

### INTRODUCTION TO MEDICAL TOURISM

Medical tourism has been around for centuries with the first records showing Greeks and ancient Egyptians traveling to hot springs for a large variety of ailment. In recent years it has been gained extreme popularity. According to Centre for Disease Control and Prevention (2016) "Medical tourism" refers to traveling to another country for medical care. The World Health Organisation (WHO), (2015), distinguishes between medical tourism and medical travel.

- Medical tourism being travel for wellness, cosmetic or other non-essential procedures.
- Medical travel being travel with the purpose of receiving treatment that is essential to maintain quality of life.

However, to assist in the completion of this study, medical tourism or medical travel as it is also known will be defined as including both essential and non-essential treatment.

### MEDICAL TOURISM vs WELLNESS TOURISM

Wellness tourism is travel associated with the pursuit of maintaining or enhancing one's personal well-being. The 2013 Global Wellness Tourism Economy report defines wellness as a state of complete physical, mental, and social well-being. It goes beyond mere freedom from disease or infirmity and emphasizes the proactive maintenance and improvement of health and well-being. Expressed on a continuum that extends from reactive to proactive approaches to health, wellness falls firmly on the proactive side, incorporating attitudes and activities that prevent disease, improve health, enhance quality of life, and bring a person to increasingly optimum levels of well-being.

- Primary Purpose Wellness Traveler: Wellness is the sole purpose or motivating factor for their trip & destination choice. Secondary Purpose Wellness Traveler: Seek to maintain wellness while taking any type of trip.

Unwell Travel	Wellness Travel	
	Unhealthy & over-eating	
	Travel stress	
	Excessive drinking	
	Poor sleeping	
	Disruption of fitness routine	
		Healthy living
		Rejuvenation & relaxation
		Meaning & connection
		Authentic experiences
		Disease prevention & management

Figure 1: Definition of Wellness Tourism (Global Wellness Tourism Economy 2013)

## GLOBAL MEDICAL TOURISM TRENDS

# Global 2016 Medical Tourism Index



### Main Dimensions

- Destination Environment
- Medical Tourism Industry
- Quality of Facilities & Services

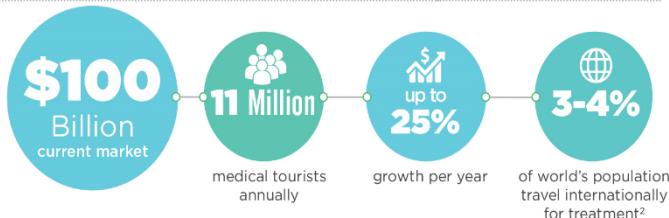
**34**  
CRITERIA      **41**  
DESTINATIONS  
**4,348**  
RESPONDENTS



### 176 Countries Covered<sup>1</sup>

By examining cross-border spending for medical services in more than **176 countries**, the United States was found to be the single largest hub for medical tourism. Thailand, Singapore, Germany, Korea, and Spain are quickly catching up, increasingly attracting visitors from around the world, according to an analysis of financial transaction data.

### Medical Tourism Facts



### Top 5 Destinations

#### Overall Rank

1. Canada	76.62
2. UK	74.87
3. Israel	73.91
4. Singapore	73.56
5. India	72.10

#### Destination Environment

1. Canada	78.69	
2. UK	77.30	
3. Singapore	73.26	
4. Israel	67.56	
5. Germany	67.50	

#### Medical Tourism Industry

1. India	75.94	
2. Colombia	74.96	
3. Mexico	74.17	
4. Canada	74.13	
5. Dominican Republic	73.85	

#### Quality of Facilities & Services

1. Israel	81.60	
2. Germany	77.88	
3. India	77.10	
4. Canada	77.02	
5. UK	76.94	

### 2016 MTI Overall Ranking

1. Canada	76.62	15. Dominican Republic	67.58	29. Mexico	60.70
2. UK	74.87	16. Dubai	67.54	30. Qatar	60.07
3. Israel	73.91	17. Jamaica	67.17	31. Morocco	59.77
4. Singapore	73.56	18. Thailand	66.60	32. Turkey	59.49
5. India	72.10	19. Philippines	66.40	33. Jordan	57.02
6. Germany	71.90	20. Taiwan	66.28	34. Russia	57.01
7. France	71.22	21. Argentina	65.37	35. Oman	56.90
8. South Korea	70.16	22. Brazil	65.22	36. Tunisia	56.78
9. Italy	69.50	23. China	64.78	37. Kuwait	56.69
10. Colombia	69.48	24. Poland	63.79	38. Saudi Arabia	52.43
11. Spain	68.29	25. Abu Dhabi	63.65	39. Bahrain	51.99
12. Japan	68.00	26. Malta	62.97	40. Lebanon	49.92
13. Panama	67.93	27. South Africa	62.20	41. Iran	36.00
14. Costa Rica	67.67	28. Egypt	60.92		



Source: GMTI (2018)

