

STRATEGIC METHODS FOR THE DEVELOPMENT OF  
HEALTH TOURISM IN ARMENIA

By

Ani Sardarian

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## **DEDICATION**

I dedicate this work to my family and friends.

## **Acknowledgment**

I express my gratitude to my supervisor for making a positive difference in my experience of writing this academic paper. Emma Sargsyan provided with a greater understanding, guidance, encouragement, and generous support. I am very fortunate to have had her as my dissertation supervisor, and mentor.

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## Introduction

Worldwide development in the flow of patients, health specialists and medical innovation, as well as foreign investments and regulations across different borders, gives opportunities to new modes of consumption in both the healthcare, and tourism industries.

The free development of products, with the support of the World Trade Organization, and its General Agreement on Trade in Services (Smith, 2004, Smith et al. 2009b), has quickened the advancement of the health services trade with the application of provincial and bi-lateral trade agreements. A new component of this international trade concerns the movement of people across borders for medical and social purposes; a practice regularly termed as “Medical Tourism”.

The consumption of medical products and services overseas is not a new social occurrence; it has a long historical background. People have voyaged abroad for various treatments since ancient times. In the 20<sup>th</sup> century, it became a common phenomenon to travel from less developed countries to more developed societies, in order to have access to more advanced technologies, and better doctors.

Nowadays, the movements that are presently in progress concerning health tourism are quantitatively and subjectively different from earlier types of wellbeing related travel. The main contrast between modern and ancient types of medical tourism, is the movement from well-developed to emerging economies. The main characteristics of modern health tourism are:

- The number of patients traveling in pursuit of medical treatment.
- The customers usually travel from more developed countries to less developed ones to gain from a combination of low prices and high quality services.

- All necessary information about the facilities, clinics and doctors is available in online guidelines.
- The promotion of medical tourism needs the interaction of both governmental, and private infrastructures.

Armenia is turning into a prominent tourist attraction, mostly due to its rich cultural and historical heritage. Armenia, which was the first nation to proclaim Christianity as its national religion, boasts some of Europe's most dazzling geographic destinations. There is always an opportunity to consider different types of tourism in Armenia, among which is health related tourism. Health tourism is a big industry, the development of which will be advantageous for the tourism sector of the country. This study highlights the importance of health tourism in the development of the Armenian economy and provides certain strategic methods to increase its demand.

The strength of tourism is generally evaluated upon the following indicator: advancement of transport infrastructures, regulations, support of the state and the development of tourism in the nation (Todd, Maria K. Taylor & Francis, 2012.)

The level of tourism is an imperative component for the advancement of every country, and intense tourism development is a genuine matter these days for Armenia. Armenia, particularly Yerevan, is respected for its high professional level of medicine, where new restorative treatment strategies and technologies are constantly learned and utilized (<http://www.healthrights.am>.) Armenian medical tourism has the potential to become attractive to the world and draw any potential customers.

Armenia can turn into a perfect health tourism market for visitors' wellbeing. It can offer a holiday with medical treatment, under the concept of "Best Value, Best Quality."

## Literature Review

### Definition and Characteristics of Medical Tourism

Medical tourism is a component of niche tourism. John Connell (2011) links health tourism mostly with cosmetic surgery. For the author, the spa treatment was an important component for this tourism. He characterized health tourism as a new industry in the economy. Connell identifies several types of medical tourism services dating back to ancient times (Rome and Greece.) He dedicated the whole 2<sup>nd</sup> chapter of his book to the description of spa tourism, starting from 1700 BC. According to him, the consumption of medical services in a foreign country is not a recent development, and advancements in technology and treatment options have always been reflected in their historical contexts.

People have voyaged abroad for medical reasons since ancient times, and in 19<sup>th</sup> century Europe, for example, it was in vogue amongst the developing white collar classes to go to spa towns, which were considered to have qualities bestowing wellbeing and other health-restoring qualities. Take, for example, Pushkin and Lermontov's sojourns to the hot springs of the South Caucasus. In the 20<sup>th</sup> century, rich individuals from less developed countries made trips to emerging countries to get better treatments (*Connell, 2011.*)

It is necessary to highlight that the tendencies currently in progress, with respect to medicinal tourism, are quantitatively and subjectively not the same as earlier types of health-related travel. Goel Pramod (2012) summarizes the global characteristics of medical tourism from Cottage to Global markets:

- Extensive quantities of individuals traveling overseas for medical treatment
- A move towards patients from wealthier, more emerged countries, flying out to less developed countries, driven by the minimum cost of health services

- Flights and web sources of data
- Empowering infrastructures – reasonable, accessible travel (open visa system), and promptly accessible data over the Internet
- Industry development – both private businesses and governments have been serious in advancing health tourism as a conceivably lucrative wellspring of foreign income

Both authors see health tourism as a new industry for new businesses and economic development. The two writers see the subject of health tourism as tightly connected to government initiatives. To fill the lack of quantitative data in Armenia about the number of tourists and their expenses for travel for medical purposes, a liaison was necessary with the Ministry of Economy, and the National Statistical Service of the Republic of Armenia in order to collect some statistics about the quantity of tourists in general from 2010 up to the current date.

