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Samitivej Hospital: Medical Tourism in Thailand

Scenario:

Medical tourism is by no means a modern phenomenon. Indeed, records dating back to before Christ mention pilgrims from all over the Mediterranean traveling to the small territory of Epidauria, the sanctuary of the healing god Asklepios. Eighteenth-century England had a variety of Roman-inspired spas for treating diseases from gout to bronchitis. And for centuries, Europeans have traveled throughout the continent to take advantage of healing waters or other local remedies.

Medical tourism has become big business, worth billions of dollars a year. Like software development off-shoring and business process outsourcing, medical tourism is dominated by a handful of emerging markets, especially India, whose industry was expected to reach 2 billion USD in 2015. The draw is simple economics — medical services in these markets are much less expensive than those in Europe and the United States. A 200,000 USD heart transplant in the United States, for example, is 30,000 USD in Brazil. A full facelift that would cost USD 20,000 in Europe can be had for about 1,250 USD in South Africa.

Thailand is one of the players in medical tourism, and the government has undertaken an initiative to promote the country as a leading destination. Samitivej Hospital, which is Bumrungrad International, which originally catered only to expatriates and tourists, is no exception. By 2015, however, it counted more than 1 million patients a year, and its success has resulted in real — **To view the full mini-case, please purchase it from WDI-Publishing.com** — board-certified).

Samitivej Hospital (actually four hospitals in different regions of Bangkok and environs, and including a children's hospital) began operations in 1979 and, like Bumrungrad International, initially served primarily local residents. With the growth of medical tourism, however, Samitivej Hospital had been preparing itself to compete not only against Bumrungrad at home, but also against hospitals in other destinations around the world. Samitivej has invested heavily in high-tech equipment, including new digital imaging machines and the latest six-slice CT scanner. An international department was created to handle visa and other immigration requirements. And the Samitivej plaza has 20 tenants including 7-Eleven, Starbucks, banks, and retail and food outlets.

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