### Respondents Profile

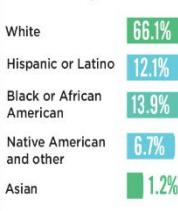
#### Gender



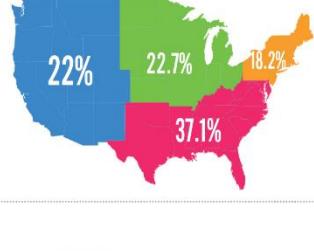
#### Age



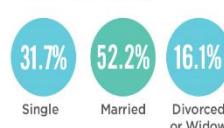
#### Ethnicity



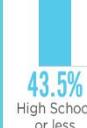
#### Geographical U.S. Regions



#### Marital Status



#### Highest Education Level



### Medical Tourism Influences

Treatments and medications not approved or available in home country

Medical treatment combined with attractive destinations

Higher quality care and services

Reduced cost of cross-border medical treatment

## TOP MEDICAL & WELLNESS TOURISM DESTINATIONS

According to Patients Beyond Borders (2017), the top medical tourism destinations around the world are Costa Rica, India, Israel, Malaysia, Mexico, Singapore, South Korea, Taiwan, Thailand, Turkey and the United States. The combined market size was estimated at USD 45.5-72 billion, which was based on approximately 14-16 million cross-border patients worldwide spending an average of USD 3,800-6,000 per visit, including medically-related costs, cross-border and local transport, inpatient stay and accommodations.

Tripping.com (2018), one of the world's leading vacation rentals, shared a varied view to the above with the following listed as the top medical tourism destinations:

- |                  |                |
|------------------|----------------|
| 1. Brazil        | 6. India       |
| 2. Thailand      | 7. Singapore   |
| 3. United States | 8. South Korea |
| 4. Mexico        | 9. Israel      |
| 5. South Africa  | 10. Costa Rica |

## HOW DO MEDICAL TOURISTS CHOOSE A DESTINATION?

A variety of factors were considered to assure destination competitiveness for the medical tourism market. These factors include:

- Government and private sector investment in healthcare infrastructure
- Demonstrable commitment to international accreditation, quality assurance, and transparency of outcomes
- Potential for cost savings on medical procedures
- Political transparency and social stability
- Excellent tourism infrastructure
- Sustained reputation for clinical excellence
- History of healthcare innovation and achievement
- Successful adoption of best practices and state-of-the-art medical technology
- Availability of internationally-trained, experienced medical staff



## TOP SPECIALITIES FOR MEDICAL TRAVELERS

- Cosmetic surgery
- Dentistry (general, restorative, cosmetic)
- Cardiovascular (angioplasty, CABG, transplants)
- Orthopedics (joint and spine; sports medicine)
- Cancer (often high-acuity or last resort)
- Reproductive (fertility, IVF, women's health)
- Weight loss (LAP-BAND, gastric bypass)
- Scans, tests, health screenings and second opinions.

## IS THE MARKET GROWING?

Medical tourism at a glance	Medical tourism influences	
+25 percent <sup>2</sup> growth per year	Higher quality care and services	Reduced cost of cross-border medical treatment
\$45.5-72 billion <sup>2</sup> current market		
14 million <sup>2</sup> medical tourists annually	Medical treatment combined with attractive destinations	Treatments and medications not approved or available in home country

<sup>2</sup>Patients Beyond Borders  
(www.patientsbeyondborders.com)

According to VISA (Mapping the future of global travel and tourism) 2016, medical tourism has shown growth in overall tourism spending. It is currently a multi-billion dollar industry that is expected to increase by up to 25 percent per year over the next 10 years.

However, growth in the market is gradual, as the world's population is aging and becoming more affluent at rates that surpass the availability of quality healthcare resources. In addition, out-of-pocket medical costs of critical and elective procedures continue to rise, while

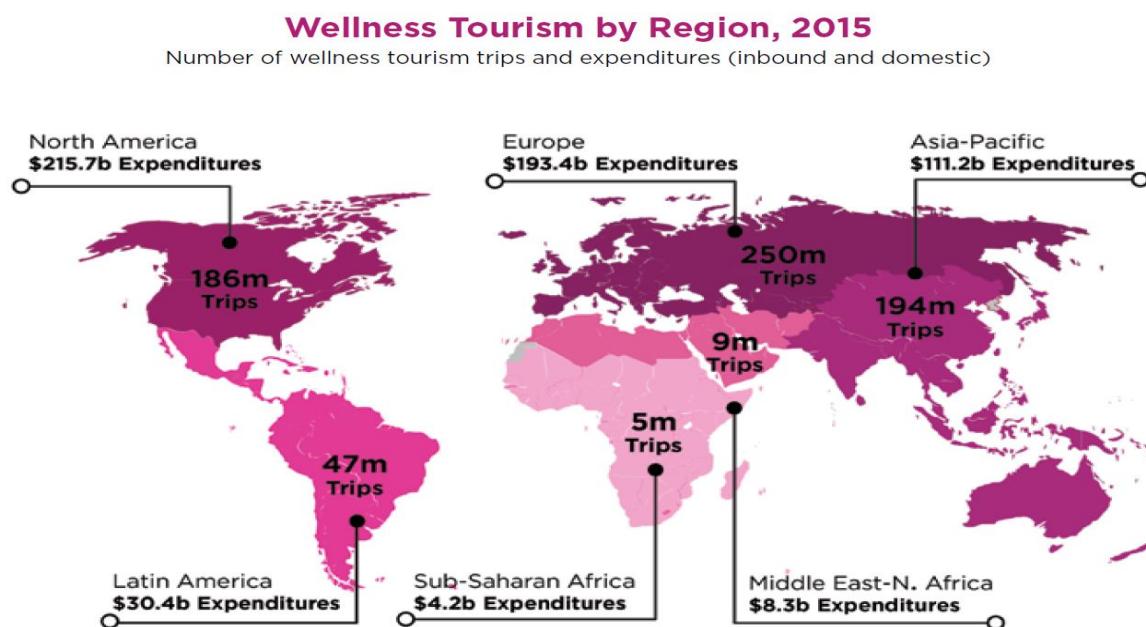
nations offering universal care are faced with ever-increasing resource burdens. These drivers are forcing patients to pursue cross-border healthcare options either to save money or to avoid long waiting periods for treatment.