#### Mobility of Patients Across Borders

Per Todd, Taylor, and Francis (2011), medical tourism is a process when customers choose to travel across international borders with the aim of receiving medical treatment. This treatment may traverse the full scope of medical services, but generally incorporates dental care, corrective surgery, elective surgery, and fertility treatment. Defining the limits between what is health tourism and other, non-essential operations is difficult. Moreover, not every type of medical treatment can be included in the health tourism trading system. In their handbook, cosmetic surgery is excluded from the health tourism boundaries.

According to the handbook, there are different types of patients who should be considered separately:

- Temporary visitors
- Outsourced patients

- Patients coming from neighboring countries
- Long-term residence patients

In this book, these segments are not clearly illustrated in detail, and the authors do not give proper strategic solutions to satisfy the needs of each segment. They consider them as an entire unit. There is a need to analyze each segment, and plan to attract representatives of each group.

### Types of Health Trading

People travel from all around the world to get dental care in Hungary, as it is the main destination for dental tourism in Europe. Issenberg (2016) brings this example of a multilateral health trading system, since Hungary cooperates with hundreds of countries around the world. Within the context of globalization, international trade has grown dramatically. Accordingly, health tourism as a part of the global trading system has recorded some changes. Hungary has benefited from the global market situation, and private sectors opened the doors for international visitors to receive dental treatment. Another advantage that Issenberg mentions is that Hungary became attractive for foreign investments since it has developed its dental tourism market.

The main disadvantages of Issenberg's multi-lateral market are the high cost of service promotion, and lack of resources to serve all potential patients. Constantine Constantinides (2016) speaks about bi-lateral trading in health tourism, using the example of Greece and Turkey. He mentions that they are neighboring countries. Thus, they have an extensive exchange of health service from one country to another. People travel all the time to receive corresponding medical treatments in the country where that treatment is relatively more developed.

In both papers, the authors do not highlight the main advantages and disadvantages of the two categories of health tourism trading. Each system has its strengths and shortcomings, and identification of the best option (method) for adopting a strategy for Armenia to improve its health tourism sector will be compulsory. Taking into consideration the international experience and health services challenges that Armenia faces, the two categories of health tourism will give a proper explanation, and decide whether Armenia is going to cooperate with many countries, or if it will only focus on neighboring ones.

### Health Tourism Challenges

The author of the article, “First World Health Care at Third World Prices”, lists the main services of health tourism: orthopedic surgery, ophthalmologic care, dental surgery, cardiac surgery, as well as other medical procedures. People who usually come from other countries, have high quality standards and expectations. Health standards are high in their home countries, so even when traveling to another place, driven by low prices, they still expect decent quality. This is a challenge for Armenia, which has the potential to improve the quality of its health care. The improvement of the system needs massive commitments.

Turner Leigh gives an idea about the possible challenges:

- Service delays
- Low quality
- Weak equipment
- Low security

She only lists these obstacles, without profound analysis. Each of the possible obstacles in health tourism in Armenia should be analyzed.

## Competitive Advantages of Medical Tourism in Armenia

After reading the articles “Armenian Medical Tourism Strategies to Get Overdue Check-up” and “10 Reasons Why Armenia has Become a Medical Tourism Mecca,” it became clear to me, that Armenia has the potential to become an attractive destination for global visitors.

The reason why, is that Armenia provides:

- Highly skilled professionals
- Advanced health related technologies
- Armenia is a global crossroad for eastern and western countries
- Armenia is a member of Eco projects: Eco tourism
- Armenia is a relatively safe country
- Affordable prices for hospitality and other services
- Armenia possesses a wide range of historical heritage

Having possible advantages in health tourism is not enough by itself. The problem is getting benefits from these advantages by creating a coherent strategy for industry development, and considering the proper methods to promote health services. The analyses will make a link between Armenian health advantages and the creation of solid international relationships with different countries.

## Medical Tourism and Technology: The Importance of the Internet

Technology is important in the development of medical tourism (*Lunt, 2010.*) Since 2010, a lot has changed in the high-tech industry. Lunt offers several technologic tools to use in the development of medical tourism. A lot of changes have been seen in technology, which will provide an opportunity to extend his idea. In the past 6 years, new communication technologies have been created to promote medical tourism in Armenia.

The “Placidway” website is an example of one such technique, which is a prototype to fulfil any medical project and direct current businesses to use a similar platform to implement new a medical tourism system.

### Key Findings

There are a range of treatments which are the most famous in countries that have a developed medical system for people coming from abroad.

