independent variables and (2) dependent variables. The independent variables consisted of the general information of the respondents, which included Gender, Age, Country of Residence, Occupation, and Frequency of Visit. On the other hand, the dependent variables consist of the four parts of the Marketing Mix, which are Product, Price, Place and Promotion, and include external factors of Thailand which are Political, Economic and Sociocultural that motivates Muslim people from Gulf Nations to be satisfied with medical service in Thailand. This study includes more than one independent variable and more than one dependent variable, therefore a multivariate analysis of variance (MANOVA) is used to analyze the combined effects of independent variables over dependent variables to determine if there are any significant relationships between the factors analyzed.

3.1.1 Independent Variables

The independent variables used in this study were the demographic aspects of the respondents. These elements were divided into five different classifications to identify the satisfaction of Muslim patients and their entourages from Gulf Nations in receiving medical treatment from the major private hospitals in Thailand. The independent variables as indicated are listed below:

3.1.1.1 Gender: refers to the socially determined psychological and behavioral characteristics that are typical of males and females classified by the Nominal Scale (Schultz, 2005).

3.1.1.2 Age: the age of the respondents are divided into six ranges, namely: (1) Age 15 - 24; (2) Age 25 - 34; (3) Age 35 - 44; (4) Age 45 - 54; (5) Age 55 - 64; and lastly (6) Age 65 and over. The Ordinal Scale was used to classify the groups of ages.

3.1.1.3 Country of Residence: the respondents are categorized into six countries of Gulf Cooperation Countries (GCC). Its member states are the Islamic
monarchies of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. The Nominal Scale is used to classify country of residence.

3.1.4 Occupation: The respondents choose from the six listed choices namely: (1) Retired; (2) Professionals; (3) Administrative; (4) Commercial; (5) Government sector; (5) Laborers; and (6) Others. The list of occupations was also adapted from the data retrieved from the Tourism Authority of Thailand (TAT) website. The measurement level used in the classification of occupation is the Nominal Scale.

3.1.5 Frequency of Visit: The respondents are classified into two categories which are: (1) First Visit and (2) Revisit. Muslim medical tourists who visited Thailand for the first time are categorized as “First Visit”. On the other hand, respondents are categorized as “Revisit” if the Muslim medical tourists have returned in Thailand for another medical visit. The measurement level used in the classification of Frequency of Visit was the Nominal Scale.

3.2 Dependent Variables

The dependent variables used in this study are satisfaction of Muslim patients and their entourages towards components of medical care in Thailand, assessed in terms of the 4P’s of the marketing mix model which are: (1) Product; (2) Price; (3) Place; (4) Promotion (Kotler, 1967), and combined with external factors of Thailand which are: (5) Politics; (6) Economics; and (7) Socio-cultural. These dependent variables refer to the satisfaction of Muslim people to avail medical treatment in Bumrungrad International Hospital, Bangprakok 9 International Hospital, Bangkok Hospital Medical Center, and Vichaivej Hospital. The questionnaire used a five-point Likert Scale to measure the importance or preference of each influencing factor of the respondents. The dependent variables in this study are listed below.

3.2.1 Product: in this study, the product refers to the hospital's international accreditation, certified doctors, high technology medical equipments, and health insurance, as well as the hospital's range of excellent medical treatments. The measurement level used is the Interval Scale.
3.1.2.2 **Place:** the place in this study refers to the hospital’s location and its logistics, accessibility to local transportation, sited in a safe and secured environment. The measurement level used is the Interval Scale.

3.1.2.3 **Price:** the price refers to the affordable medical treatment cost, cheaper doctor fees, value for money, and cost of medical treatment plus travel that is cheaper than in the home country and affordable travel tours after medical treatment. The measurement level used is the Interval Scale.

3.1.2.4 **Promotion:** in this study, the promotion refers to extra services, such as visa extensions, special rates for hotel accommodation, insurance plan coverage and claims, and special rates for travel tours after medical treatment. The measurement level used is the Interval Scale.

3.1.2.5 **Political:** The prolonged political crisis in Thailand has hit the medical tourism industry, as international patients lose confidence in the country and fly to chief competitor Singapore instead. Despite the political turmoil, well-known private hospitals in Thailand attained their revenue target of 7 to 9 percent growth from 22.175 billion baht last year (Mays Kenneth, 2014) Patients from regions such as the Middle East, Africa and Central and South Asia seem to be less sensitive to political developments than those from North America, China and Southeast Asia. Meanwhile, many expat patients, concerned about their safety while travelling in Bangkok, have postponed non-urgent medical treatments. In this study, political refers to the attitude of Muslim medical tourists toward Thailand during the period of political turmoil. Questions will measure their concern of security, convenience of travelling and their willingness to have non-urgent medical treatments in Thailand for the next visit.

3.1.2.6 **Economic:** in this study, economic refers to the attitude of Muslim medical tourists toward economic developments of Thailand.

3.1.2.7 **Sociocultural:** social, demographic and epidemiological aspects in Thailand has been about change, evidenced by both a shortage of physicians and by increased medical fees for self-paying Thais, which is likely to undermine their access to quality medical services. In this study, sociocultural aspect refers to the negative effects from medical tourism promotion by the Thai government
for checking the opinion of Muslim patients towards this policy. Figure 3.2 shows the relationship between independent variables and dependent variables.

**Figure 3.2**

**Framework of Quantitative Study**

This study also employed *qualitative methods* by using interviews as a data collection method to evaluate the participants’ satisfaction with the ongoing Muslim medical tourism strategy of Thailand. Types of interview used in this study were *in-depth interviews* and *focus group discussion*, with semi-structured questions to encourage capturing of respondents’ perspectives toward a very desirable strategy of medical tourism policy of Thailand for Muslim people from Gulf Nations. Figure 3.3 demonstrates the structure of questions applied for interviewing in this study.
3.2 Research Questions

3.2.1 Research Question of Quantitative Method

What are the influencing factors that lead Muslim people from Gulf Nations to be satisfied with Thailand medical service as a destination in ASEAN?

The following hypotheses were addressed in this study.

H0: The demographic aspects of the respondents do not have combined effects with the Marketing Mix factors (4P’s) and external environment to influence satisfaction of Muslim people from Gulf Nations with their medical destination in Thailand.

H1: The demographic aspects of the respondents such as gender, age, country of residence, occupation, and frequency of visit do have combined effects with the Marketing Mix factors (4P’s) and external environment to influence satisfaction of Muslim people from Gulf Nations with their medical destination in Thailand.
3.2.1.1 Relevant Data Description

(1) **Target Population:** Thailand welcomed an estimated 1.2 million patients from more than 190 countries for a wide variety of medical procedures in 2008 (Josef Woodman, 2009). The target population of this study is Muslim medical tourists from Gulf Nations travelling to Thailand seeking medical services in Bumrungrad International Hospital, Bangprakok 9 International Hospital, Bangkok Hospital Medical Center, and Vichaivej Hospital. This study excludes foreign respondents who already live in Thailand.

(2) **Sample and Sample Size:** Since the exact number of the total target population is unknown, samples of this study were selected through the convenience sampling method. According to general rules, thirty cases are sufficient for studies in which statistical analysis is to be done (Cooper & Schindler, 2006). Nevertheless, the researcher distributed two hundred questionnaires to Muslim people from Gulf Nations, tourists who were traveling to Thailand for medical purposes at Bumrungrad International Hospital, Bangprakok 9 International Hospital, Bangkok Hospital Medical Center, and Vichaivej Hospital. Table 3.1 shows the summary of the sample collected at each hospital.

