

Tracking Medical Tourism Destination Brand Success through Consumer-Based Brand Equity

Medical tourism is on the rise. Domestic medical tourism is important; however, destinations desire to increase their market share in international medical tourists. Due to the increasing insurance premiums and healthcare costs, patients from many developed countries -British, American, Canadian, Western European, and Australian - seek deeply discounted treatments offered in other countries (Fumano, 2016). These patients typically seek high-cost treatment at home such as cosmetic surgeries, dentistry, cardiovascular surgical procedures, orthopedic surgical procedures, stem cell treatments, bone marrow



By Prof. Dr. Asli Tasci

transplants, genomics medicine, telemedicine, and even alternative medicine from herbalism, homeopathy, and acupuncture.

Seeing the increasing opportunities in medical tourism, many developing nations are doing their due diligence in catching up with the latest technology, treatments, tools, medicines, and procedures. However, improving the skills and toolbox is not enough for becoming a popular and preferred medical tourism destination. The key to attracting a large number of medical tourists, especially from those well-developed nations is to become a strong medical tourism destination brand.

What is a strong destination brand? The question first evokes the developed nations in mind; those with the highly developed infrastructure, high-quality healthcare systems, and innovative

hospitals with the latest and greatest in the trade. However, those highly developed destinations come at a premium price, which is often a strong deterrent for some patients pursuing medical treatment.

This is why, similar to any brand, a medical tourism destination brand needs to be evaluated with the total brand equity perspective with brand awareness, familiarity, image, perceived quality, consumer value, and loyalty working as the elements of an atom.

Consumer-Based Brand Equity

Essentially, as the name implies, the elements of

consumer-based brand equity are related to consumers' perceptions, attitudes, and behaviors. What is the overall awareness and familiarity level of the medical tourism destination in current and potential markets? Does the destination have a positive image? Do medical tourists perceive the destination as a high-quality medical treatment place? Given the perceived quality, is it perceived as a good value for money? In line with these perceptions, do current medical tourists feel highly satisfied with the destination? And most importantly, what are the attitudinal and behavioral loyalty of the potential medical tourists for the destination? Are they willing to travel, recommend, and put good word-of-mouth for the destination? All these elements are interrelated; a positive or negative change in one element affects the others (Tasci, 2016).

Consumer-based brand equity is considered as a determinant of the financial-based brand equity (Aaker, 1996). For place and destination brands, various types of outcomes are suggested as financial-based brand equity including tourism revenues, taxes, hotel night sales, economic investment, foreign direct investment, resident growth, and private business growth (Jacobsen, 2009, 2012; Jorgensen, 2015; Tasci & Denizci, 2009)

A destination may have a high level of awareness and familiarity in medical tourist markets, but this may be due to the negative media coverage from a tragic event or a negative movie content. If that is the case, then its image may not be as desirable. A case in point, American medical tourists may be well aware of South Korea's reputation in eyelid cosmetic surgeries (Baer, 2015), but the danger from North Korea may overshadow its image and impact willingness to travel there.

On the other hand, a destination may have a positive image due to the highly popular and famous touristic attractions, but it may not be perceived to have good quality medical facilities. For example, Brazil may have a top vacation destination image for British tourists, but its latest health care crisis may lower its quality perception as a medical tourism destination.

Consumer-based Brand Equity Components of Medical Tourist Destination Brands



In another case, a destination may be perceived as a high-quality medical destination, but the perceived consumer value for its quality medical facilities may be low due to the high cost of travel due to long distance flight, accommodation, and other associated expenses at the destination while undergoing treatment. As an example, Malaysia may be well-known for cardiac bypass surgery (Bernama, 2016) but the long overseas flight may be daunting for Canadian medical tourists.

Each of these conditions will put a damper on the attitudinal and behavioral loyalty of potential medical tourists; they are not going to consider the destination for their own treatments, or recommend to others, or promote on their social media. The United States is a strong medical destination brand in many markets but the latest visa restrictions and excessive immigration and security screening affected its image and value negatively, making a trip to the United States not only expensive but also a hassle, and thus reduced the number of travelers overall (Bender, 2019), which may have reduced medical travelers as well.

The US example pleads to elaborate on a special aspect of perceived image, namely destination risk perception. Destination image and destination risk perception are the two sides of a coin (Perpiña, Camprubi, and Prats, 2017). On one side is the destination image in touristic attributes such as natural attractions, special events, service facilities, infrastructure, etc. On the other side is destination risk perception regarding potential negatives about a place including, natural disasters, terrorism, crime, violence, pickpocketing, diseases, unfriendly locals, etc. While high ranking on image attributes entices people, a high ranking on risk factors scares them away.