## THE GROWTH OF MEDICAL & WELLNESS TOURISM IN AFRICA

Africa is a source and destination for patients who form part of medical tourism. According to the Economic Development in Africa (2017) report, the private medical sector in Africa is diverse, and there is a lack of regulatory and accreditation frameworks, which can lead to a lack of consistency in quality. Private medical service providers, insurers and manufacturers play an important role, accounting for about 50 per cent of the provision of health-care services in Africa.

Medical tourism is an emerging market segment that has expanded in recent years in several African countries, notably Egypt, Kenya, Mauritius, Morocco, South Africa and Tunisia. In Africa, the North–South dimension of medical tourism is characterized by tourists from Europe seeking low-cost, high-quality specialized medical services and cosmetic and reconstructive surgery in Mauritius, Morocco, South Africa and Tunisia. The South–South dimension is marked by African nationals seeking high-end specialized medical services and primary health-care services mainly in India and, increasingly, in various African countries.

According to the January 2017 Global Wellness Economy Monitor report, spa market growth is robust across Africa, the Middle East and Latin America. Growth has been fuelled by economic growth and a rising middle class with more disposable income from Mexico, Brazil and Argentina to South Africa and the United Arab Emirates. In Africa alone, the number of spas is rising steadily upwards with a number of new spas opening in a number of countries that had none just a few years ago.



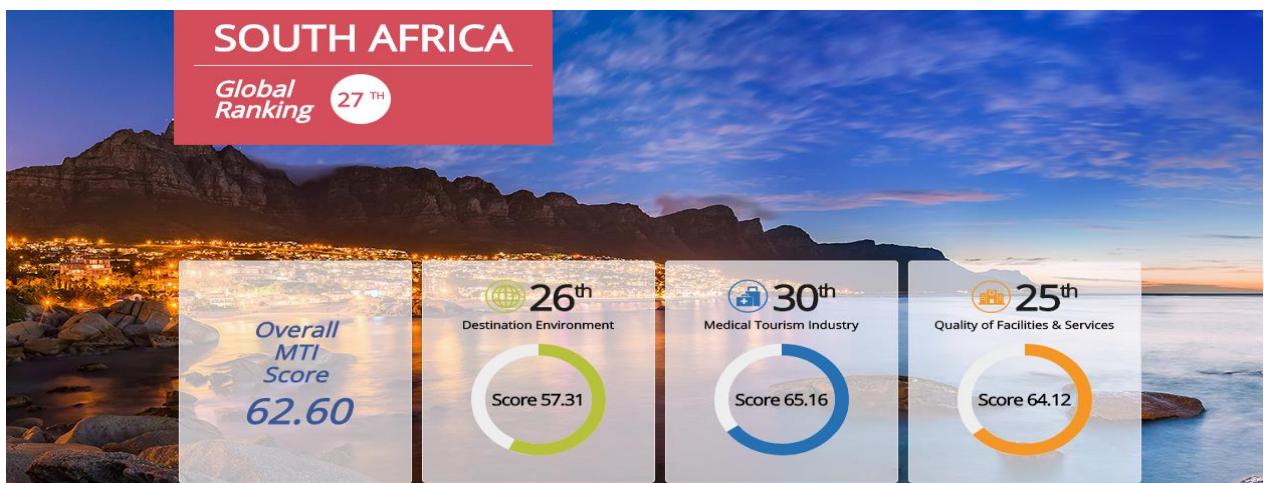
Source: Global Wellness Institute, 2018

### Top Ten Wellness Tourism Markets in Sub-Saharan Africa, 2015

	Number of Trips (millions)	Receipts/Expenditures (US\$ millions)
South Africa	3.0	\$1,989.2
Kenya	0.3	\$389.6
Mauritius	0.2	\$313.9
Tanzania	0.2	\$253.7
Seychelles	0.1	\$251.6
Nigeria	0.1	\$130.6
Uganda	0.1	\$97.9
Botswana	0.2	\$77.5
Zimbabwe	0.1	\$65.2
Cape Verde	0.04	\$62.9

Source: Global Wellness Institute, 2018

## MEDICAL & WELLNESS TOURISM IN SOUTH AFRICA



Source: Medical Tourism Index, 2016

African Business Insight (2017) mentions the strides that South Africa has been making in the medical tourism sphere, with statistics showing that in 2012, between 300,000 and 350,000 tourists from all around Africa travelled to South Africa for medical treatment. In addition to shorter travel times than India, South Africa advertises the added allure of safaris and spas.

According to health-tourism.com (2018), medical tourism in South Africa is among the fastest developing sectors in the country, with the City of Cape Town being the leading medical destination for travelers on the African continent.