<table>
<thead>
<tr>
<th>No.</th>
<th>Hospital</th>
<th>No. of Residence</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bumrungrad International Hospital</td>
<td>58</td>
</tr>
<tr>
<td>2</td>
<td>Bangprakok 9 International Hospital</td>
<td>26</td>
</tr>
<tr>
<td>3</td>
<td>Bangkok Hospital Medical Center</td>
<td>21</td>
</tr>
<tr>
<td>4</td>
<td>Vichaivej Hospital</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
</tr>
</tbody>
</table>
3.2.1.2 Data Collection Methods

(1) Research Instrument: The research instrument in this study is the self-administered questionnaire used for gathering data (Chigamba & Fatoki, 2011). A screening was done by asking the Muslim people from Gulf Nations orally if they have come to Thailand for medical treatment purposes. If so, these patients were requested to answer the survey. The questionnaire was only given to Muslim people that choose Thailand for medical purposes. The questionnaire consists of two sections. The first part of the questionnaire is the demographics of the respondents, which was adapted from the data gathered by the Immigration Bureau of Thailand. The second part of the questionnaire is the Marketing Mix or 4P’s, which includes the Product, Price, Place and Promotion combined with external factors of Thailand’s competitiveness, which includes politics, economics and sociocultural dimensions. This was adapted from a source study on influencing factors leading medical tourists to choose Thailand hospitals as a medical tourism destination (Ricafort, 2011). The questionnaire distributed to the respondents was carried out using a five-point Likert Scale to measure the importance of each influencing factor by the respondents’ opinion, shown in Table 3.2.

<table>
<thead>
<tr>
<th>Score</th>
<th>Identified Rate of Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Very Important</td>
</tr>
<tr>
<td>4</td>
<td>Important</td>
</tr>
<tr>
<td>3</td>
<td>Moderately Important</td>
</tr>
<tr>
<td>2</td>
<td>Of Little Importance</td>
</tr>
<tr>
<td>1</td>
<td>Unimportant</td>
</tr>
</tbody>
</table>

Source: Del Siegle

(2) Data collection and gathering procedure: The researcher reviewed primary and secondary data. A questionnaire was used to collect the primary data from the Muslim people from Gulf Nations that received medical treatment at
Bumrungrad International Hospital, Bangprakok 9 International Hospital, Bangkok Hospital Medical Center, and Vichaivej Hospital. The secondary data used in this study includes Thailand’s government policy on Medical Hub, textbooks, articles and journals, researches, and websites.

The questionnaires were distributed over four days from April 4 to 7 2014 at the Out Patient Department (OPD) at Bumrungrad International Hospital, Bangprakok 9 International Hospital, Bangkok Hospital Medical Center, and Vichaivej Hospital. A total of 115 completed questionnaires were collected by means of convenience sampling.

(3) Pilot testing: The researcher conducted a pilot study with 24 Muslim respondents at the World Medical Center hospitals who were selected by reason of their traveling to Thailand for medical care. The reliability of the scales was tested by calculating the coefficient alphas (Cronbach’s alphas), in which a score of 0.7 is the acceptable reliability coefficient (Cooper & Schindler.2003). Table 3.3 demonstrates the Cronbach’s alpha confirms the acceptable reliability coefficient.

<table>
<thead>
<tr>
<th>Influencing factors</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Professional and certified doctors</td>
<td>0.8855</td>
</tr>
<tr>
<td>2. International accreditation (JCI)</td>
<td>0.8772</td>
</tr>
<tr>
<td>3. Medical treatments and various facilities</td>
<td>0.8646</td>
</tr>
<tr>
<td>4. High technology medical equipments</td>
<td>0.8622</td>
</tr>
<tr>
<td>5. Insurance coverage</td>
<td>0.8588</td>
</tr>
<tr>
<td>6. Affordable treatment costs</td>
<td>0.8485</td>
</tr>
<tr>
<td>7. Hospitality of services for Muslim people</td>
<td>0.8467</td>
</tr>
<tr>
<td>8. Internal political</td>
<td>0.8335</td>
</tr>
<tr>
<td>9. Economic environment</td>
<td>0.8268</td>
</tr>
<tr>
<td>10. Thai Sociocultural</td>
<td>0.8256</td>
</tr>
</tbody>
</table>

3.2.1.3 Data Analysis

This research study used the Statistical Program for the Social Science (SPSS) tool Version 15.0 for Windows in analyzing the data. To know
distinctions between independent and dependent variables in the research, dependence techniques were employed. As mentioned, this study comprises of several dependent variables, and the Multivariate Analysis of Variance is applied for analyzing the data. Confidence intervals for statistical significance were set at the .05 level a priori. Descriptive statistics generated by SPSS were used; percentage for frequency to describe the population of the study by gender, age, country of residence, occupation, and frequency of visit. Descriptive statistics, such as frequency, mean and standard deviation, were used in relation to the research question, which is to identify the influencing factors that satisfy Muslim people of Gulf's Nations with their medical tourism destination in Thailand. To test the hypotheses, MANOVA was conducted simultaneously on the five independent variables. One-way and two-way tests were done to assess any combined effects from the independent variables. The following are the statistical tools used in analyzing and interpreting the data collected (Zikmund & Babin.2009):

Frequency Distribution is a set of data organized by summarizing the number of times a particular value of a variable occurs.

- Standard Deviation is a quantitative index of a distribution’s spread, or variability; the square root of the variance for a distribution.
- Mean is a measure of central tendency; the arithmetic average.
- Multivariate Analysis of Variance (MANOVA) is an extension of univariate analysis of multiple dependent variables.

The first layer of testing involves the multivariate F-test which is applied to examine whether or not an independent variable explains significant variation among the dependent variables. If this test is significant, then the MANOVA model is used to nest the F-test results from individual univariate regression models.

3.2.1.4 Limitations

This research study was conducted by means of retrieving completed questionnaires from Muslim people from Gulf Nations at Bumrungrad International Hospital, Bangprakok 9 International Hospital, Bangkok Hospital Medical Center, and Vichaivej Hospital. Because of time limitation, the respondents were restricted to only Muslim patients with adequate English proficiency that allowed them to answer the questionnaire with clear understanding. There were 115 completed questionnaires
collected. A more sufficient outcome would have been explored if more respondents had answered the questionnaire.

3.2.2 Research question of qualitative methods:
How does Thailand keep pace as an ASEAN destination of Muslim medical tourism for Gulf Nationals?

3.2.2.1 Relevant data description
(1) Target population: The target population of the qualitative method was selected by convenience of the researcher, composed of the executive administrators of the leading private hospitals; Bumrungrad International Hospital, Bangkok Hospital Medical Center and The Private Hospital Association of Thailand.

(2) Sample of study: Samples of this qualitative method were selected through the convenient accessibility to the researcher (Roberts-Lombard, 2002, p.109). The researcher approached the executive administrators of the two well known private hospitals, Bangkok Bumrungrad International Hospital and Bangkok Hospital Medical Center. To gain more information of business policy and attitude towards Thailand’s government policy, the researcher sought access to the Private Hospital Association of Thailand, the agent organization of private hospitals in Thailand.

3.2.2.2 Data Collection Methods
Research instrument: The research instrument used by the researcher was semi-structured interviewing. The data for this study was gathered through interviewing and a focus group with the administrator teams in the private sector. Semi-structured questions were developed to evaluate attitudes and opinions of the respondents toward the government policy on promoting Thailand as a Muslim medical tourism destination. The semi-structured questions consist of three sections. The first part is the opinion toward the current situation of Thailand Medical Hub policy, including its strategic location in a competitive world of the medical business. This was adapted from the data gathered from the Ministry of Public Health strategic plan (2011-2016). The second part is the problems and obstacles of Thailand’s competitiveness in medical tourism, which includes internal and external factors that influence Muslim people seeking medical treatment and relevant activities in Thailand.
compared with other competitors in ASEAN. This was adapted from a study on “Lessons from Thai International Medical Tourism: Its Market Analysis, Barriers and Solutions” (Kim et al., 2013). The third part is the policy recommendation from the executive businessmen’s viewpoint toward Thailand’s competitiveness in the Muslim medical tourism arena. This was adapted from a study on “Medical Tourism, the Future of Health Services” (Lee & Spisto, 2007) which applied Porter’s Diamond to analyze the growth and development of Muslim medical tourism of Thailand.