- Dentistry
- Diagnostic (General check)
- Gender reassignment
- Cosmetic treatment
- Eye surgery
- Transplantations of organs and tissues

Being very expensive types of health care, clients prefer to go to countries that have good, yet relatively less expensive services with good quality.

### *Statement of Central Research Questions*

RQ 1: What are the main advantages and benefits of health tourism for Armenia?

RQ 2: What are the strengths and weaknesses of the Armenian market related to medical tourism?

RQ 3: What strategic tools should be used to increase awareness about Armenian medicine in the world?

## Methodology

One of the essential components of scientific learning is its organization and use of a scope of research tools (Holden, 2002.) The substance of research philosophy is in the significance of the information, and knowledge development. Methods of philosophy give guidance to build up the information and develop it. Philosophical research incorporates cosmology, epistemology, axiology approaches (Mkansi, Acheampong, 2012.)

Positivism depends on sensible thinking and observational experience. Along these lines, it is the most targeted perspective of logical knowledge. It is more autonomous. As indicated by Smith (1998,) the investigation of the phenomenon of positivism gives a reasonable quantitative approach. In this way, a philosophical technique that gives a more exact and autonomous representation of the general laws of improvement of health tourism are mainly positivist.

### Research Approach

There are many methodologies (approaches.) In any case, the most widely recognized are qualitative and quantitative approaches. The qualitative will help me to analyze the issue more profoundly by utilizing the data, as well as perspectives and opinions of different groups of individuals. They are examined in detail to see how, and why individuals see their circumstances and issues, and what their needs are. Qualitative strategies are also adaptable. They utilize open-finished inquiries, and examination of the outcomes is done throughout data collection (Lacey, 2009.) Qualitative research is fundamental when creating new products/services, advertising campaigns, and brands.

Quantitative techniques include gathering data in a free frame. They focus not on factual estimations, but rather depend on comprehension, clarification, and understanding of

observational information. They are the wellspring of hypothesis and gainful thoughts. It includes perception, review, surveys, and report investigation which are coded, utilized, and subjected to numerical analysis (Galstyan, Movsisyan, p. 203.) The quantitative information will help me get exact, dependably measurable numerical information. To ensure the accuracy of qualitative information, quantitative tools are going to be used.

### Research Strategy (Case Study)

As a research strategy, case study is investigated. By method for the investigation of empirical data, examination, and actualities about Armenia as a nation with rich resources and potential, it is conceivable to recognize its capacity to be a focus in the market of the health tourism industry. The quintessence of the case method, which is utilized in different fields of sciences, will give an idea of the choice or set of choices, explain why these choices were taken, how they were executed, and what their outcomes are (Meyer, 2001.)

### Data Collection Methods

Information can be primary or secondary. "Primary" is data that is the result of a new study. "Secondary" data is information received from already published material (market research) (Vickery, 2009.)

There are many types of sources for secondary data:

- Academic studies
- Official Publications (government, other institutions)
- Academic books, magazines, journals

Quantitative data is used. It formalizes methods for getting data about the question of the study, with the end goal of settling the outside formal attributes of the objective. Through

quantitative research, the level of intensity in the explored showcase is assessed, and the fundamental needs of the customers and the size of the market is recognized. This data includes percentages, probability, frequency, and other statistical methods.

For primary research, interviews will be taken from different groups of people. In this case, I will use semi-structured interviews with doctors, marketing professionals, and others related to the issue in question. It will incorporate an assortment of alternatives, examine inquiries with a request, and propel inquiries with no specific request. This technique infers the development of new subjects for discourse.

### Sampling Method

Sampling method lessens time and expenses for research, and enhances the reliability of the study. There are numerous techniques to decide the required sample size for the research. The determination strategy for sampling is dependably a compromise between the need to expand the representativeness of the sample and minimize the costs of the researcher. A group of 50 people participated to answer questions regarding health tourism development in Armenia (Appendix 2.)

### Data Analyses

#### Quantitative

There is always a need for statistical studies. There is much statistical data that can be useful for evaluating the progress of the health tourism industry in Armenia:

1. Data about health tourism development in the world.
2. Data about the number of tourists arriving in Armenia.
3. Macroeconomic pointers (share of GDP from tourism in individual countries.)

They, in turn, give the general characteristics of the studied processes of health tourist services in various fields, and show potential for further growth of the market.

### Qualitative

This analysis will comprise of three separate stages: editing, which implies disposing of all damaged or conflicting responses; classification, i.e. uniting diverse answers and formation of cross-classifications; interpretation - the meaning of what is behind the numbers. This strategy will help in the study theories, models, and conclusions (Trochim, 2006.) Also, it will recognize and anticipate the interest of prominent tourists' destinations, the investigation of customer needs, the significance of creating and developing health tourism.

## Research Findings and Analyses

The purpose of the section is to answer to the main research question by practicing qualitative and quantitative analysis.