The country is ranked by the Southern African Development Community (SADC) as the leader in the African market for health tourism, and is a minor hub worldwide alongside nations like India, Singapore, and Thailand. South Africa offers a wide range of low-cost treatments, together with a level of professionalism and quality that sets its healthcare providers apart from the competition.

African travellers coming to South Africa for medical treatments do so for the advancement in infrastructure and medical technology, as well as its doctors, whose skills are on par with international standards. For Europeans and travellers from the Americas and Asia, South Africa offers an affordable alternative for many cosmetic procedures.

According to figures from the *Health and Beauty Spa Industry in South Africa 2017*, there are now more than 700 spa facilities in the country, employing more than 5,500 people. The report also shows that many spas are linked to hotels and resorts and that more than 80% of spas are locally-owned.

**Top Ten Spa Industry Markets in Sub-Saharan Africa, 2015**

	Number of Spas	Spa Revenues (US\$ millions)	Spa Employment
South Africa	756	\$573.6	15,578
Kenya	166	\$88.2	1,747
Seychelles	56	\$76.7	798
Nigeria	223	\$53.3	1,689
Tanzania	119	\$52.5	1,048
Mauritius	105	\$48.2	1,134
Uganda	70	\$21.6	503
Namibia	57	\$21.0	760
Botswana	51	\$20.1	707
Ghana	86	\$18.1	628

## TREATMENTS DONE FOR MEDICAL TOURISTS IN SOUTH AFRICA

In addition to essential treatments, South Africa is well known for affordable cosmetic surgery procedures as well as fertility treatments (Medical Tourism SA, 2014).

Health-tourism.com (2018) highlights the most popular treatments done by medical tourists visiting South Africa being different types of plastic surgery procedures, that is, breast augmentation, liposuction, nose reshaping, facelifts and tummy tucks as among the most popular cosmetic surgical procedures done. Other common treatment areas include:

- Dentistry
- Obesity surgery
- Heart surgery
- Orthopaedic surgery
- Organ transplantation

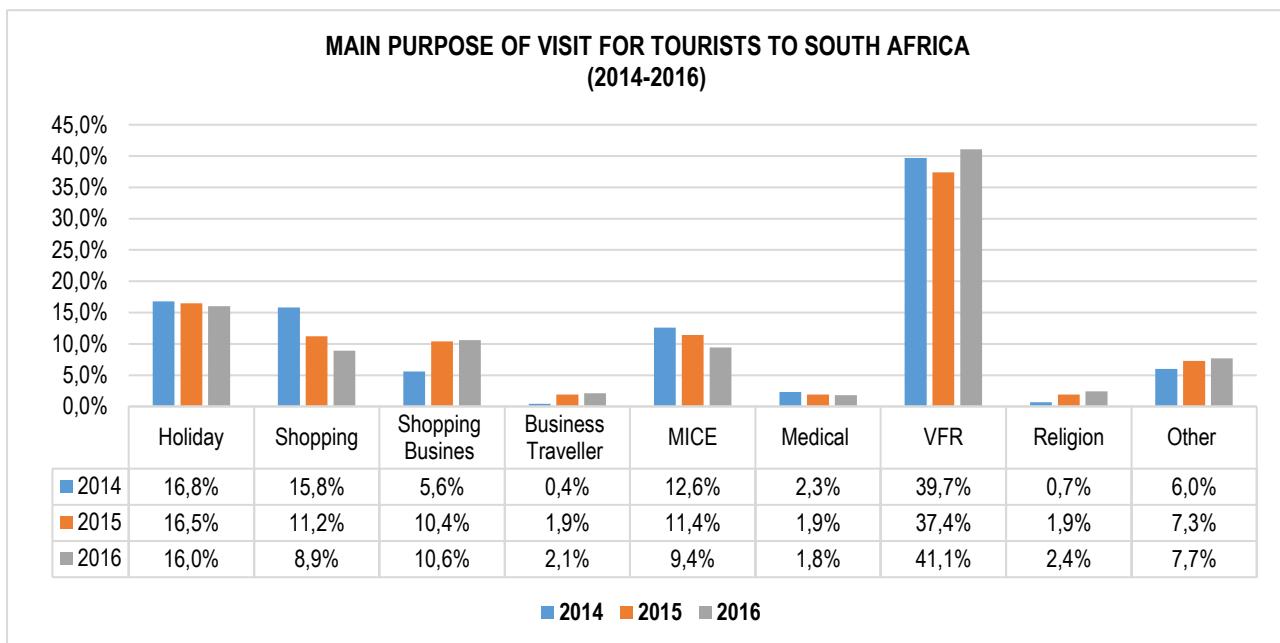
A large number of medical tourists come from other countries within Africa, particularly for affordable infertility treatments. Today, the country is ranked by the Southern African Development Community (SADC) as the leader in the African market for health tourism (Medical Tourism SA, 2014).