Both image and risk are important and need to be monitored periodically so that the strong image attributes can be used in convincing medical visitors and risk factors can be addressed or eliminated. However, especially in a medical tourism context, risk needs to receive urgent attention. Tourists, in general, are vulnerable to several risks; these risks can be functional, financial, time, physiological, psychological, and social (Schiffman, Kanuk, and Wisenblit, 2010). Tourists are concerned that their trip choices may

not provide their expected results (functional risk), which then would cause a loss of time (time risk), loss of money (financial risk), maybe even a health issue (physiological risk), excessive stress and other mental issues (psychological risk), and embarrassment in social circles (social risk). Medical tourists, regardless of the type of medical problem, are more vulnerable to all these risks. If a destination is perceived to have adversity in an area, then a patient will not choose it regardless of the quality of facilities. This is where the United States has a challenge currently. With the recent discriminatory visa regulations and restrictions, certain nationalities will seek alternative medical tourism destinations, no matter how well-advanced the U.S. is in medicine.

Thus, a strong medical tourism destination scores high on awareness, familiarity, image, quality, value, loyalty and low on risk in their potential



target markets. Of course, not all markets will have the same perception and behavior; depending on their distance, historical, political and social ties with the destination, different markets will have different attitudes and behavior. The onus is on the destination marketing organizations (DMOs) such as the Ministry of Tourism and Culture in Turkey to measure, monitor, inform the industry, improve the weaknesses, and cultivate the strengths. Of course, this process is a collaborative effort with all stakeholders rather than a one-man's job. Besides DMOs, the medical administration such as Health Ministries, main transportation sectors such as airlines, hospitals, medical supply companies, as well as the tourism industry needs to be involved in this collaborative effort. Unfortunately, though, destination authorities typically do not involve in comprehensive research endeavors for branding research or do it without collaboration.

Consumer-Based Brand Equity Research

A genuine attempt to understand the brand equity of a medical tourism destination requires research. Research is the invisible part of the iceberg in successful destination branding. Without research, we have no idea about problems, weaknesses, and strengths. Brand equity research needs to be conducted with a vision in mind, not by just haphazardly collecting data. This vision would include concepts specific to medical tourism and involves multiple layers of destinations the individual facilities such as hospitals, medical research institutions, colleges, alternative medicine treatment facilities, etc. at the micro level and the wider level destinations at the macro levels. Therefore, both the core competencies of the micro destination and peripheral quality of the wider environment need to be measured and evaluated against the expectations of the medical