3.3 Research Plan February-June 2014

<table>
<thead>
<tr>
<th>Activities</th>
<th>Month</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feb Mar</td>
</tr>
<tr>
<td>1. Proposal development</td>
<td></td>
</tr>
<tr>
<td>2. Literature review</td>
<td></td>
</tr>
<tr>
<td>3. Research tools</td>
<td></td>
</tr>
<tr>
<td>4. Data collecting</td>
<td></td>
</tr>
<tr>
<td>5. Data analysis</td>
<td></td>
</tr>
<tr>
<td>6. Presentation</td>
<td></td>
</tr>
<tr>
<td>7. Publishing &amp; Distribution</td>
<td></td>
</tr>
</tbody>
</table>

3.4 Chapter Summary

The main purpose of this research study is to analyze the influencing factors that keep Thailand competitive within ASEAN as a destination of Muslim medical tourism from Gulf Nationals. This study uses a mixed methodology starting with a survey questionnaire in order to assess the motivational factors that lead to customer satisfaction with Thailand medical care services. The factors used in the quantitative study are divided into two categories of variables, which are the independent and dependent variables. The independent variables comprise of the demographic factors of the respondents and were indicated in the first part of the questionnaire. On the other hand, the dependent variables include the 4P’s of the marketing mix and external factors of Thailand medical tourism policy. The
population scope of the research study was the Muslim patients from Gulf Nations receiving medical treatment in Thailand. The questionnaires were distributed at the premises of Bumrungrad International Hospital, Bangprakok 9 International Hospital, Bangkok Hospital Medical Center, and Vichaivej Hospital. There were 115 completed questionnaires collected by the researcher. Subsequently, the data collected was analyzed and interpreted by the use of the SPSS tool. The frequency tables, weighted means, standard deviations and MANOVA were the statistical tools used to analyze the data collected and to assess effects and relations between variables.

According to the structure of the qualitative method, this study reviewed related literature which focuses on the Muslim Medical Tourism Strategy of Thailand to be competitive in ASEAN. Data collection by semi-structured interviewing and focus group discussion with the executive administrator teams of private hospitals in Thailand was deployed to the sample, namely; Bangkok Bumrungrad International Hospital, Bangkok Hospital Medical Center and the Private Hospital Association of Thailand. The data collected was analyzed and its content interpreted by experts in national health policy, and then was concluded to be a policy for advocacy for Thailand’s capability to maintain its strategic location in the ASEAN global medical tourism competitive arena.
CHAPTER 4
RESULTS AND DISCUSSION

This chapter describes the results obtained from the survey of Muslim people from Gulf Nations coming to Thailand for medical treatment, and includes the opinions of representatives from the major private hospitals of Thailand. The results are presented in two main sections which are quantitative method and qualitative method. The quantitative method is divided into four parts. The first section includes descriptions of the demographic factors of the respondents. Descriptive statistics generated by SPSS are used in order to describe the population of the study by the respondents’ general information. Frequencies and percentages are used to describe the respondents based on characteristics such as gender, age, country of residence, occupation, and frequency of visit. Section two defines the answers to the research question. The descriptive statistics such as frequencies, means, and standard deviations are used to determine the ranking of the influencing factors that lead Muslim people from Gulf Nations to be satisfied with medical treatment in Thailand. The third section addresses the hypotheses of the study by using multivariate analysis of variance (MANOVA) to determine if there are any effects on the perceived importance of the influencing factors in relation to the five independent variables. The last section of quantitative method concludes with a discussion of the summary of findings.

This chapter also describes the results from the qualitative method which collects data from interviews and a focus group with the administration team of the private sector directed toward capability of Thailand to keep up as an ASEAN destination for Muslim medical tourism for Gulf Nationals. The data collected was analyzed and interpreted for content by experts in national health policy before it was concluded to be a basis for policy advocacy for Thailand’s capability to maintain its strategic position in the region and in global medical tourism.
4.1 Demographic Factors

The intended respondents, Muslim patients and their entourages from Gulf Nations were requested to identify their demographic category which includes: (1) Gender; (2) Age; (3) Country of Residence; (4) Occupation; and (5) Frequency of Visit. Tables 4.1 through 4.6 summarize these data by the respondents’ general information.

Respondents \( N = 115 \) stated their gender and Table 4.1 illustrates this data. A majority of the respondents, 67\( (58.27\%) \), are male, while 48 \( (41.73\%) \) of the respondents are female.

Table 4.1
Descriptive Statistics of Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>67</td>
<td>58.27</td>
</tr>
<tr>
<td>Female</td>
<td>48</td>
<td>41.73</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The following Table 4.2 depicts the age of respondents of the survey, which divides the age bracket into five age groups. There are 12 \( (10.43\%) \) respondents from 25 – 34 age bracket, while 26 \( (22.60\%) \), respondents come from 35 – 44 age bracket. The largest number of respondents is in the 45 - 54 age bracket, 34 \( (29.56\%) \), with 25 \( (21.73\%) \) respondents in the 55 - 64 age bracket and 18 \( (15.68\%) \) respondents in the age bracket of 65 and over.
Table 4.2
Descriptive Statistics of Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 – 34 years old</td>
<td>12</td>
<td>10.43</td>
</tr>
<tr>
<td>35 – 44 years old</td>
<td>26</td>
<td>22.60</td>
</tr>
<tr>
<td>45 – 54 years old</td>
<td>34</td>
<td>29.56</td>
</tr>
<tr>
<td>55 – 64 years old</td>
<td>25</td>
<td>21.73</td>
</tr>
<tr>
<td>65 years old and over</td>
<td>18</td>
<td>15.68</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Table 4.3 shows the country of residence or nationality of the respondents. Out of the 115 respondents, the highest number of respondents came from Oman with a total number of 34 (29.56%), then Kuwait with 23 respondents (20.0%), Qatar with 19 respondents (16.52%). There were 16 (13.91%) respondents coming from Saudi-Arabia, 14 (12.17%) respondents from Bahrain and 9 (7.84%) respondents from United Arab Emirates. None come from Iraq.

Table 4.3
Descriptive Statistics of Country of Residence

<table>
<thead>
<tr>
<th>Country of Residence</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Arab Emirates</td>
<td>9</td>
<td>7.84</td>
</tr>
<tr>
<td>Qatar</td>
<td>19</td>
<td>16.52</td>
</tr>
<tr>
<td>Oman</td>
<td>34</td>
<td>29.56</td>
</tr>
<tr>
<td>Kuwait</td>
<td>23</td>
<td>20.0</td>
</tr>
<tr>
<td>Bahrain</td>
<td>14</td>
<td>12.17</td>
</tr>
<tr>
<td>Saudi-Arabia</td>
<td>16</td>
<td>13.91</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Table 4.4 shows the occupation of the respondents. The largest number of respondents answered they are retired with a total of 32 (27.8%) respondents. This is
followed by the second largest number of respondents, which are professionals with 26 (22.6%) respondents. There are 18 (15.6%) respondents that have administrative jobs, while 14 (12.1%) respondents are in the commercial industry. There are 11 (9.5%) respondents in the government sector, while 8 (6.9%) respondents say they are laborers and 6 (5.2%) are in other occupations.

Table 4.4
Descriptive Statistics of Occupation

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retired</td>
<td>32</td>
<td>27.8</td>
</tr>
<tr>
<td>Professionals</td>
<td>26</td>
<td>22.6</td>
</tr>
<tr>
<td>Administrative</td>
<td>18</td>
<td>15.6</td>
</tr>
<tr>
<td>Commercial</td>
<td>14</td>
<td>12.1</td>
</tr>
<tr>
<td>Government sector</td>
<td>11</td>
<td>9.5</td>
</tr>
<tr>
<td>Laborers</td>
<td>8</td>
<td>6.9</td>
</tr>
<tr>
<td>Others</td>
<td>6</td>
<td>5.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Table 4.5 demonstrates the frequency of visits of Muslim people from GCC to Thailand for medical treatment purposes. There are 71 respondents (61.7%) disclosing that it is their first time visiting, while 44 respondents (38.2%) declare that they have been to Thailand before and this time have come for revisit medical treatments.

