



New Opportunities and Marketing Efforts of Healthcare Companies in Turkey

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Extensive Summary

Health tourism refers to planned travels from the residential place to another region to receive health service. The abovementioned “travel for health purposes” can include various medical practices and also thermal, spa-wellness practices, third age care/treatment services and therapeutic journeys for handicapped people. The literature on health tourism is categorized in three main groups, which are journeys for health purposes, medical tourism, thermal and spa-wellness tourism and advanced age-handicapped tourism.

Particularly technological development of health equipment, successful use of these devices in developing countries, availability of competent health personnel and continuous, reliable health research indicates that health tourism is a marketable product.

In the last decade, attempts of people to stay healthier by relaxing, doing exercise, going to thermal springs during their holidays lead to the emergence of a new and different field in tourism within the tourism industry which is called “medical tourism”. In medical tourism, the primary purpose of “tourists” is to receive medical treatment. On the other hand, they also expect conventional tourism purposes such as relaxing and spending time in touristic places. It was found that in addition to health concerns, attractiveness of touristic destinations also increased health tourism.

Although health tourism was pioneered by the private sector, the public sector fulfills the requirements of the concept of “health services offered to foreigners” with all its existing elements. Ministry of Health is involved in the sector at a certain degree with its hospitals, polyclinics, doctors, equipment and other elements. On the other hand, Ministry of Health performs treatment of the patients from some neighboring and allied countries in need, within the framework of bilateral agreements.

There are successful practices around the world in health tourism. Particularly the countries near those which send tourists abroad for health purposes become successful in health tourism. While countries such as Mexico, Cuba, Panama and Costa Rica which are located near the United States, which is an important market, gain

importance; India, Singapore, Thailand, Philippines, are important for the Far East and Hungary, Belgium and Germany are important for the European market. On the other hand, Israel and Jordan are important destinations for the Middle East. As a new center of attraction particularly for Europe and the Middle East, Turkey develops new policy and strategies to gain competitive power in international markets. In Asia, especially India expanded its competitive superiority it deserves in health tourism, mainly in medical tourism on yoga and meditation. Undoubtedly, India is one of the most important tourism regions in the world. The most important for preferring India in health tourism, particularly in cardiac surgery, is highly attractive treatment prices. This country offers price advantages reaching 90% in some treatments.

Thermal tourism is one of the main competitive fields in health tourism in Turkey. "Salus Per Aquam" in Latin, which is called "spa" around the world, rapidly develops in Turkey. Turkey has a rich and competitive structure thanks to its 625 hot water springs, 390 thermal spring facilities and more than 1500 geothermal springs. The fact that 78% of these sources are in Aegean Region should be taken into account in designing health tourism strategies.

In medical terms, this resulted from the applications made by the tourists who visit Turkey for holiday and need to receive health services during their stay. It is striking that the share of tourists who visit Turkey for surgery or to receive treatment as inpatient makes up only 9% of total. Health enterprises should primarily expand their market share in this field. Istanbul and Antalya are the two leading provinces which host the most health tourists.

On the other hand, radical developments are expected in advanced age and handicapped tourism. High costs of care for some advanced age diseases will force European citizens to seek new geographies. Turkey can take part in this market with its new marketing strategies and possibilities.

In Turkey, health tourism, which particularly develops over the private sector is in the process of growth in recent years. Although the demand from Central European countries is met, the market is expected to be enlarged by providing an appropriate price-quality level. In the branch of ophthalmology, private sector health organizations are dominant, while public hospitals have no share. It can be stated that public health organizations are only relatively dominant in dentistry and plastic surgery. However, we can expect an increase in the share of public sector by building new hospitals and ease of opening these hospitals through different finance models.

It is observed that Turkey is advantageous in various aspects in development process of health tourism. In general terms, Turkey's advantages in this field include providing hospital infrastructure, high standards of doctor and health service providers, competitive price advantage, tourism capacity and brand of Turkey and its geographic advantage.

On the other hand, Turkey should follow some developments, which prevents its competitive superiority in the medium and long term. Increases in employee costs, excessive rises in land prices in regions particularly where health tourism is done, decrease of tax return and similar state incentives in time, sudden and rapid fluctuations in exchange rates are considered as "risk" factors as the negative impacts of macro politics on the sector.