Health Tourism

Lecture 8
Planning and development of health tourism destinations
(sustainability, profitability, longevity)

Planning

• **Multi-level planning** is the most effective and sustainable approach.
• This involves the integration of
  – national health tourism strategies,
  – regional developments, and
  – local destination and site management.
• It is important
  – to be aware of the impacts of health tourism development and
  – to follow principles of sustainability and eco-friendliness,
  – especially as health tourism is often based on fragile natural resources and assets.
• A development philosophy needs to be created which infuses all aspects of the planning process,
  – from the selection of the site or location through
  – to the training of staff and the delivery of services.
Planning /2

• Planning *defines objectives and allocates the instruments and the methods* to achieve them.

• Planning is one of the most important tools in *national, regional, and local* authorities:

• **conscious planning** means the task of
  – *preventing or decreasing the negative impacts of tourism* to the minimum level and
  – to *facilitate and strengthen the positive ones* (Rátz & Puczkó, 2002).

Impacts of health and wellness tourism

• The *impacts of tourism* are grouped into three major categories, that is
  – economic,
  – socio-cultural, and
  – environmental impacts.

• The *product specific impacts of health and wellness tourism* can be as follows – *see following slides* (after Mathieson & Wall, 1982; Rátz & Puczkó, 2002).
1. Economic impacts

Table 8.1 Economic Impacts of Health and Wellness Tourism.

<table>
<thead>
<tr>
<th>Impacts On...</th>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>Skilled workforce</td>
<td>Imported workforce (from other cities or even countries)</td>
</tr>
<tr>
<td></td>
<td>Limited seasonal fluctuation of employees</td>
<td>Migration</td>
</tr>
<tr>
<td>Economy</td>
<td>Multiplier effects (especially employment multiplier)</td>
<td>Formation of dependence</td>
</tr>
<tr>
<td></td>
<td>Higher than average per capita spending</td>
<td>Spending concentrated in health and wellness facilities</td>
</tr>
<tr>
<td></td>
<td>Complex spending structure</td>
<td>Increase of regional inequalities</td>
</tr>
<tr>
<td></td>
<td>Imported technology and products</td>
<td>Imported technology and products</td>
</tr>
<tr>
<td>Living conditions</td>
<td>Proliferation of services offered</td>
<td>Mono-cultural supply</td>
</tr>
<tr>
<td></td>
<td>Image of settlement develops</td>
<td>Prices may increase</td>
</tr>
<tr>
<td></td>
<td>Infrastructure developments</td>
<td>Differences between the tourist and non-tourist areas</td>
</tr>
</tbody>
</table>

After Rätz and Puczko (2002).

2. Sociocultural impacts

Table 8.2 Socio-Cultural Impacts of Health and Wellness Tourism.

<table>
<thead>
<tr>
<th>Impacts On...</th>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural heritage</td>
<td>Revitalization and protection of traditional architecture</td>
<td>Mismatch in style and overuse</td>
</tr>
<tr>
<td>Population</td>
<td>Growth of population</td>
<td>Imported workforce (from other cities or even countries)</td>
</tr>
<tr>
<td></td>
<td>Presence of holiday home owners</td>
<td>Facility and holiday home owners do not consider the destination as their permanent home</td>
</tr>
<tr>
<td>Employment</td>
<td>Generation of new jobs and income opportunities</td>
<td>Competition with workforce outside the settlement</td>
</tr>
<tr>
<td></td>
<td>Skills developed</td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td>Revitalization of social, cultural life</td>
<td>Costs of impact management</td>
</tr>
<tr>
<td></td>
<td>Increase of the community’s pride in their settlement</td>
<td>Growth of the proportion of seasonal residents</td>
</tr>
<tr>
<td></td>
<td>Transformation of social stratification</td>
<td>Demonstration effect</td>
</tr>
<tr>
<td></td>
<td>Learning languages, education</td>
<td>Suppression of local language</td>
</tr>
</tbody>
</table>

Source: Smith and Puczko.
3 Environmental impacts

Table 8.3 Environmental Impacts of Health and Wellness Tourism.