Table 4.5
Descriptive Statistics of Frequency of Visit

<table>
<thead>
<tr>
<th>Frequency of Visit</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Visit</td>
<td>71</td>
<td>61.7</td>
</tr>
<tr>
<td>Revisit</td>
<td>44</td>
<td>38.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
4.2 Findings Related to the Research Question

For this quantitative method the research question is:

*What are the influencing factors that lead Muslim people from Gulf Nations to be satisfied with Thailand as a medical service destination in ASEAN?*

To answer this question, means and standard deviations were calculated to rank the influencing factors according to respondents’ satisfaction with Thailand as a medical service destination in ASEAN.

Following the 4P’s of the Marketing Mix model as mentioned, the four top most important factors in the category of Product show that the respondents (N = 115) ranked providing professional and certified doctors (Mean = 4.54, Standard Deviation = 0.723) as the top most important factor in choosing hospitals in Thailand. Having hospitals with international accreditation (JCI) (Mean = 4.46, Standard Deviation = 0.800) ranked second in importance, hospitals providing excellent medical treatments and various facilities (Mean = 4.41, Standard Deviation = 0.719) ranks third in importance, and hospitals that have high technology medical equipment (Mean = 4.41, Standard Deviation = 0.719) ranks the fourth in importance.

The results mean that respondents value the Product they are availing more than other factors in the three categories of Price, Place and Promotion. Hospitals that accept insurance plan coverage and claims (Mean = 4.35, Standard Deviation = 0.679) ranks fifth in importance, while affordable medical treatment costs ranks sixth in importance. (Mean = 4.26, Standard Deviation = 0.903). Hospitality of services for Muslim people ranks as seventh in importance by the respondents (Mean = 4.01, Standard Deviation = 0.970).

According to external factors affecting Muslim medical tourism in Thailand, internal political turmoil situation ranks as the eighth in importance (Mean = 3.58, Standard Deviation = 1.267) while the economic environment, which indicates confidence of tourists, ranks as the ninth (Mean = 3.42, Standard Deviation = 1.258). The sociocultural character of Thailand ranks as the last, but not least, in importance (Mean = 3.36, Standard Deviation =1.299).
Table 4.6

Influencing Factors Ranked by Importance according to Respondents

<table>
<thead>
<tr>
<th>Rank</th>
<th>Factor</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>professional and certified doctors</td>
<td>115</td>
<td>4.54</td>
<td>0.723</td>
</tr>
<tr>
<td>2.</td>
<td>international accreditation (JCI)</td>
<td>115</td>
<td>4.46</td>
<td>0.800</td>
</tr>
<tr>
<td>3.</td>
<td>medical treatments and various facilities</td>
<td>115</td>
<td>4.41</td>
<td>0.719</td>
</tr>
<tr>
<td>4.</td>
<td>high technology medical equipments</td>
<td>115</td>
<td>4.36</td>
<td>0.565</td>
</tr>
<tr>
<td>5.</td>
<td>insurance coverage</td>
<td>115</td>
<td>4.35</td>
<td>3.679</td>
</tr>
<tr>
<td>6.</td>
<td>affordable treatment costs</td>
<td>115</td>
<td>4.26</td>
<td>0.903</td>
</tr>
<tr>
<td>7.</td>
<td>hospitality of services for Muslim people</td>
<td>115</td>
<td>4.01</td>
<td>0.970</td>
</tr>
<tr>
<td>8.</td>
<td>internal politics</td>
<td>115</td>
<td>3.58</td>
<td>1.267</td>
</tr>
<tr>
<td>9.</td>
<td>economic environment</td>
<td>115</td>
<td>3.42</td>
<td>1.258</td>
</tr>
<tr>
<td>10.</td>
<td>Thai sociocultural</td>
<td>115</td>
<td>3.36</td>
<td>1.299</td>
</tr>
</tbody>
</table>

*Scale of 1 = Unimportant, 2 = Of Little Importance, 3 = Moderately Important, 4 = Important, and 5 = Very Important

4.3 Findings Related to the Hypothesis

The following hypotheses were addressed in this study.

H0: The demographic aspects of the respondents, such as gender, age, country of residence, occupation, and frequency of visit, along with the marketing mix factors (4P’s) and the external environment together do not have combined effects that influence satisfaction of Muslim medical tourists from Gulf Nations with their medical destination in Thailand.

H1: The demographic aspects of the respondents, such as gender, age, country of residence, occupation, and frequency of visit, along with the marketing mix factors (4P’s) and the external environment together do have combined effects
that influence satisfaction of Muslim medical tourists from Gulf Nations with their medical destination in Thailand.

Table 4.7
Two-way Univariate F-test - Country of Residence * Frequency of Visit

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>f</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of Residence* Frequency of Visit</td>
<td>Professional and certified doctors</td>
<td>4.500</td>
<td>0.063</td>
</tr>
<tr>
<td></td>
<td>International accreditation (JCI)</td>
<td>1.459</td>
<td>0.258</td>
</tr>
<tr>
<td></td>
<td>Medical treatments and various facilities</td>
<td>1.742</td>
<td>0.219</td>
</tr>
<tr>
<td></td>
<td>High technology medical equipments</td>
<td>1.335</td>
<td>0.168</td>
</tr>
<tr>
<td>Country of Residence* Frequency of Visit</td>
<td>Insurance coverage</td>
<td>1.286</td>
<td>0.135</td>
</tr>
<tr>
<td></td>
<td>Affordable treatment costs</td>
<td>1.135</td>
<td>0.128</td>
</tr>
<tr>
<td></td>
<td>Medical practice for Muslim people</td>
<td>0.659</td>
<td>0.011</td>
</tr>
<tr>
<td></td>
<td>Internal politics</td>
<td>0.428</td>
<td>0.007</td>
</tr>
<tr>
<td></td>
<td>Economic environment</td>
<td>0.381</td>
<td>0.004</td>
</tr>
<tr>
<td></td>
<td>Thai Sociocultural</td>
<td>0.256</td>
<td>0.023</td>
</tr>
</tbody>
</table>

Table 4.7 shows the results of the two-way univariate F-test revealing significant combined effects between the country of residence and the frequency of visit of the respondents and one primary influencing factor, which is medical practice for Muslim people (Significance = 0.011). There are significant effects of factors influencing Muslim peoples’ satisfaction with hospitals in Thailand as a medical tourism destination with regards to country of residence and frequency of visit. Thus, research hypothesis H1 is accepted.
4.4 Discussion and Summary of Findings

This chapter includes an examination of the study findings data analysis and a summary of those findings. Respondents \((N = 115)\) engaged in answering the questionnaires rated their perceived level of importance of the factors influencing their satisfaction with hospitals in Thailand as their medical tourism destination in ASEAN. The 10 influencing factors in the study were divided into marketing constructs related to Product, Price, Place, and Promotion of medical facilities, along with external elements of the Political, Economic and Sociocultural environment of Thailand. Although all of the factors being considered are deemed important by the respondents, hospitals which provide *professional and certified doctors, international accreditation (JCI), medical treatments and high technology medical equipments and insurance coverage* were the top five important factors in their list which influences the satisfaction of the Muslim medical patients from GCC in choosing hospitals in Thailand as their medical tourism destination in ASEAN. Patients are driven to offshore their health care services because of the more affordable medical treatment that can be found overseas compared to their home country. However, this study shows that “external factors” are also the factors that affect Muslim medical tourists’ satisfaction with medical treatment in Thailand.

The following are the results of the MANOVA test in relation to the affirmation of the research hypotheses:

1. Statistical significance has been found between the demographic factors such as age, country of residence, occupations of the respondents in relation to the perceived importance of factors influencing the satisfaction of Muslim people from Gulf Nations in choosing Thailand to be the destination of their medical treatment through the use of the Multivariate F-Test.