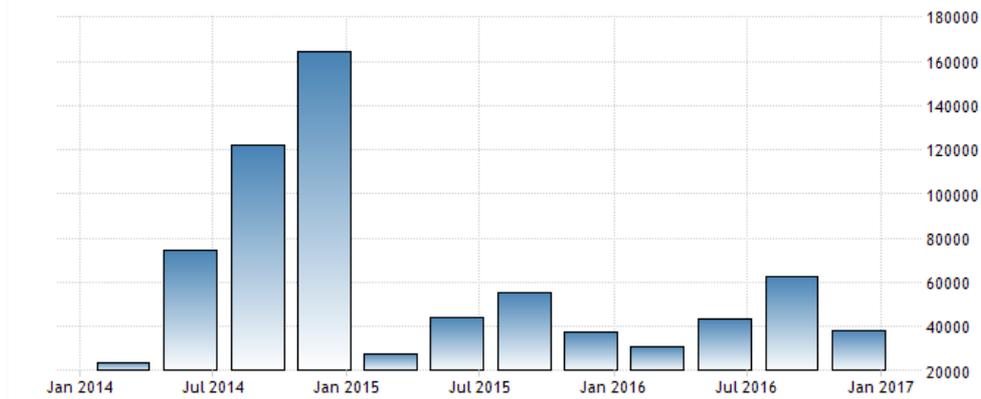
	2006	2007	2008	2009	2010	2011	2012	2013
<b>Tourists Hosted by Hotels</b>	<b>54</b>	<b>59</b>	<b>71</b>	<b>66</b>	<b>70</b>	<b>124</b>	<b>137</b>	<b>149</b>
of which by purpose								
Business	18	22	27	26	31	36	41	47
Leisure and entertainment	13	12	11	13	15	27	29	41
Education	0.230	0.016	0.025	-	0.019	0.016	0.019	0.023
Treatment	0.323	0.130	0.190	0.143	0.579	1.187	0.618	0.558
Other	22	25	32	27	23	60	66	60

### Advantages and Benefits of Medical Tourism for the Armenian Economy

*Figure 1: Tourists Hosted by Hotels*

*Source: Avenue Consultant, 2014*

The subject was guided by several interviews with professionals of the medical industry, and statistical data (Interview Transcript.) The table shows the number of tourists, including treatment tourism, over 7 years from 2006-2013. During these years, a dramatic increase in numbers can be seen. The statistics show the growth of tourism in Armenia for 7 years. We can see that it has an increasing tendency, and after 2013 Armenia welcomed even more tourists to the country.



*Figure 2: Number of Tourists*

*Source: [www.tradingeconomics.com](http://www.tradingeconomics.com)*

Per the national statistics, Armenia had a decrease in tourism after 2015. The purpose of this academic paper is to offer a method to another industry that can contribute to the growth of tourism by attracting people to Armenia.

	2010	2011	2012	2013
<b>Total Services Industry</b>	<b>788,805</b>	<b>872,371</b>	<b>972,593</b>	<b>1,022,754</b>
Organization of accommodation and catering	39,098	44,335	61,062	73,265
culture, leisure and recreation	26,998	32,003	52,161	61,631
education	40,782	48,644	40,463	43,071
health and social services	22,098	33,662	34,248	42,737
activities related to real estate	25,491	28,136	31,602	35,640
information and communication	191,474	199,486	207,196	222,882
transport	170,073	179,676	192,137	167,827
administrative and supporting activities	41,414	47,911	57,425	51,689
Professional, scientific and technical activities	52,732	48,665	49,901	54,452
Financial and insurance activities	164,242	194,536	228,568	250,504
other services	14,405	15,316	17,830	19,056

*Figure 3: Total Services*

## Impact of Medical Tourism on the Economy and Social Wellbeing

*Source: National Statistical Service of Armenia:*

In 2013, health tourism brought 42,737 million AMD to the economy. Taking all of this information into consideration, it can be affirmed that health tourism will bring a massive contribution to the Armenian economy. Tourism in general is a very important sector in Armenia. Per the statistics, it can have a bigger potential to contribute to the GDP of Armenia, which was 10.53 billion dollars for 2015. *It was less than then 1% of gross domestic products.*

Hotels, transport, and leisure companies will benefit from health tourism development by attracting clients from around the world. It will contribute to employment, as well as to new investments in the health system.

## Strengths and Weaknesses of the Armenian Market

### Survey Results

Per the survey (55 professionals, average age-range 25-30,) the best destinations for medical tourism are:

- Germany
- Thailand
- Israel
- Belgium
- Hungary (Questionnaire)

85% of the participants affirmed that Armenia is a good destination for medical tourism.

78% of them knew a person who travelled to Armenia for medical purposes. The services that are included in the table are the types of treatments offered by the participants of the survey. Not all the participants are medical system representatives, so their suggestions are based on the personal experience.

