

NICHE TOURISM WITH RELATION TO DEVELOPMENT AND POLICIES OF MEDICAL TOURISM IN INDIA

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Abstract : Special interest tourism has been one of the driving forces behind the development of success in tourism, as it has allowed or bifurcated a huge tourism product into a small market exposing it to mainstream in the public domain as the phrase special interest can be found on most operators websites, these include subjects such as medical, educational, business meeting, heritage, sports, adventure, wine, art, heritage, culture etc who cater these subjects and more all around the globe to the special interest market which is ever more expanding, However the term niche market is often considered exactly the same as special interest, however operators use the term to target a much smaller and focused part of the overall larger special interest market. Medical tourism is a growing sector in India. India's medical tourism sector is expected to experience an annual growth rate of 30%, making it a \$2 billion industry by 2015. This research paper will study medical tourism as a growing form of niche tourism in India.

INTRODUCTION

Tourism is the travel for recreational, leisure, family or business purposes, usually of a limited duration, The World Tourism Organization defines tourists as people "traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes"¹⁴

Tourism brings in large amounts of income into a local economy in the form of payment for goods and services needed by tourists, accounting for 30% of the world's trade of services, and 6% of overall exports of goods and services¹⁵ It also creates opportunities for employment in the service sector of the economy associated with tourism¹⁶

The service industries which benefit from tourism include transportation services, such as airlines, cruise ships, and taxicabs; hospitality services, such as accommodations, including hotels and resorts; and entertainment venues, such as amusement parks, casinos, shopping malls, music venues, and theatres. This is in addition to goods bought by tourists, including souvenirs, clothing and other supplies

OBJECTIVES:

- 1.To understand the meaning of niche tourism
- 2.To understand the development and policies of Indian medical tourism.

Niche tourism: also known as special interest tourism. Special interest tourism has been one of the driving forces behind the development of success in tourism, as it has allowed or bifurcated a huge tourism product into a small market exposing it to mainstream in the public domain as the phrase special interest can be found on most operators websites, these include subjects such as medical, educational, business meeting, heritage, sports, adventure, wine, art, heritage, culture etc who cater these subjects and more all around the globe to the special interest market which is ever more expanding, However the term niche market is often considered exactly the same as special interest, however operators use the term to target a

much smaller and focused part of the overall larger special interest market, for example Nature tourism, adventure tourism, sport tourism and cultural tourism where they find markets of a homogenous group however it is still considered special interest. Niche tourism refers to how a specific tourism product can be targeted to meet the needs of a required audience/market segment. Locations with specific niche products with values are able to establish and position themselves, as niche tourism destinations. Niche tourism, through considered as image creation, helps destinations to differentiate their tourism products and compete in its own way in an increasingly competitive and cluttered tourism environment. Academic literatures has paid less or no little attention to the role and positioning of niche tourism products. Through the use of the niche tourism life cycle it is clear that niche products will have different impacts, will develop different marketing challenges and contributions to destination development as they progress through it.

Medical tourism: Medical tourism in India has emerged as the fastest growing segment of tourism industry despite the global economic downturn. High cost of treatments in the developed countries, particularly the USA and UK, has been forcing patients from such regions to look for alternative and cost-effective destinations to get their treatments done. The Indian medical tourism industry is presently at a nascent stage, but has an enormous potential for future growth and development. The main reason for growing importance of medical tourism in India is the cost of medical treatment which is comparatively 40% less, than offered by any other developed countries.

Medical tourism is a growing sector in India. India's medical tourism sector is expected to experience an annual growth rate of 30%, making it a \$2 billion industry by 2015.^{[6][7]} As medical treatment costs in the developed world balloon - with the United States leading the way - more and more Westerners are finding the prospect of international travel for medical care increasingly appealing. An estimated 150,000 of these travel to India for low-priced healthcare procedures every year^[8]