2. Statistical significance has been found on the combined effects between the demographic factors such as frequency of visit and country of residence to the satisfaction of Muslim people from Gulf Nations with Thailand medical service destination in ASEAN through the use of the Multivariate F-Test. For this reason research hypothesis (H1) has been accepted.
Qualitative Study

This study also applied a qualitative method for interviews and a focus group with the administrative team from the major private hospital of Thailand during April-May 2014. The sample of this study is Bumrungrad International Hospital, Bangkok Hospital Medical Center including a representative from The Private Hospital Association of Thailand. According to the structure of questions as reviewed, a key idea to check the respondent’s opinion was “Muslim Medical Tourism Strategy of Thailand Competitive in ASEAN”, which divided into three parts of questions, namely: 1) current situation of Thailand Medical Hub policy and strategic location in the ASEAN arena of medical tourism competition; 2) problems and obstacles of Thailand’s competitiveness in comparison with other competitors; and 3) how growth and development of medical tourism of Thailand should be, according to Porter’s Diamond Model. These questions will be interpreted to find out answers to how Thailand keeps up within ASEAN as a destination of Muslim medical tourism from Gulf Nationals. The result of this study finds that:

4.4.1 Bangkok Hospital Medical Center:

The CEO of Bangkok Hospital Medical Center said that:

“In fact, Thailand has no time to delay the competitiveness in medical tourism in the global arena, even though internal politics are unstable. To accelerate Thailand’s capacity and adding value for money of healthcare services presently and beyond, the government should play a role to support and facilitate the private sector for driving Medical Hub policy in what kind of working integration under scenario planning and efficient strategies to close the gap of driving this policy and implementing it in the public interest. Medical Hub policy, which is not just focused on Muslim patients from Gulf Nations who are the high end of the policy’s target, but is also applied to medical tourists who are seeking healthcare in Thailand. The progression currently, private sector keeps moving forward to attract foreign patients to receive medical treatment in Thailand. Therefore, I hope that the government, Ministry of Public Health particularly, should integrate this mission with relevant sectors to promote the policy systematically. You need to have a scenario plan for this vision, I have to say. And when Thailand claims itself to compete in the global market,
we also need to have a central authority to address the medical tourism marketing like Malaysia does. We are able to be the hub of ASEAN in medical tourism.”

His recommendations towards Medical Hub policy are:

(1) Ensuring of aging society by offering development of health establishment standardization and capacity building of healthcare providers, including fund management, targeted to an aging society internationally.

(2) Quality improvement of HA Accreditation institution benchmarked with international accreditation (Joint Commission Accreditation; JCI) to implement ASEAN standardization.

(3) Corporate Social Responsibility (CSR) internationally by supporting scholarships and providing affiliated private training for foreign students both of postgraduate and undergraduate levels; currently there are Myanmar, Bangladesh, Laos and Bhutan in association with other universities.

(4) Coordinating with the government in arrangement of MICE (Meetings, Incentives, Conferences, and Exhibitions) for large groups for medical tourism. Measurement is proceeding for three years with continued support from the government. This activity can drive marketing and public relations of Thailand medical tourism.

(5) Promoting Thailand as a leading ASEAN Normal Saline fluid exporter for kidney dialysis, which is one disease of chronic incidence of ASEAN people.

4.4.2 Bumrungrad International Hospital

Policy recommendations toward Medical Hub by the CEO of Bumrungrad International Hospital:

“I do agree with the vision of Thailand as the destination of Muslim people seeking quality medical care. The image is pretty good. But in practice, I’m not quite sure that Thailand can run as fast as Singapore and Malaysia do. During the turmoil of internal politics, our country cannot step forward in the right direction. Private sector cannot wait for the policy from government. We do not know what will happen in the next few years, so we keep moving on in our business by maintaining the target customers. Unfortunately, this year we lost a few percent of our customer to the countries nearby. The image we wish cannot be seen clearly currently. I propose
that the Thailand government should drive medical hub policy proactively and systematically to boost the country’s competitiveness in medical tourism and any relevant medical business, strengthening the position of the country as the regional leader of health care, and facilitate the private sector running their business conveniently under efficient laws and regulations accompanied with G to G negotiation to create outbound demand of health care in the target countries, Gulf Nations who are hi-end in particular. The government also should develop a measurement to deal with the controversial internal brain drain by opening the environment for private investment in human resource development. However, I personally appreciate the strategy of expanding visas to 90 days for GCC people, but I do not see it changing much. So my question is, what should we do to make it value added? Should the government and relevant public sector do something to make it efficient and the dream come true? Private sector has our own vision of progress; we just need the government to facilitate our business direction. I believe that, with good cooperation between public and private sector and deployment of competitive policy, Thailand will be able to be the top of the world in medical tourism soon.”

His recommendations towards Medical Hub policy are:

(1) Improvement of capabilities and marketing, including proactively driving of public relations to facilitate foreigners’ access to information and to receive services via a Web Portal and data link to facilities in Thailand. The most important is that channels of complaint must function efficiently.

(2) Benchmarking of international standardization of hospitals covering primary, secondary and tertiary care. Each level of hospital should be able to provide quality of services with patient safety and satisfaction. Accreditation and certification need to intervene to promote the country’s profile in gaining trust and value for money spent for medical treatment in Thailand.

(3) Improving capacity of hospitals’ joint collaboration with the Medical Hub and corporate policies related to integrated operations, such as the Association of Private Hospital, MICE, and related health businesses.

(4) Promoting the project of Thailand Medical Academic Hub, for example medical training courses, student exchange programs, international
conferences on health business and proactive international marketing for the Muslim niche market in particular.

(5) Research and Development in medical care and health business is a tool to support the major power of Thailand as the leader of regional medical hub.

4.4.3 The Private Hospital Association of Thailand:

Policy recommendations toward Medical Hub by the President of The Private Hospital Association of Thailand, accompanied with the Advisory Board Association of Private Hospitals and the committee on Foreign Affairs said that:

The President of the Private Hospital Association of Thailand:

“Thailand is the major player in regional medical tourism. Our country has competitiveness and is well known in the area of medical service and health promotion, such as spa and massage including traditional medicine. The other supportive factors also promote medical tourism in Thailand. When you compare with other strong competitors in ASEAN, our strength is in the spotlight of foreign medical tourists’ view. However, we need to improve the cooperation between public and private sector in authorization of medical tourism market. As Porter said, we need to develop and promote supportive factors, for example, some activities in medical tourism marketing which overlap need for improved climatic conditions, natural resources need to be created in the value chain, marketing strategy should be developed to promote Thailand’s geographic location, including utilization of the world-wide-web resources for the communication the medical tourism product internationally.

Nevertheless, I myself have not seen a well integrated public sector. Although we have many related organizations, there is no one to take clear responsibility in the area of their mission in medical tourism. The government should support the public sector to be able to implement policy in their mission efficiently and synchronize. This will be the key success factor of medical tourism competition of Thailand in the regional market, of Muslim patients from Indonesia and the global market, and Muslim people from Gulf Nations. In addition, we need to improve Public Private Participation in authorization of the medical tourism market.”

His recommendations towards Medical Hub policy are:
(1) Proposed to establish a "Top Team" to drive Medical Hub policy, which is mainly a working group that should be recruited from the private sector into the mainstream. Because the private sector has streamlined operations, it can be driven faster than the public sector.

(2) Driven policies of Medical Tourism should focus mainly on countries to the North of Thailand (Upper Thailand) which are the CLMV countries, because in southern Thailand (Lower Thailand) there is a group of developed countries. In particular, Singapore has become the leader in Medical Hub arena.

(3) Proposed Thailand as the "Medical Education Hub" to provide training, international conferences, exhibitions, and higher education for medical professionals. This can create value added and revenue of medical tourism for Thailand.

(4) The recommendation for solving problem of lacking of health personnel and internal brain drain are:
   • Enable quota for students from private university to enroll to study medicine in public university while the private responds for the costs of studying until graduation.
   • Import doctors from abroad.

(5) Keep watch on the effect of post-2015 when ASEAN Economic Community is integrated; Thailand will be burdened with caring for migrant people.

(6) Capacity building of medical personnel able to communicate in English and foster Thailand’s competitiveness in the ASEAN Community by the year 2558 B.E.