One of the key factors in why people are travelling from one country to another is the price strategy of the services. The table shows prices of the most demanded medical treatments for overseas clients in 6 countries, including Armenia:

Service/Country	Germany	Thailand	Israel	Belgium	Hungary	Armenia
Face Lift	2000	1200	1500	1800	2500	1200
Breast Implant	3000	2000	2500	3000	3000	2000
Rhinoplasty	5000	2000	3000	6500	4000	1500
Breast reduction	5500	2500	3500	6000	4500	2200
Cardiology diagnosis	600	200	300	500	450	150
Dental Implant	1000	700	700	1000	600	400
Eye laser treatment	5000	1500	2500	4500	4500	1000
Body Laser hair removal	1000	600	750	1000	1000	600
Artificial Insemination	2950	2300	2500	3000	2500	2000

#### *Figure 4: Service Prices*

*Source: Various Commercial Sources*

One of the advantages of the Armenian market is the structure of the process. Prices are relatively low and reasonable. This will compensate travels cost of tourism, and in whole, the total cost will be less than whole cost of the treatment (accommodation, transport, food, sightseeing.)

#### Quality

Service quality is another advantage of the Armenian market, as the medical centres offer the highest standards for certain types of treatments. Alternative medicine is another service type, which is quite developed in Armenia. It has hospital and doctor combinations, where clients can have a full package of treatment ([www.imyerevan.com](http://www.imyerevan.com).)

#### Geographical Barriers

There is no visa regime; Armenia can easily become a destination for everybody who wants to receive their health treatment there.

#### Disadvantages for Medical Tourism

1. The low level of investment into health equipment
2. Low support from the government to existing hospitals (building programs)
3. Facilitation of private investments in Armenia
4. Low awareness about of country in the world

#### Strategic Tools to Increase the Awareness of Armenian Medicine in the World

#### Results of the Interviews

The purpose of the interviews was to acquire opinions from professionals and students about the possible development of medical tourism in Armenia. 5 people were interviewed from different industries (head of the medical clinic, ministry of economy of Armenia, Medical Institutions after M. Heratsi, names are not revealed because of confidentiality). The results of the interviews are quite similar, as the participants showed a positive attitude towards promotion projects.

The main ideas about the interview were the importance of medical tourism development for the Armenian economy. The analysis below was done, taking the results of the interviews into consideration.

✓ Service Promotion

The progress of medicinal tourism relies on upon effectively informing potential patients about system alternatives, treatment offices, tourism, travel plans, and destinations in general. The advancement of medicinal tourism incorporates an extensive variety of advertising materials:

- Flyers
- Booklets
- Websites

However, there is a lack of information about the dispersal, substance, and gathering of these special materials. While scientists and news media habitually refer to easy methods as a key determinant for worldwide patient travel, especially to emerging countries, our investigation uncovered few minimal efforts related pictures, or messages in the limited time that materials were dispersed at the public expo. To help clarify this astonishing disjuncture, the Armenian market should consider four related issues:

(1) promotional tools might be intended to be flowed among potential patients, concerned family, and companions who think about medical tourism, and advanced medical equipment

(2) highlight the treatment quality and standards to gain the trust of potential patients overseas (without mentioning the low price of the services, as it can be associated with a lower quality). It is worth mentioning reasonable prices for the whole package, including accommodation and other types of tourism (travelling around the country)

(3) organizations may abstain from making cost sparing cases that can't be satisfied for the greater part of their global patients, particularly those going from developing countries

(4) messages of minimal effort may reduce and even undermine messages about quality  
(ProcidWay, 2016.)

## Recommendations

### Tools Implementation

The main strategic tools for the first stage of medical tourism development in Armenia, as suggested by the research (the experience of other economies, and the specification of the Armenian market), are the following:

#### Brand Awareness

1. Brand development of the medical centres and institutions that want to be a part of the big family
2. Audit and monitoring of the services (quality and prices), and technology (equipment, new methods, etc.)
3. Focus Groups with representatives of the medical industry and surveys to better understand the demand in the current market (Issenberg, 2016.)

#### Implementation

Implementation is proposed as cooperation and communication of the research team with local health providers to adopt services for international clients.

To embrace a new practice, the following steps should be taken:

- Regular correspondence with health providers and international patients
- Application of standards and regulations to arrange pre-treatment and post-release information
- Communication with international clients after they return to their country

#### Medical Tourism Presentations and Workshops

The research team will be involved in international conferences to present Armenia, and the benefits of getting health treatment with Armenian health providers. The purpose is to

add Armenia to the international medical travel map. These workshops will give the opportunity to upgrade medical abilities, and learn new strategies about social insurance suppliers and industry members.