## COST OF MEDICAL TOURISM PROCEDURES IN SOUTH AFRICA

Price Comparison (USD)			
Procedure	USA	South Africa	Range of Saving (%)
Angioplasty	57,000	14,200 - 14,800	Between 74 -75
Breast augmentation	10,000	7,000	Up to 30
Facelift	15,000	6,000 – 6,500	Between 57- 60
Heart bypass	144,000	50,000	Up to 65
Heart valve replacement	170,000	40,000	Up to 76
Hip replacement	50,000	20,000	Up to 60
Knee replacement	50,000	25,000	Up to 50
Rhinoplasty	8,000	5,200 - 5,800	Up to 28 - 35
Spinal fusion	100,000	8,000 – 8,100	Between 91 - 92
All procedures	604,000	175,400 – 177,200	Between 70 - 71

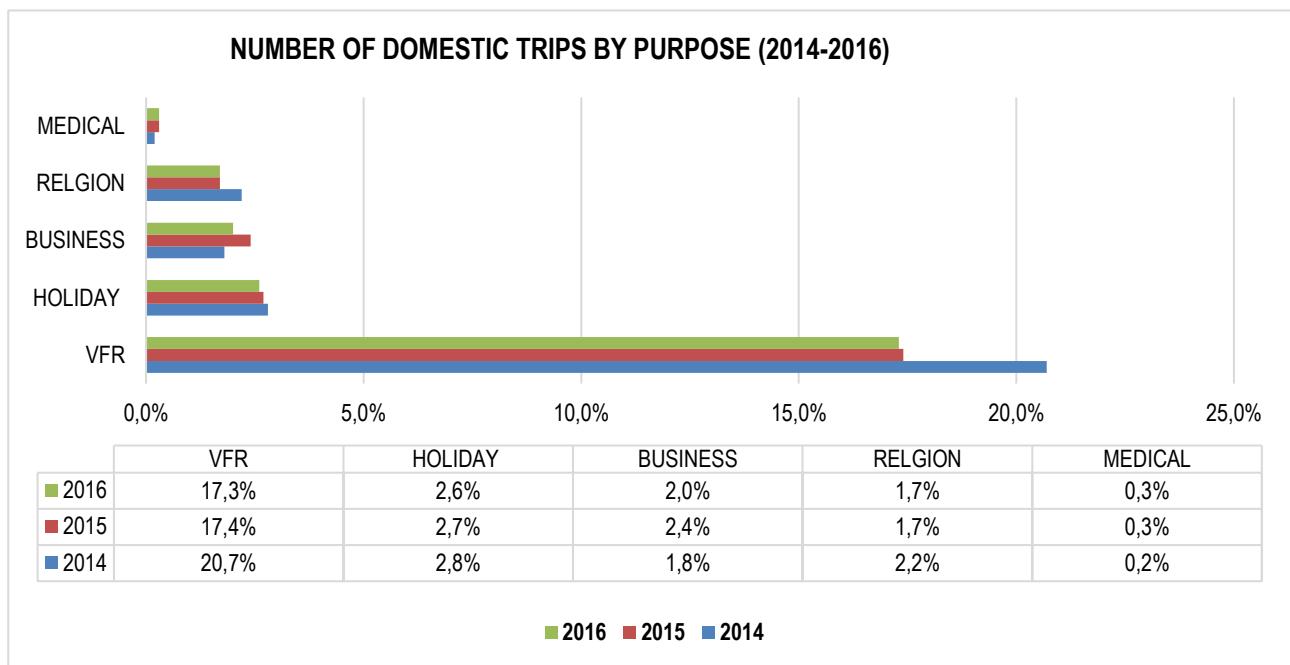
Source: Health-Tourism.com (2018)

## VOLUME AND VALUE OF MEDICAL TOURISTS TO SOUTH AFRICA



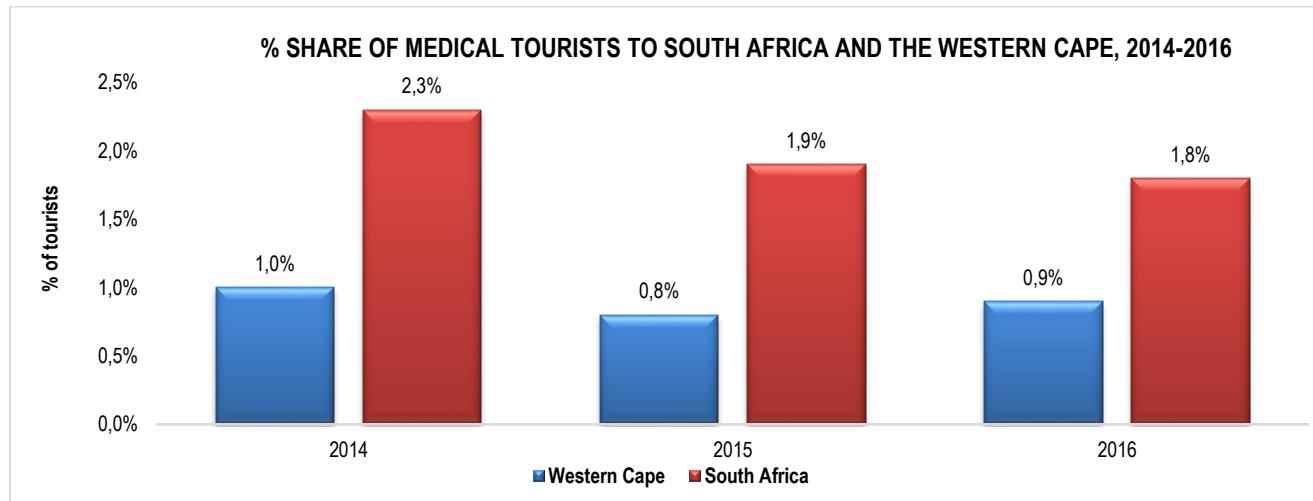
Source: SA Tourism 2017

- In 2016, South Africa recorded a share of 1.8% of international tourists travelling to the country for medical reasons. However, the share of tourists has decreased from the 2.3% recorded in 2014.
- The domestic market portrayed a more positive performance in 2016, reflecting a total of 0.3% of domestic trips and increasing from the 0.2% trips recorded in 2014