The Advisory Board Association of Private Hospitals of Thailand:

His feedback and suggestions are as follows:

"The Association of Private Hospitals of Thailand is willing to support Medical Hub policy because it is a good policy of benefit to the nation holistically. However, there are some obstacles from a group of people who oppose and disagree with this policy. Their concerns are the negative impact to healthcare system for Thai people. Consequently, Medical Hub policy, including its product Medical Tourism for example, currently has not yet reached the goal as we propose. The government needs to manage these constraints as well, and in time."
My viewpoint towards medical tourism in terms of business, I think that Thailand is capable to race with our regional competitors, but might not yet reach the arena of global competition due to some of our own limitations naturally. Therefore, we should not lose time to decelerate our competitiveness, in the related and supporting industries which do not depend on tourists, such as pharmaceutical products for which Thailand is well known. Herbs and aromatic products, as well as vaccines, medical education, medical equipments and health logistics, for example, should be promoted and targeted for export. Medical tourism or so called Medical Hub does not just mean you earn money from tourists or patients only; we can make it of value by gaining from the related and supporting industries as mentioned, too. Does the government have any idea about this?

Another opinion about the expanding of 90 days visa permission, it seems to not function well in this situation, also public sectors have no proactive strategy to implement. In addition, Thai medical doctors are still susceptible to the shortage of medical personnel and lack of skill in English. According to the ASEAN Framework Agreement on Service which allows health professionals move freely under Mutual Recognition Arrangement (MRAs) there are foreign health professionals who want to come to work in Thailand, but law and regulations of the professional councils are not conducive to facilitate working in Thailand. We need to improve this limitation collectively."

The Committee on Foreign Affairs Association of Private Hospital of Thailand said that:

“Thailand’s context has been changed in accord with the world today. Foreigners from neighbor countries are seeking work in Thailand; Burmese migrants are the top one, both legal and illegal. These people require treatment in a hospital in Thailand, which affects the country's healthcare system. We need to cope with such situations.

To promote Medical Tourism of Thailand, the Ministry of Public Health should drive the policy effectively and continuously. Fortunately, we have strength in recognition of foreign patients, especially Muslim people from the Middle East, which is our high-end target. Thailand is able to promote medical tourism at much higher
market value. Health businesses can generate huge income for Thailand and have a positive impact on the businesses involved.

However, Medical Hub policy has been against from NGOs for a long time. Domestic law and regulations have not improved to facilitate policy implementation, for example, permission for foreign doctors to practice in Thailand, as well as medical doctor production by the private sector.”

The Secretary General of the Association of Private Hospitals of Thailand; his feedback and suggestions as follows;

“Personally, I would share the idea of PPP (Public Private Partnerships) in Medical Tourism of Thailand. Thailand launched the Act of PPP in June 2013 but there is still delayed implementation until now. Political conflict has a negative effect as we know. Indeed, the Association of Private Hospitals of Thailand is pleased to support and cooperate with the government in PPP projects to promote Medical Hub policy including its product, Medical Tourism and whatever. So I hope that the government and public sector will consider and develop strategy to promote PPP as a tool of Medical Tourism, as Malaysia does. We need to have the agent to drive the policy proactively.”

4.5 Chapter Summary

The qualitative study finds that the private sector promotes medical tourism as the one product of Medical Hub policy. Though Medical Hub policy itself poses potential risks and benefits regardless of the healthcare system for Thai people, Thailand cannot break the streamlining of globalization and regionalism. To compete with neighbouring competitors in ASEAN, Thailand needs to integrate the function of the public sector in driving proactive policy. As a phenomenon that is ongoing, it can intervene with a policy tool, PPP for example, to boost the capability of the country to keep up as an ASEAN destination for Muslim medical tourism from Gulf Nationals. The next chapter will discuss broad conclusions applicable to promote Thailand in general, and focuses on the particular recommendations of relevance to policymakers and private sector according to the fact finding from this study.
CHAPTER 5
CONCLUSIONS AND RECOMMENDATIONS

This chapter discusses the results of this study by the mixed-methodology from Chapter 4. The summary of fact finding is concluded based on analysis and literature review in previous chapters. This study provides recommendations for its beneficiaries from the government and public sectors, such as the Ministry of Public Health, Ministry of Commerce, and Thai Authority of Tourism in collaboration to promote Muslim Medical Tourism from Gulf Nationals. The guidelines of strategies to keep Thailand competitive as a destination of Muslim medical tourism, as mentioned, are explained as follows:

5.1 Policy Recommendation: Promoting of Thailand’s Muslim Medical Tourism;
5.2 Academic Opinion: Efficacy of country strategy of marketing;
5.3 Technical Approach: Value added of Thailand’s medical tourism and capacity building of supportive factors; and
5.4 Recommendation for Future Research.

5.1 Policy Recommendation: Promoting of Thailand's Muslim Medical Tourism

5.1.1 Private Sector is the Engine that Drives Medical Tourism

Aggressive competition for medical tourists is heating up regionally among ASEAN countries. Unlike as in other countries, such as Singapore and Malaysia, the Thai government had initially taken a rather passive role in developing medical tourism. However, the huge success of the private sector has led to greater involvement by the government. The government of Thailand recognizes the strong potential for medical tourism and the value it will add to the tourism industry overall. Several initiatives to support and promote the sector have since been implemented. Visa procedures for Muslim patients from Gulf Nationals have been simplified. There are plans to invest US$10-15 billion in the next 10 years for the construction of new hospitals. Students are being funded to attain higher medical education abroad on the condition of serving in Thailand after completion of their educational courses.
To maintain the country’s dominance in medical tourism, Thailand must expand its capabilities and move up the value chain of medical offerings. Currently, the well reputed private hospitals in the country are marketing and promoting their capabilities in performing higher-end medical treatment, for Muslim people from Gulf Nations in particular. However, just these efforts of the private sector might not be sufficient in maintaining the favorable choice of destination of Muslim medical tourists.

As the result of this study shows, the government of Thailand should revise the policy direction of Medical Hub including related public sectors and should improve collaboration among organizations systematically. The roadmap to implement policy should be created to guide the direction of medical tourism competition. Other successful marketing avenues employed by Thai private hospitals including tie-ins and affiliations with travel agencies, referral agencies and patient home-country hospitals are the strategies of driving Thailand to be the destination of medical tourism for every target group. The government also should play a role in trade negotiations and in promoting health business campaigns of Thailand overseas.

5.1.2 Strengthening of Marketing Mechanism of Medical Tourism:

Seven P’S of Medical Tourism

5.1.2.1 Product: Thailand is versed in medical treatment and surgery, cosmetic surgery, dental care, heart surgery, knee & hip replacement, eye surgery, neurosurgery and urology. Facilities, accommodation, and transportation for medical practice that is done perfectly for Muslim patients is the key success factor of competition in ASEAN, as well as is the encouragement of international standardization, such as JCI, to build trust that is worthy of foreign patients.

5.1.2.2 Price: The significant cost difference that exists between Thailand and other developed countries is the competitive advantage of Thailand. Thailand benefits from a large staff of world class experts and offered at an ultra-competitive cost advantage. For example, while a heart surgery costs US$30,000 in the USA, it costs just $10,000 in Thailand.

5.1.2.3 Place: Thailand is well known for complexity of medical treatment and hospitality of service, including health promotion activities such as Spa
and Thai massage. This follows both direct and indirect distribution channels of services. Thailand is able to be the destination of healthcare business because of the country’s adroitness.

**5.1.2.4 Promotion:** Thai government should play a major role in promoting Muslim medical tourism across the world. Thailand needs to have the agency to promote medical tourism to help people across the world to visit Thailand for medical treatment. Portal websites should be developed to promote medical tourism throughout the world

**5.1.2.5 People:** Thailand is fruitful with highly skilled doctors and hospitable medical staff. The high reputation of Thai doctors has been accepted in the world. Medical assistance providers and agents also play a significant role.

**5.1.2.6 Process:** To be an outstanding destination of medical tourism, Thailand has to improve the process of a case executive accessing medical care, starting from contact between the patient and the medical tourism provider, and then with certified medical doctors or consultants to advise step-by-step on the medical treatment. The approximate expenditure, choice of hospitals and tourist destinations, patient's and entourage’s accommodation and duration of stay, etc. should be discussed before the treatment begins. The patient prefers to travel to the destination country where the medical tourism processing is well assigned.