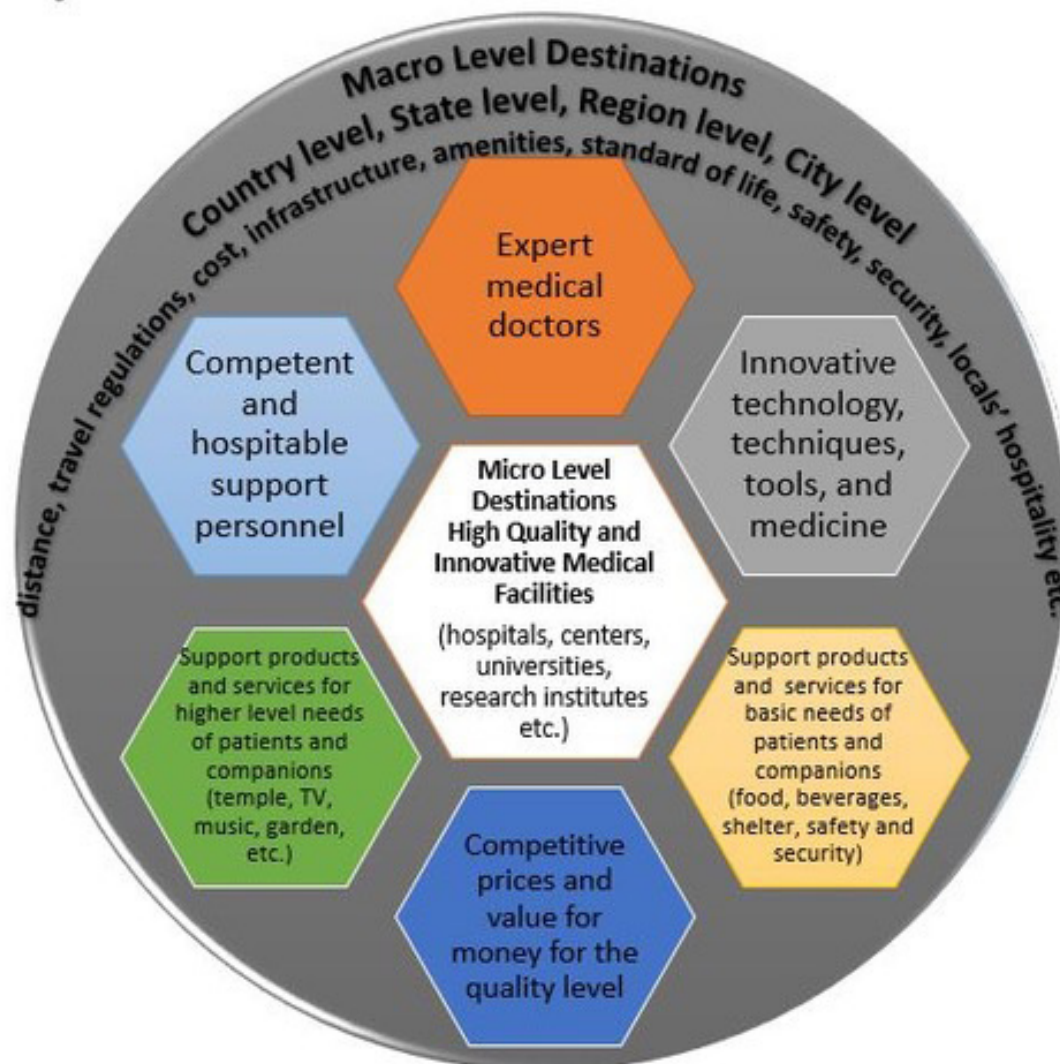
tourists. The attractiveness of an individual medical facility relies on the expertise of its doctors, competence of its support personnel, innovativeness in its technology, techniques and tools as well as support services for basic and higher level needs of patients as well as their companions. These combined core competencies of different facilities reflect the cumulative competency of the macro level destination. Medical tourists' expectations, as opposed to their perception of the facility on these attributes, will be the main driver of their decision to visit. These expectations and perceptions are dependent on the awareness/familiarity and image component of the brand equity. The more familiar, the less stereotypical the image.

The perceptions and attitudes towards macro level destinations are also important. Even

though research indicates that touristic image of destinations is not a defining factor for medical tourism, the distance, rules, and regulations - especially related to medical procedures, cost, infrastructure, safety and security, and local residents' attitude are important factors. The macro destination layers may be multiple, at city, state, region or country level. For example, perception of a hospital in New York versus in Utah would be different even though they are located in the same country. Most people know about Istanbul even if some are not very familiar with Turkey as a country.

This needs to be a detailed analysis for different forms of medical tourism since a destination can be strong in some areas and weak in others. In Europe, for example, even though Turkey is still

Layers of Medical Tourism Destination Brands



considered as a developing country against the developed nations such as France, the UK and Germany, Turkey is known to have recently excelled in cancer treatments, plastic surgery, dentistry, and In Vitro Fertilization treatments. Thus, even though Turkey may not be strong in all forms of medical tourism, these areas may be its shining stars to focus on in its medical destination's brand positioning. Thus, depending on the different competitive strengths, medical tourism destinations can have multiple brand positions for different market segments.

Brand equity research needs to be an ongoing effort since consumers' perceptions, attitude and behavior change with the dynamics of the market environment. Understanding the progress of a destination compared to its past is as important as understanding its position against its competitors. Therefore, it is imperative that destination authorities anchor their decisions onto market intelligence through comprehensive and ongoing research conducted in collaboration with all relevant stakeholders.

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Biography:

Dr. Asli D.A. Tasci (Asli.Tasci@ucf.edu) is an associate professor in the field of tourism and hospitality marketing at UCF Rosen College of Hospitality Management. She received her doctoral degree (destination marketing) from Michigan State University and worked in Turkey, Hong Kong, and the US. Dr. Tasci has completed a number of studies in different countries and has explored marketing related subjects, particularly consumer behavior in multicultural settings. The totality of her research contributes to the theory of consumer-based brand equity in tourism and hospitality context, in diverse level of products, different geographies, and cultures. More information on Dr. Tasci and her work is available on these outlets:

ResearchGate : https://www.researchgate.net/profile/Asli_Tasci
Google Scholar : <https://scholar.google.com/citations?user=7UvPTX0AAAAJ&hl=en>
Academia : <https://ucf.academia.edu/AsliTasci>
LinkedIn : <https://www.linkedin.com/in/asli-tasci-2ab1662a/>
Webpage : <https://hospitality.ucf.edu/person/asli-d-a-tasci/>