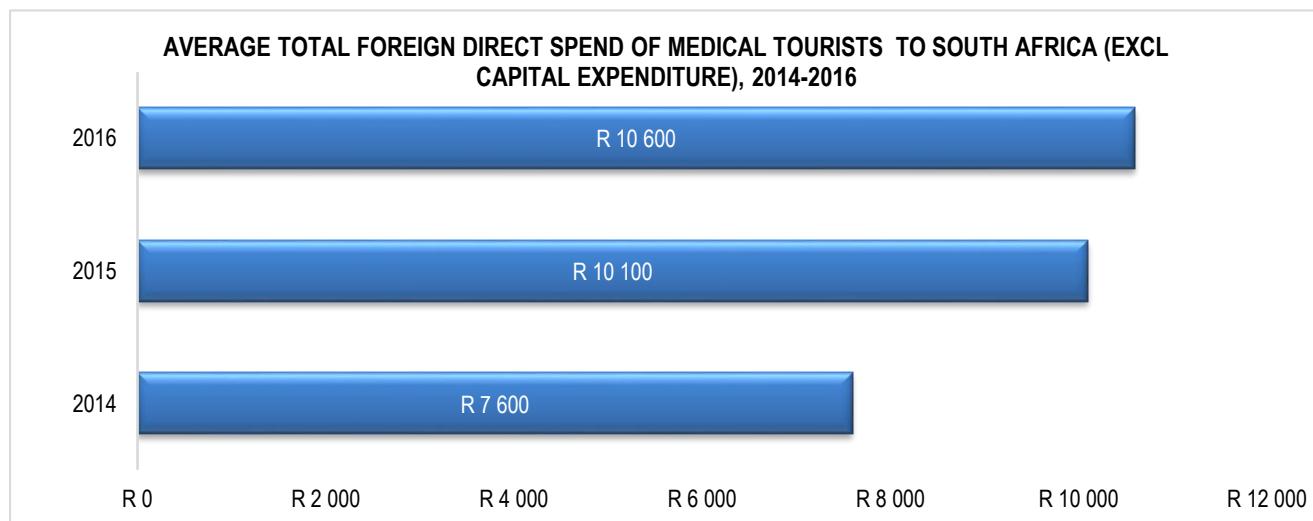
Source: SA Tourism 2017

- Leisure travel remains the top motivation for tourists to come to South Africa and the Western Cape. However, while at a small base, growth can be seen in the share of tourists who visit the Western Cape specifically for medical reasons. In 2016, 0.9% of the total tourist arrivals travelled for medical reasons, reflecting a marginal increase from the 0.8% recorded in 2015.



*Source: SA Tourism 2017*

- According to Orbis Research Medical Tourism report published on the 26 June 2017, The Global Medical Tourism Market was worth USD 19.7 billion in 2016 and estimated to be growing at a CAGR of 18.8%, to reach USD 46.6 billion by 2021.
- Despite the marginal share of medical tourists when compared to the leisure and business segments, the medical tourism market has portrayed a steady increase in the average Total Foreign Direct Spend in South Africa. A trend which indicates a strong and consistent economic contribution to the country.
- With an increased tourism market visitors are recognizing the possibility of combining leisure/holiday with medical treatments. When medical tourist comes to South Africa they tend to not only spend money on their medical treatment, but also on flights, local transport, accommodation and visiting attractions and health spas.