**5.1.2.7 Physical:** The major actors in the private medical service system of Thailand, hospital groups such as Bumrungrad International Hospital, Bangkok Hospital Medical Center, etc. provide world class infrastructure and facilities for its customers. People all over the world are able to access services information through its websites (www.asiahealthspace.com).

**5.1.3 Framework for Medical Tourism and Policy Implications for Health Systems**

According to fact finding, this study presents the framework facilitating the identification of the following variables for empirical analysis:

**5.1.3.1 Collaborative Governance:** the number and content of ASEAN Framework Agreement in Health Service complied with Universal Health Coverage policy implied through Public Private Participation.
5.1.3.2 Financing: out of pocket payment, reimbursement system, organized medical tourist insurance, remedies

5.1.3.3 Regulation: Healthcare Consumer Protection law, international accreditation, number of patients covered by health insurance, medical tourist brokers

5.1.3.4 Service Delivery: number of hospitals in the public and private sectors treating foreign patients, consumption of health services by the domestic and foreign population.

5.1.3.5 Flows of medical tourist: a universal definition of a medical tourist, ideally at the international (WHO) or regional level. Variation in definitions and estimates amongst the three study countries alone are significant. Singapore's Tourism Board estimates medical tourist inflows based on tourist exit interviews with a small sample population, whilst the Association of Private Hospitals in Malaysia collects data only from member hospitals and includes all foreign patients, including foreign residents and those who happen to require medical care whilst on vacation. Thailand's Ministry of Commerce collects data on medical tourist inflows from private hospitals. Standardised data collection would make possible meaningful cross country comparisons, as well as carry out detailed country specific studies to investigate the benefits and disadvantages of medical tourism's impact on the health system.

5.1.3.6 Human capital: doctor and nurse ratios per 1000 population, proportion of specialists in the public and private sectors, number of specialists treating Muslim patients, number of natural person moving freely under ASEAN Mutual Recognition Agreements (MRAs).
5.2 Academic Opinion: Efficacy of Country Strategy of Marketing

5.2.1 Targeting the ASEAN Destination of Muslim Medical Tourists from All Over the World

ASEAN Muslim Medical Hub
Muslim Patients from Gulf Nations constitute about 20% of the total inflow of foreign patients to Thailand. A higher proportion of Muslim patients tend to seek higher-end treatment such as for cardio-vascular disease, hip and knee replacement and organ transplants than regional patients who will mainly go for general medical check-ups.

Thailand is unique in that it attracts patients from different parts of the world, instead of just a particular region or country. Malaysia and Singapore depend to a large extent on one source of medical tourists, namely the Indonesians. Aside from Thailand’s natural attractiveness as a tourist haven, the pro-active and aggressive marketing efforts of private hospitals at sourcing from new markets have tremendously enhanced the country’s awareness as a medical tourism destination regionally as an “ASEAN Medical Hub”. Synchronization and delivery of service in each country’s specialization is a key success factor of regional integration in the area of medical tourism.

5.2.2 Making Thailand’s Medical Tourism Industry Healthy

Although Thailand has a competitive advantage in medical tourism, keeping up as a destination in the region needs discussion in the long-run. Nowadays, many hospitals in Thailand still promote themselves as a low-cost venue for a medical vacation. Health screening packages in Thailand are often bundled with hotel and travel packages, and the cost is half of what developed countries are charging. Unavoidably, Thailand faces credibility concerns when it comes to complex higher-end surgical treatment. Bangkok Hospital Medical Center for instance, had to market and promote itself by building the Department of Middle East to attract high-end customers from Gulf Nations.

Thailand is accepted as having the potential for medical tourism. The country’s competition is heating up globally, as well as regionally. In ASEAN, Singapore and Malaysia are amongst the more aggressive in the region, promoting medical care as a tourist attraction. Emerging medical tourism has become government policy in these countries, and also in the Philippines. Thailand faces competition from both ends; a well organized medical tourism vision from Malaysia, as well as high-end medical services from Singapore. However, Malaysia faces a
shortage of medical manpower, both of nursing staff as well as doctors, to further boost its reputation as a quality medical hub. Singapore may be the only real competition for Thailand. The city-state provides a complete spectrum of healthcare services, from primary care to quaternary care services such organ transplants. Singapore is recognized for a broad range of specialists. According to the World Health Organization, Singapore's health system is ranked the best in Asia and amongst the best in the world, ahead of Japan and the USA. Singapore no longer remains contented servicing its traditional source of foreign patients, specifically Malaysians and Indonesians. Private healthcare groups in Singapore, such as Parkway Group Healthcare and Raffles Hospital, have marketing offices in the Middle East as well as in Greater China, South Asia, Indochina and even Russia to expand the market for their medical services. Moreover, Singapore continues efforts to boost tourism, with more retail and leisure options and the upcoming integrated resorts to be attractive for tourism overall. Nevertheless, Singapore faces a high cost of living and expensive medical care. Therefore, Singapore is offering equivalent medical treatment at prices competitive with Thailand and other developing countries. Thailand now is at risk to lose its competitive edge among aggressive competitors in ASEAN. The urgent mission now is raising the country’s profile in medical tourism to be a clear-cut market leader in medical tourism among Asian countries, by promoting its expertise, in the cosmetic surgery business for example. Moving up the value chain is the main strategy to be considered seriously, such as contribution to the ASEAN centre of excellence for higher-end medical treatments and health promotion.

5.3 Technical Approach: Value adding of Thailand’s Medical Tourism and Capacity Building of Supportive Factors

Beyond language, there are several cornerstone concepts able to add to value of services and supportive factors. As a non-Islamic country, Thailand has to actively educate service providers in the tourism industries to understand Islamic cultures. Basic facilitates that are required for Muslim travelers should be developed. For example, the male-female zones, Muslim Prayer Room, tour guides for Islamic travelers, as well as halal food. To provide medical treatment and healthcare for Muslim people, a guideline of practice is as follows:
5.3.1 Privacy and Gender Segregation

Modesty is a major concern for Muslim women. Gender mixing among patients is an unnecessary stress for Muslim patients. In addition, male practitioners are generally preferred by male patients; female practitioners are sometimes required for female patients, especially in gynecological matters.

An important point to remember when dealing with unmarried women, regardless of their age, is that virginity is conceived of as the presence of an intact hymen in much of the Arab world. This may necessitate a clear, tactful discussion of what certain procedures entail.

5.3.2 Food

Although not all Muslims follow strict dietary rules, most do not eat pork and do not eat meat that is not halal, or killed in a ritual way. To be safe, there should be vegetarian or kosher meals. Furthermore, there is strict prohibition of alcoholic beverages and foods/sauces made with wine or beer.

5.3.3 Medical Procedures and Explanations in the Office or Hospital

5.3.3.1 Communication: Communication is important, as Muslim patients may be disoriented in a procedure hospital setting. There needs to be a translator to explain procedures and hospital billing procedures, insurance, etc. A same-sex translator from the hospital will be good for convenient communication, if possible.

5.3.3.2 Patients: Patients may speak little English. They also may not understand machines or invasive procedures. Explain images and procedures.

5.3.3.3 Writing Prescription/Daily Behaviors: Explain each medication and separate essential medicines from those for symptoms. Explain to the patient in detail how medications are to be administered. Also relate daily behavior to treatment regimen (i.e.: "eat soft diet").

5.3.3.4 Family: The family is extremely important in the Middle East; they are the main part of decision-making on medical care and finances. Medical care in the Islamic world is often a family affair, organized and administered by mothers and younger female relatives who should be carefully instructed in treatment
regimen. They can also be trained to administer home diagnostic tests and assist with special diets.

5.3.4 Popular Practices and Religious Concerns

5.3.4.1 Ramadan and fasting: Muslims fast during the holy month of Ramadan. Some Muslims may consider medication as food from which they must abstain during Ramadan. Be sure to ask the patient whether he/she will fast for Ramadan. The Qur'an (Muslim Holy book) allows medical exemptions from fasting.

5.3.4.2 Traditional medical ideas and compliance: Some Muslim patients may have reservations about the treatment regimen. Therefore, traditional preconceived medical ideas that might contribute to the patient's compliance or non-compliance should be discussed.