The most popular areas of medical tourism in India are cardiac surgery, organ transplant, spine care, joint replacement, cosmetic and orthodontic surgery, neurosurgery, bariatric surgery, besides IFV and surrogacy. Bone marrow transplant, stem cell therapy and hair transplant are also popular treatments for patients coming from abroad. A salutary spin-off is the emergence of integrated medicine wherein indigenous systems and practices such as homeopathy, naturopathy, Ayurveda, Unani and yoga are prescribed, following active allopathic intervention, to engender speedier recovery. With a rise in chronic noncommunicable diseases and the pursuit of healthy ageing, integrated treatments have become popular, leading to 'wellness tourism' in addition to 'illness tourism'. Medical tourism is increasingly becoming a comprehensive package of services including airlines, travel and food, to meet all the needs of an international patient at state-of-the-art hospitals. This is why medical treatment for various ailments is inclusive of recuperative leisure at world-class tourist resorts. Ayurveda-inspired wellness tourism earned approximately Rs.5,000 crore in the last financial year.^[5]

Confederation of Indian Industry reported that 150,000 medical tourists came to India in 2005, based on feedback from the organization's member hospitals. The number grew to 200,000 by 2008. A separate study by ASSOCHAM reported that the year 2011 saw 850,000 medical tourists in India and projected that by 2015 this number would rise to 3,200,000.^[11]

Most estimates claim treatment costs in India start at around a tenth of the price of comparable treatment in America or Britain.^{[2][3]} The most popular treatments sought in India by medical tourists are alternative medicine, bone-marrow transplant, cardiac bypass, eye surgery and hip replacement, dental treatment. India is known in particular for heart surgery, hip resurfacing and for dental treatments at cheap prices..

In a report, Abacus International says a foreign medical tourist spends on average US \$362 a day, compared to the average international traveller's spend of US \$144. So a million health tourists a year could bring up to US \$5 billion to the Indian economy. A CII-McKinsey report says that India can get to this target by 2018. Recognising this, the National Health Policy made treatment of foreigners an "export" and deemed it "eligible for all fiscal incentives extended to export earnings". There are concerns that need to be addressed, from quality of care to legal protection of patients from malpractice to follow-up care, but overall, the industry is looking up.^[5]

Advantages for medical treatment in India include reduced costs, the availability of latest medical technologies^[9] and a growing compliance on international quality standards, as well as the fact that foreigners are less likely to face a language barrier in India. The Indian government is taking steps to address infrastructure issues that hinder the country's growth in medical tourism. The government has removed visa restrictions on tourist visas that required a two-month gap between consecutive visits for people from Gulf countries which is likely to boost medical tourism^[10] A visa-on-arrival scheme for tourists from select countries has been instituted which allows foreign nationals to stay in India for 30 days for medical reasons.^[11] In Noida, which is fast emerging as a hotspot for medical tourism, a number of hospitals

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have hired language translators to make patients from Balkan and African countries feel more comfortable while at the same time helping in the facilitation of their treatment^[12]

WHY INDIA NEED MEDICAL TOURISM¹³

Medical tourism can be broadly be defined as provision or availability of 'cost effective' private medical care in collaborative efforts with the tourism industry for patients needing surgical and other forms of specialized treatment. The process is being facilitated by the corporate sector involved in medical care as well as in the tourism industry - both private and public.

Medical or Health tourism has become a common form of vacationing, and covers an extension of a broad spectrum of various medical services. It mixes leisure, fun and relaxation together with wellness and healthcare. The idea of the health holiday is to offer you various opportunity to get away from your daily routine stressful life and come into a different relaxing environments and surroundings. Here you can not only enjoy being close to the beach and the mountains, but also receive an orientation that will help you improve your life in terms of your health and overall well being. It is like rejuvenation and clean up process on all levels - physical, mental and emotional. Many people from the developed world travel to India for the rejuvenation promised by yoga and Ayurvedic massage, but few consider it a destination for face surgery, hip replacement or brain surgery etc. However, a nice blend of top-class medical expertise at cost effective prices is helping a growing number of Indian corporate hospitals lure foreign patients, including from developed nations such as the UK and the US. As more and more patients from Europe, the US and other affluent nations with high medicare costs look for effective options, which have good hospitals, good climate and tourist destinations, the rapidly expanding Indian corporate hospital sector has been able to get a few thousands for treatment. But, things are going to change drastically in favour of India, especially in view of the high quality expertise of medical professionals, backed by the fast improving equipment and nursing facilities, and above all, the cost-effectiveness of the package.

BENEFITS OF MEDICAL TOURIST TO INDIA (b1)

India offers world-class treatment at very affordable prices which is comparatively very high in USA and UK. The Indian healthcare industry is growing at a very high pace and it is expected that the sector will touch US\$238.76 billion by 2020. According to the Investment Commission of India Medical Industry has experienced remarkable growth of 12% per year during the last four years, due to an increase in the average life expectancy, average income levels, and rising awareness for health insurance among consumers.