*Source: SA Tourism 2017*

## MEDICAL TOURISM AND THE WESTERN CAPE

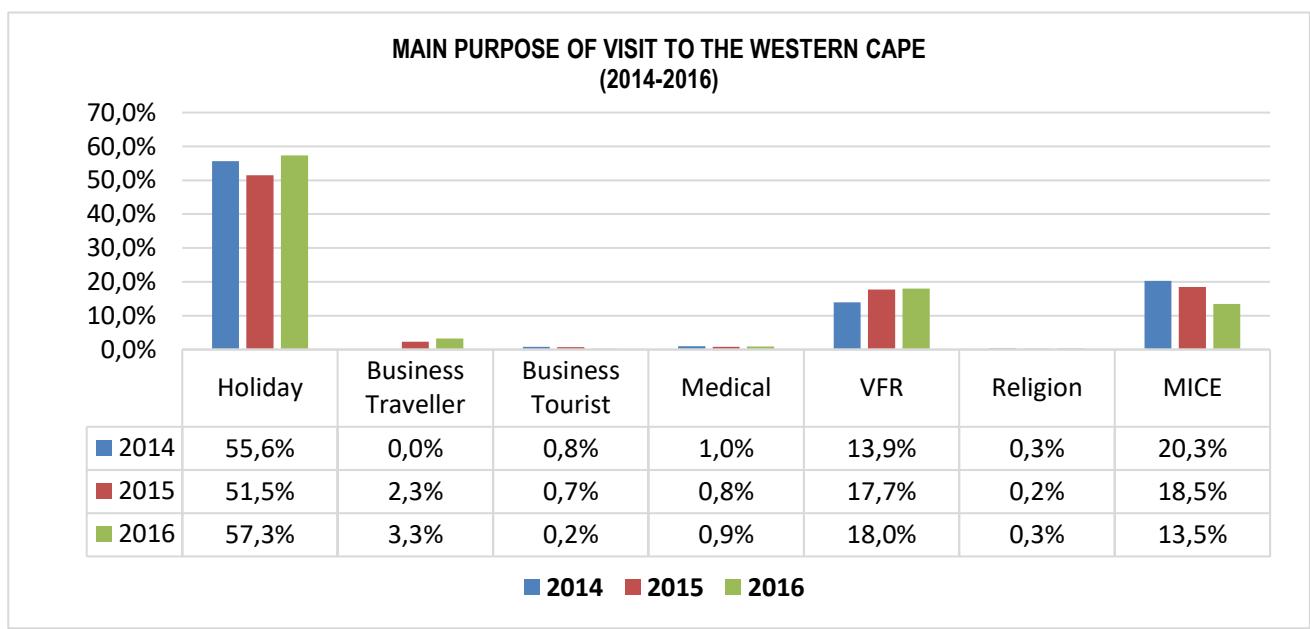
Cape Town and the Western Cape have evolved into a popular medical tourism destination. The favourable exchange rates, unsurpassed beauty of the area, world class tourism infrastructure as well as some of the best medical facilities, hospitals and doctors in the world, have all resulted in many patients from all over the world coming to Cape Town to have their procedures done. Top markets coming to the Western Cape include the United Kingdom and the Netherlands. These two top source markets are known for making use of low-cost medical tourism facilities.

Accommodation is plentiful in Cape Town, from simple Backpackers, B&B's and Guest Houses to renowned world class Hotels. Therefore these many significant aspects encourage and motivate medical tourists to come to Cape Town for their medical procedure.

Medical Tourism SA (2018), states that, the majority of international medical tourists are coming from the above mentioned markets. A number of other markets such as Germany are coming into the province for dentistry, with a majority of over 75% travelling for this sole purpose. The province is also known for its fertility clinic's, with travellers coming from as far as America and Australia. Challenges in these origin countries range from long waiting periods, rules and regulations that are too tight on top of the high costs for treatment. - Faith Cartwright (Medical Tourism SA, 2018)

Furthermore, "medical tourists travelling to the Country do not seek medical treatment packages, as they are wary of taking travel packages, thinking there may be underlying costs, to these sand, sea and safari wellness products offered, however once their trips are booked, suggestions can be forwarded as a courtesy, for places and things they can do after their respective surgeries." – she adds.

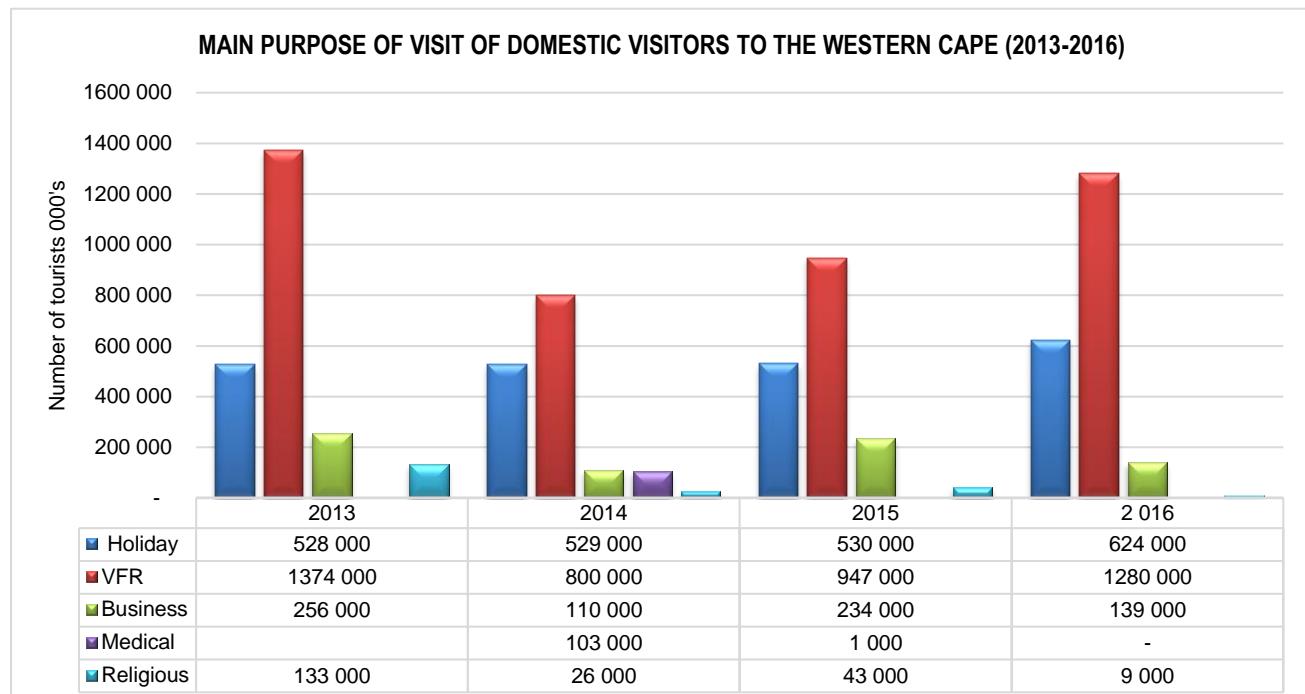
## THE VOLUME OF MEDICAL TOURISTS TO THE WESTERN CAPE



SA Tourism 2017

The international medical tourism market to the Western Cape showed moderate promise in the share of medical travellers to the province, with the share increasing from 0.8% in 2015 to 0.9% in 2016, showing signs of growth potential from this market.