### Special Training

Medical service consumers request awesome administration, incredible restorative care and extraordinary encounters. The research team should organise:

- On-line and on location courses
- Blended learning choices (on location, on-line, virtual)
- Workshops, classes, and introductions
- Topics to enhance the nature of medical tourism
- Cross-cultural training
- Building an outstanding International Patient Department (Von Schoen-Angerer, 2004.)

### Online Destination Guide

The organization of an online network assumes an imperative role in medical tourism. The creation of an online guideline will help to spread the message to international patients through mail, welcome them on social websites, and persuade them to join medical tourism groups in Armenia. The special online guideline will help the patients to choose their medicinal tourism goal, as per their needs, and spending plan. This can incorporate treatment achievement stories of individuals, which can help potential medicinal voyagers to choose better treatment opportunities with the best doctors and facilities in Armenia. Advanced publicizing of medical tourism can help potential medicinal vacationers to assure that their chosen goal meets every one of the principles, and prerequisites they require.

## Conclusion and Considerations for Future Research

The research should keep evaluating positions of Armenia's exchange progression in healthcare, as a component of more extensive, reciprocal, local, and multilateral healthcare. In any case, there is acknowledgement across the board that the international health care is important. Armenia may benefit from its advantages, and create strong trading relationships with various countries around the world.

This is a vital move in the discourse of the healthcare system, that can bring economic benefits to the country. It is critical, in this way, to investigate bi-lateral health trade in more detail, and to evaluate how it may affect the country's socio-economic wellbeing. Such a concentration would move exchange towards a worldwide level of medicine. The quality of service should be guaranteed under certain regulations, which will be another big step of the project.

At the international level, medical tourism brings up issues for multinational and worldwide structures, and procedures. These structures can only be regulated under certain laws and rules, which should be determined by the government. Presently, there is an absence of concurred, universal guidelines for surveying and guaranteeing the quality and wellbeing of medicinal tourism suppliers, as well as wellbeing experts in Armenia. There is a scope of conceivable arrangements (both national and transnational) that may give more data, which can lead to crucial decisions.

The new system of medical tourism promotion should offer insurance against low quality services, which could include empowering autonomous comprehensive accreditation by perceived plans, and advising responsibility for clinical services. In every system, risks are present, so the new project will offer insurance policies to prevent such risks from happening, and make Armenia a nice destination for medical travelers (Cohen, 2009.)

## Limitations of the Research

There are also several limitations pertained to this research. The first limitation concerns access to respondents. Due to the sensitive nature of the information, and ethical concerns, the recruitment of respondents has been done with the assistance of gatekeepers who often choose not to cooperate. The second limitation concerns the potential bias from respondents who work in the Armenian authorities, and therefore know everything about the potential of medical tourism in Armenia. The third limitation concerns statistical data collection, as there is a lack of a source of massive information about tourism, and other industries' performances in Armenia.

*Time Plan*

<b>Tasks</b>	<b>Week</b>
Research	1-2
Interviews	2-3
Meetings	3-4
Analysis of the interviews	4-5
Findings and analyses	5-7
Conclusion and recommendations	7-8

### *Annotated Bibliography*

Connell, J. (2011). *Medical Tourism*. Wallingford, Oxfordshire: CABI.

This book examines the background and development of medical tourism by emphasizing new and innovative features of the industry, and the author discusses travel for health-related purposes. In “Medical Tourism”, the writer explains the phenomenon of the increasing number of people traveling abroad for medical (cosmetic, spa) reasons, and the dire need to improve the quality of these services that are provided. The work consists of 10 chapters. The first part is an overall description, which gives some ideas about medical tourism and the history of its development. In the rest of the book, Connell makes a wide study of practical examples of health tourism in Europe and Asia. The book finishes with the importance of marketing tools, niche tourism and discussions of globalization.

With the use of John Connell’s academic work, which has a distinguished track record in Medicine, my capstone will examine the marketing and economic practices of medical tourism as facilitators of its development in the region. It will serve as a very important source to analyze the most important component of this tourism industry, as well as the role of Information Technology in the growth of demand in the health-tourism market. I am planning to coordinate the quantitative data given in Connell’s work to compare them with statistics available in the Armenian health industry. That will help to measure the effectiveness of health tourism in the local market.

Constantine , C. (2016). Making Health Tourism “Truly” Sustainable and Resilient – for All. International Medical Travel Journal.

This article, published in International Medical Journal, aims to discover health tourism policies and strategies. The writer discusses his personal ideas about the factors that can make medical services sustainable and improve the whole system. The 5 - page article is mainly focused on the competitive advantages in the industry of health-tourism. He takes examples from Turkey and Greece, where there is a big exchange of people going from one country to another, because the medical branches that have developed differently in Greece and Turkey.

I will use this article to clarify the competitive aspects of medical tourism, understand the cost system properly by utilizing examples of several countries, which have broadened the industry by using marketing models. I will also use this source to define the concepts of exchange by considering the development of medical tourism branches in neighboring countries. By that, my capstone can recommend to place an emphasis on the branches that are not developed in another country to gain competitive advantages in the Armenian market.