5.3.4.3 Death and grieving: Be aware that outward signs of grief are a sign of respect for the dead. Consider the preferences of the deceased and the religious and traditional customs of the family when encountering loss.

5.3.5 Patient-Physician Social Interaction

Muslim patients appreciate physicians with a great deal of authority and will be comforted by some degree of formality in speech and dress, which shows respect for them and reassures them of physician competence. The older patients may prefer using a title with their name.

• Greetings: Always shake hands with male patients or male family members when greeting them or saying goodbye. Shaking hands with females should be left up to the female patient.

• Body language: In the Muslim world, good posture is considered polite. Putting your feet up or crossing your legs or any gestures where shoes are exposed is considered offensive.

• Gifts: Muslim patients or their family members usually offer a gift to anyone who takes care of them. If so, accept it graciously.

• Respect for the elderly: The elder person is held in high respect in Muslim culture and treated with the utmost esteem.
• **Stereotyping**: While this attempts to explain some of the broad characteristics of Muslim and Middle Eastern patients, patients should, of course, be treated as individuals.

### 5.4 Recommendation for Future Research

According to the Medical Hub policy of Thailand, functions by government such as need the good governance of policy processing, integration of functional bodies for improving medical treatment in Muslim culture, human resources management, and regulations are areas that provide a basis for further empirical studies in details of particular relevance that will benefit Thailand in keeping up with the Muslim medical tourism destinations in ASEAN.

Another recommendation is a study on public-private partnership (PPP) on medical tourism or Medical Hub policy of Thailand. This study will provide knowledge based on stakeholders' participation in driving Thailand to be the top leader of medical tourism in the region, further to being global leader by systemic management and theory based practice. In addition, the transforming of activities and leisure attractions for Muslim people looking for medical service in Thailand should be developed. This study could determine the facilities to provide to Muslim medical tourists that are beyond their expectations.

A future research study on Thailand’s branding as the ASEAN Medical Hub would allow an informative knowledge of Thailand’s strengths and core competencies, which could be used as the competitive advantage for the country to dominate in the emerging regional medical tourism industry.

### 5.5 Conclusion

From this analysis of Thailand’s capability to keep up with ASEAN as a destination for medical tourism, this study can provide a basis for more detailed investigations of particular use for policymakers and business sectors in other countries where governments have expressed an interest in facilitating the development of medical tourism for Muslim people. Medical tourism needs to be
properly managed and regulated on the policy side, as well as having healthcare resources management for local consumers. Governments and industry players would do well to remember that health-is-wealth for both foreign and local populations.

This study was conducted to determine the influencing factors that satisfy Muslim people from Gulf Nations with Thailand as the destination of their medical tourism. A descriptive research has been performed by mixed-methodology to describe the relationship between factors involved and presents the opinions of key actors in the competitive arena of medical tourism. Chapter 3 talks about the independent and dependent variables of the study, it also reports the population scope of the study of the Muslim people coming to Thailand for medical purposes. A total of 115 respondents completed a questionnaire. The multivariate analysis of variance (MANOVA) was used in order to test relationships between variables. Six executive persons from the private sector were interviewed and a focus group conducted.

Chapter 4 presents the result of study by descriptive analysis of factors included in the questionnaire, which uses multivariate analysis of variance to examine whether or not an independent variable explains significant variation among the dependent variables and to affirm or negate the hypotheses. Statistical analysis has found that there is statistical significance between the demographic elements, such as gender, occupation and frequency of visit, and the influencing factors satisfying Muslim people with Thailand hospitals as a medical tourism destination. For this reason, the research hypothesis H1 has been accepted. Additionally, the statistical significance has been found in combined effects between independent variables and dependent variables of the study. The combined effects found the country of residence and frequency of visit of the respondents to be the statistically significant influencing factors that satisfy Muslim people to receive medical treatment abroad, thus research hypothesis null (H0) has been rejected.

A qualitative study presents recommendations for boosting Thailand’s capability to keep up as a Muslim medical tourism destination in ASEAN. Further studies in details of policy content should be conducted to get more informative results.

The last chapter concludes the analysis done in the previous chapter to answer the research questions and respond to the objectives of the study, including
discussion on some future research studies conducted in the details of policy recommendations, presents academic opinion and provides a technical approach to promote Thailand as the Muslim medical tourism destination in ASEAN.

This study provides recommendations covering key issues for various dimensions of the analysis. In international relations, there should be strategic partnership in collaboration with Malaysia to promote marketing in Gulf Nations. In the economic dimension, Thailand should promote the ‘Thailand Brand’ to the niche market in the Organization of Islamic Cooperation (OIC). To promote sociocultural cooperation, Thailand should provide responsibility for consumer protection and adding value of medical treatment for Muslim people, including halal health production. Thailand should have the institutions to authorize the policy of medical tourism efficiency; this is a lesson which Thailand should learn from Malaysia. Public Private Partnership (PPP) is also the intervention in policy implementation and key success of productivity in medical tourism such as providing scholarships for studying in peaceful Islamic countries, Oman and Monaco for example. In addition, cooperation among public and private firms, such as insurance companies, airlines, hotels and accommodations, and related healthcare businesses are various facilities that provide value to customers.

Although Thailand is not an Islamic state, it can create value added for Muslim medical tourism by; human resource development in Arabic language, Muslim education as well as learning by doing in Muslim medical practice, Muslim nursing care in such special treatments as Aesthetics and plastic surgery, Muslim health beliefs and Muslim ethics, including Muslim life styles such as late night dining which is available in 24 hrs. canteen service. Promoting a skilled workforce in such areas of medical care as nurse aids, translators, customer service, liaison officers, etc. also supports an increase in Muslim people’s expenditures from those who work for an explicit religious philosophy, such as Imam. These are essential factors that attract Muslim customers to Thailand, as a destination of Muslim medical tourism, though it is not an Islamic country. Furthermore, Thailand can create guidelines of a framework for having specific strategies to target areas of development and authorization, as does Japan.
To strengthen regional cooperation, working as strategic partners in collaboration in ASEAN medical tourism should be encouraged among the four major players. Government to government negotiation is needed to support a regional network of technology exchange and knowledge management on a country’s specialization. Nevertheless, the study recommends that the public sector should act as facilitator of country competition based on the fundamental principle of equity of access to quality health care of Thai people and encouragement of the private sector to play a role in social responsibility for the public policy of the country’s competition.

In conclusion, Thailand can expand its competitiveness to compete in ASEAN. According to the Medical Hub policy of Thailand, functions by government theoretically are; the good governance of policy processing, as well as taking an active role with good integration of government in developing medical tourism, integration of functional bodies to move up the value chain of medical offerings, Public-Private Partnership to drive medical tourism, improving medical treatment in relation to Muslim culture, and human resources management and regulation. This study provides a basis for further empirical studies in details of particular relevance to the benefits of Thailand being competitive as a Muslim medical tourism destination in ASEAN.
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BIOGRAPHY

Name: Mrs. Ngamnetr Eiamnakha

Date of Birth: June 21, 1969

Educational Attainment:
- 1991: Bachelor of Science in Nursing
- 2000: Master of Public Health
- 2005: Master of Public Administration

Work Position:
- Public Health Technical Officer, Expert level
- Department of Health Service Support
- Ministry of Public Health, Thailand

Scholarship:
- 2013 – 2014: Strengthening Thai Capacity for Health Promotion (STRETCH) Program

Work Experiences:
- Department of Health Service Support, Ministry of Public Health, Thailand
  - 2004 - present: A Senior Health Technical Officer on duty of Policy Analyst and Researcher
  - 2005 - present: A New Generation Researcher of the National Institute of Research
  - 2013 – 2014: A Research Fellow of International Health Policy Program, Ministry of Public Health

Chonburi Provincial Public Health Office, Chonburi, Thailand
  - 1993- 2004: Health Technical Officer in charge of Human Resource Development

Dokkhamtai District Dokkhamtai District Hospital, Phayao Province, Thailand
  - 1991-1993: Registered Nurse