"Growth in the medical tourism market was also seen substantially after the lifting of the Visa regulations in entering the country. However, challenges in the market include but are not limited to; Medical Visa's and Language barriers. Faith further adds that other than 'cosmetic surgery, dentistry, gastric surgeries' there has been a trend of patients and tourists from European countries such as Amsterdam coming to the Western Cape for Drug Rehabilitation (Drugs, Sex, Alcohol)."



*SA Tourism (2017)*

The domestic market held a small share of medical tourism visitors to the Western Cape. However a high volume of medical tourists was recorded in 2014. Although the numbers have dropped growth in the global market is on the rise.

Be that as it may, the Western Cape has many medical companies/agencies that include leisure, assistance in general administration, such as clients' immigration clearances and medical visa applications, transportation to and from hospital and accommodation, which arranged according to the needs and demands of the client for example, spa houses, villas, apartments and hotels included in their packages. Examples of medical agencies located in the Western Cape are listed below:

- Medical Tourism South Africa – Located in Cape Town, Western Cape.
- Eti Health and Leisure – Located in Pinelands, Cape Town.
- Master Medtur – Located in Gardens, Cape Town.
- Cape Town Tours and Travel – Located in New London, Cape Town.

## PLACES OF INTEREST IN THE WESTERN CAPE FOR MEDICAL TOURISTS

### GARDEN ROUTE

- NATURE'S VALLEY – ‘in spite of its overwhelming beauty, it has managed to remain relatively ‘undiscovered’. The peaceful valley, some 29 kilometres from Plettenberg Bay, lies virtually in the heart of the Tsitsikamma forest, the site of monkey ropes, old man’s beard dangling from trees, a beautiful lagoon surrounded by mountains and forest, and miles of unspoilt white beaches - arguably the most beautiful part of this coastline.

Nature's Valley forms part of the Tsitsikamma National Park. Here the mountains are densely overgrown, and forests and deep river ravines making it virtually impassable to travel by ox wagon in the old days - hence the road. It is also the end of the Otter Trail, one of South Africa's flagship hikes that navigates 42 kilometres of craggy coastline from Storms River before stopping here.

### WEST COAST

- DWARSKERSBOS - this entire region is known for the fishing villages that have dotted the coastline for generations, establishing their own unique culture that is such an integral part of the South African identity today. It is along this coastline that many Southern Right whales pass between the months of June and September, entralling spectators with their inquisitive ways and acrobatic antics.

The Rocherpan Nature Reserve is situated in Dwarskersbos too, and is home to some awesome avian species, including aquatic and endangered varieties.

- KOUE BOKKEVELD (CEBERBERG) - The Koue Bokkeveld lies up on a ridge just north of the town of Prince Alfred Hamlet. Filled with complex sandstone mountains and mountain fynbos, it gets snow in winter. Summers are hot and scented with wild grasses. There are numerous fruit farms in amongst the passes and shrubland that host visitors in this beautiful and forgotten part of the country.

### OVERBERG

- VERMAAKLIKHEID – this quaint town rests on the banks of the Duivenshok River –one of the only remaining pristine estuaries in the country and part of a conservancy (i.e. no speed boats). Perfect for restoring the body and the soul, this is riverside living at its best. Look forward to boating, fishing, swimming, hiking, bird watching and day trips along the Garden Route.

### KAROO

- NIEU BETHESDA – This little village at the foot of the Compassberg, is the home of a group of artists, crafters and creatives who live on the sand streets without street lights, stone water furrows still in Owl House and coffee shops are a balm for the soul. evidence. For nature lovers and those who want to get away from it all, the little galleries, potteries, famous

## **CONCULSIONS AND RECOMMENDATIONS TO TOURISM MARKETERS**

Medical tourism consists of a wide scope of stakeholders, acknowledging mainly commercial, for-profit interests. However, there are a number of major participants included in this industry: health care providers, insurance providers, internet and website advertising, intermediaries, policies and government.

For a destination to be considered competitive in this niche area, all of the above need to be visible and obtainable from a singular source.

- Medical tourism providers in the province need to work together in establishing and strengthening relationships with key medical tourism source markets of the Western Cape.
- Providers also need to be aware of all the policies and governmental rules and regulations that govern medical tourism in the country and the province.
- To ensure shared growth throughout the six regions of the Western Cape, medical tourism agencies need to be able to provide recuperation excursions in the various regions.
- Booking trends and figures should be optimally utilised to assist practitioners when compiling packages and lobbying new source markets at trade shows.
- Many African countries frequent the Western Cape to undergo treatment, with this said, practitioners need to learn better ways of interaction with these markets.