Most of the JCI accredited and other hospitals of India are dedicatedly serving the patients of cardiology and cardiothoracic surgery, orthopaedic surgery (including knee and hip replacement surgery), organ transplant surgery (including liver, kidney), Neurosurgery, Ophthalmology, Paediatric Surgery, Paediatric Neurology, Urology, Gynaecology / Obstetrics / Surrogacy, Psychiatry, General Medicine and General Surgery, Cancer management, Cosmetic treatments, and Dental care.

Experienced and talented professionals, comprised of nurses, technicians, attendants, clinical coordinators, and nutritionists are working together to serve the global medical tourist also Inexpensive and affordable costs of medical care services, approximately 30 % to 70 % lower than the costs in the US, UK, Singapore and Korea, making India highly appealing for foreign tourist as a Health Tourism destination. with their skills of performing complicated surgeries and other medical procedures.

PROCEDURE CHARGES IN INDIA & US (US \$):¹³

	United States	India
Bone Marrow Transplant	2,50,000	69,000
Liver Transplant	3,00,000	69,000
Heart Surgery	30,000	8,000
Orthopedic Surgery	20,000	6,000
Cataract Surgery	2,000	1,250

Here's a brief comparison of the cost of few of the Dental treatment procedures between USA and India¹³

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	General Dentist in Usa	Top End Dentist In Usa	Top End Dentist in India
Smile designing	-	8,000	1,000
Metal Free Bridge	-	5,500	500
Dental Implants	-	3,500	800
Porcelain Metal Bridge	1,800	3,000	300
Porcelain Metal Crown	600	1,000	80
Tooth impactions	500	2,000	100
Root canal Treatment	600	1,000	100
Tooth whitening	350	800	110
Tooth colored composite fillings	200	500	25
Tooth cleaning	100	300	75

Medical tourism in India has evolved at a great pace and the Indian sub-continent attracts patients from Southeast Asia, Africa and the Middle East.

SPECIFIC TOUR PACKAGES FOR MEDICAL TOURIST IN INDIA ^{b1}

Indian Government is launching various schemes and programmes to promote health tourism and inviting foreign and private investors to invest in hospitals and accommodation sector. According to a study 75- 80% of health care services and investments in India are now provided by the private sector. India is granting various incentives and tax rebate to various pharmaceuticals industries to provide medicines, surgical- equipments, and other medical facilities. and Angioplasties. .

GOVERNMENT INITIATIVES TO ATTRACT PHARMACEUTICALS INDUSTRIES ^{b1}

India's pharmaceuticals sector is growing very fast and gaining a global leadership position in supplying medicines or drugs all over the world. Indian Government in its Union-Budget 2011-12 have made various provisions to exempt this sector from various kind of direct and indirect taxes. Some of them are as follows:-

- 1) No increase in excise and service tax rates.
- 2) Reduction in the import and excise duties for kits and machines that are used for carrying out diagnostic tests.
- 3) Cut on duties on chemicals, kits and machines that are used for carrying out diagnostic tests.
- 4) Continue to keep diagnostic services out of service tax scope.
- 5) Removal of current anomaly between bulk drug and formulations to ease levy of excise duty.
- 6) Providing incentives to promote hospital infrastructure and medical device manufacturing industry.
- 7) Under section 35AD, weighted deduction of 150% of the capital expenditures are proposed to be allowed to hospitals. This amendment will apply in relation to 2013-14 and subsequent AYs.
- 8) Under section 35(2AB), weighted deduction of 200% of expenditures not incurred on approved in-house research and development facilities, have been extended for a further period of 5 years i.e up to 31 March, 2017. This amendment will apply in relation to 2013-14 and subsequent AYs (up to 2017-18)
- 9) Under section 80 D, a deduction of Rs 5,000 is allowed for expenditure incurred during the year by an assessed on account of preventive health check-up of self, spouse, dependent children or parents.
- 10) Rate of service tax is proposed to be increased from 105 to 12%
- 11) Specific exemption provided for healthcare services.
- 12) Basic rate of central excise duty increased from 10% to 12% and merit rate increased from 5% to 6%.
- 13) Exemption from Excise duty/ Countervailing duty(CVD) is proposed on specified life saving drugs.

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