Goel, P. (2012). Evolution of Medical Tourism. United States

This book is about the social and economic effects of isolating borders which levels the odds for entrepreneurs and companies around the globe. This is the main thesis of the “Evolution of Medical Tourism: from Cottage Industry to Corporate World.” The content of the work of Goel Pramod gives a profound glimpse into the rapid development of medical and dental tourism. The author is referred to as the

“Global Mind” of health tourism in the contemporary literature. In his book, the expert illustrates the fundamental steps in every economy to achieve success in the development of travel for medical related purposes. In order to develop a strong medical tourism market, the professor offers to adopt marketing strategies to demonstrate the advantages of every country. In his book, he emphasizes the following categories: service quality, price policy, geographical location, etc.

The main contribution of the book to my capstone will be a general understanding of medical tourism advancements in the context of the corporate world. This research is going to use the direction that the author offers. It discusses the term of medical tourism from the business option perspective, by giving significance to the costumers’ satisfaction and loyalty. I plan on using this source to practice marketing channels and tools to establish a successful and competitive industry. One of the points in my capstone is to consider the practical examples included in Pramod’s work, which helped different economies to build a profitable medical tourism industry.

Issenberg, S. (n.d.). Outpatients. (2016). *The Astonishing New World of Medical Tourism*.

In his new book (2016), Sasha Issenberg discusses a miracle that happened in the tourism industry of Hungary. The country developed some marketing and PR methods to become the dental service center for the whole of Europe. Hungary has a multibillion-dollar industry of medical tourism, which is largely focused on dental work. Issenberg demonstrates Hungary’s dental tourism as a type of a growing business, because of its relatively low prices and right marketing approaches.

The leading approaches that the book is following, and the story of one country, will be a useful guide and source for my capstone. It will be essential for me to adopt new methods for successful marketing in the development of medical tourism in Armenia. Issenberg's practical consider the cases of Thailand (heart surgery) and Hungary will be a fine source for my capstone to use. The real-life examples will prove my point in discussing the possible opportunities, and competitive advantages of the Armenian market.

M. M. (2013). Armenian Medical Tourism Strategies to Get Overdue Checkup. Official Publication of the Medical Tourism Association, Medical tourism Magazine

This is an official memorandum of the Medical Tourism Association of Armenia. It is an establishment of qualification, certification, hospitality, and trainings in the healthcare system. This article discusses the EU trade agreement as a contribution to the medical opportunities in Armenia. With the agreement, Armenia could record a big inflow of people coming from European countries. Besides this, the magazine concentrates all the current developments of the health industry in Armenia.

I will use this memorandum for my capstone to show the services and ongoing strategies in the healthcare system in Armenia. With the use of the information included in the memorandum, I will do statistical analysis of the progression of the healthcare industry demand from 2013 to the most current one available.

ProcidWay, Explore, Customize, Experience Medical Tourism: Accessed:31/10/2016,  
savailable at:

<https://www.placidway.com/search.php?treatmenttype=&country=Armenia>

This web page is a global platform about worldwide medical tourism services, including those of the Armenian market. It provides information such as a list of hospitals, types of services, costs, news, etc. “Placidway” is a website created seven years ago by the author of “Evolution of Medical Tourism” (Goel Pramod.) The website is mainly designed for costumers that are looking for treatments abroad. The human health organizations are included in the web program as well.

The benefit of this platform for my capstone is to analyze the current prices and service qualities in different markets. In my capstone, a comparison of different markets will be done. This will help to apply the best methodology, or strategy, in the health tourism industry of Armenia. “Placidway” will serve as a role model in my capstone to create a campaign for Armenia to demonstrate the competitive advantages of the local health market for international patients.

Todd, M.K. Taylor & Francis. (2012). Medical Tourism Facilitator's Handbook. BocaRaton

This handbook is mainly directed to coordinate travel logistics and medical records (quantitative data.) “Medical Tourism Facilitator’s Handbook” assumes the part of travel specialists, arrangements, hotel reservations, and visitation systems. It contains all the required information about medical tourism: terminology, types of services, checklists, lay facilitators, etc. The book reveals a wide range of scenarios between the patients and international health organizations. The language used in this

handbook helps to understand the global costumers' needs and to make efforts to satisfy them.

I will be using this source in my capstone to recognize the global needs of customers (patients) and the levels of their expectations. The handbook will help to answer questions concerning the whole of travel logistics: immigration issues, privacy concerns, quality, and unforeseen care in the case of some complexities or missed associations. The global experience will serve as a model for my research to form a clearer image of the situation in the current Armenian market.

Turner, L. (2007). First World Health Care at Third World Prices: Globalization, Bioethics and Medical Tourism. *Bio Societies 2.3 Journal*

In this article, the author illustrates the topic of health-related travel, which has been advanced by individual medical offices. Turner Leigh explains that some of these medical institutions are currently determined by government, public-private organizations, private clinic affiliations, aircrafts, hotel networks, financial specialists and private value assets, as well as restorative businesses. The article touches on the issue that incorporate patients' attempt to stay away from treatment delays and acquire auspicious access to medicinal services. Some countries see medicinal tourism as an asset for the advancement of the economy.

I plan on using on using this article to focus on the effect of medical tourism on economic and social growth. It will be a contribution to the main capstone in terms of seeking the medical advantages of Armenia that can be beneficial in the foundation of the whole economy. With the use of this article, my capstone will offer a certain

organizational system by creating a reliable platform for customers to avoid service delays and poor assistance.

10 reasons why Armenia has become a medical tourism Mecca. Accessed: 30/10/2016, available at: <http://imyerevan.com/en/society/view/11957/>

The content of this web site provides information about different projects, blogs, and magazines about health tourism in Armenia. It gives an overview of the medical equipment available in the market. This source tells about the advantages of the health system in Armenia: qualified doctors, accessibility in terms of geography, safety, reasonable prices, etc. It contains all necessary information for different customer segments, such as children, men, and women's healthcare. The website also includes news about the current changes and improvements in the health system: new methods of treatment and implemented equipment.

This website will be useful for my capstone in terms of some qualitative and quantitative data about the current trends of medical services. The web site provides some statistics available about the local market that can be used in my capstone.

I will expand upon "10 reasons why Armenia has become a medical tourism Mecca" by providing my own list of factors.

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## Appendix

### Interview Transcript

*04.03.17*

*10:00*

*7 Minutes*

Name- (confidential)

Organisation – Representative of the Ministry of Health of Armenia

1Q. Tell me about your work and your role in the Armenian health system.

I work in the Ministry of Health of Armenia, quite a lot time and know nearly all the specifications of the healthcare industry.

3Q. How do you attract customers to use your services (if you are interviewing a doctor)

3Q. In your opinion what is the potential of medical tourism in Armenia ?

I believe that Armenia has a big potential to attract customers internationally, I am not working on that kind of projects but I understand the concept.

4Q. Are you having overseas patients to your clinic (if it is a ministry then to the country)

Yes, Armenia is having quite a lot of overseas patients during the years and it is having an increasing tendency. As I am dealing with the statistics I can see that it does not have a big proportion in the overall number of travellers, so the number should and can be improved.

5Q. IF yes then what are the main type of treatments that are on the high demand among the tourists.

I am quite sure that a lot of people come to Armenia for cosmetic treatment and dentistry.

The services are relatively cheaper and the quality of our hospitals is quite high.

6Q. What is the number of the overseas patients in your clinic (country if it is a ministry) ?

It is hard to tell what was the number during 2015-2017, but the number is improving.

7Q. In your opinion What is needed for the medical tourism industry to grow?

I believe a proper strategy and campaign are needed. The problem is to increase the awareness of Armenia internationally, so people know about the specifications of the market and its services.

8Q. Plans for the future – any possible problems/barriers with regard to developing services?

In my idea, it shouldn't be very difficult to implement marketing tools and promote the services of Armenian medical system. It needs time to create a campaign and follow the steps.

9Q. What do you think will the development of the medical tourism contribute to the economy of Armenia ?

All the economic factors and indicators are interrelated. The positive change in one can cause positive change in others. Briefly speaking, medical tourism will bring more money to our country and improve its performance in terms of GDP, employment, demand, trade balance etc.

## Survey

1. What is your understanding of medical tourism?

2. How do you know about medical tourism?

- Television
- Internet
- Radio
- Newspapers
- Other (please specify)

3. What countries would you consider good for medical services in terms of quality and price?

- 1.
- 2.
- 3.

4. Do you think Armenia is a good destination for medical tourism?

- Yes
- No

5. What types of treatment do you think are available in Armenia for tourists?

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5. What types of treatment do you think are available in Armenia for tourists?

1.

2.

3.

6. Do you know somebody who came to Armenia for medical reasons?

- Yes
- No

7. What type of medical treatment did this person go for?

8. According to you what actions should be taken to make Armenia a medical tourism hub ?

1.

2.

3.

9. What is your age?

- 18 to 24
- 25 to 34
- 35 to 44
- 45 to 54
- 55 to 64
- 65 to 74
- 75 to 84

10. Which of the following best describes your current occupation?

- Education
- Protective Service Occupations
- Architecture and Engineering Occupations
- Business and Financial Operations Occupations
- Life, Physical, and Social Science Occupations
- Healthcare Practitioners and Technical Occupations
- Community and Social Service Occupations
- Arts, Design, Entertainment, Sports, and Media Occupations
- Computer and Mathematical Occupations
- Legal Occupations
- Office and Administrative Support Occupations
- Other (please specify)