<table>
<thead>
<tr>
<th>Impacts On...</th>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vegetation and wildlife</td>
<td>Conservation of habitat</td>
<td>Pollution</td>
</tr>
<tr>
<td></td>
<td>Parks and gardens</td>
<td>Introduction of new species</td>
</tr>
<tr>
<td>Elements</td>
<td>infrastructure</td>
<td>Waste (solid and water) management</td>
</tr>
<tr>
<td></td>
<td>developments</td>
<td>Change of landscape</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Emissions (gas, vapour, fumes)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Thermal, healing water (drilling)</td>
</tr>
<tr>
<td>Land use</td>
<td>Change in land use</td>
<td>Growth of built-up area</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Change in hydrological and other natural systems</td>
</tr>
<tr>
<td>Buildings and milieu</td>
<td>New architectural styles</td>
<td>Wear and tear</td>
</tr>
<tr>
<td></td>
<td>Conserving local styles</td>
<td>Introduction of new styles</td>
</tr>
</tbody>
</table>

Source: Smith and Puczko.

Planning at national level

- There are several and a growing number of countries, for example
  - Czech Republic, Hungary, Thailand, India, etc.,
- that declare on a national level the importance of health tourism
  - (e.g. the Hungarian Government awarded 147 million Euros as subsidy for almost 100 health tourism projects between 2001 and 2004).
- Strategies on a national level are prepared in those countries where some (or more) assets are substantial:
  - Natural assets that are used in evidence-based medicine, e.g. waters, mud, climate, cave.
  - Good health education, e.g. for surgeons, dentists, balneotherapists.
  - Favourable overall and health specific price level.
  - Sufficient supply of complementary services, e.g. attractions, landscape, culture, sea.
Planning at national level /2

• The success of national level planning is based on
  – the tools and
  – resources it can dedicate
  – to achieving goals.

• If the national plan or strategy was supported by funds and mechanisms (all set in the national development plan), the likelihood of success can be very high.

• Otherwise plans and strategies exist on paper only.

Planning at regional level

Planning at regional level has two objectives:

1. It has to ensure the high level of satisfaction of tourists with the given attractions and services (meaning that tourism as an economic activity is successful within the given region).

2. The development of tourism should bring beneficial changes in financial, in socio-cultural, as well as environmental aspects.
Planning at regional level /2

- **Regional level planning** can mean *different things* region by region,

- *depending on* how **centralized or decentralized** the region is (e.g. setting objectives at a project level versus at **regional level**).

- Regionalization, can have **two major forms:**
  - Destinations can **define very specific goals**, especially, if the destination management organizations (**DMO**) **had authority and power from planning to implementation**. They can equally influence investors’ decision making or the targeting and segmenting activities of the destination.
  - The cooperation is not as closely defined in clusters as in destinations. They can **work together to define and to achieve goals** and it is more likely that the planning will influence **communication** than **product development activities**.

Planning at local level

- Planning for health and wellness tourism at **local level** depends very much on the intentions of the local government.

- If a local council applied a **very liberal approach**, then tourism could be considered as an overwhelmingly market driven industry, in which the public sector plays a minimal role.

- This approach can lead to **‘organic’ development** of the destination or settlement.

- **Organic development can be successful** in the long run, but in practice this approach has more risk elements than the so-called **integrated approach**.

- The term of **double integration in tourism planning** (Inskeep, 1991) draws attention to the importance of these relations.

- **Integrated planning and double integration** means:
  - Tourism must be integrated with its (social, cultural, economic, physical, and political) **environment**, and tourism must have its place in **national and regional plans**.
  - Planning must include **all the components of the system of tourism** as demand and supply are interrelated and influence one another.
Planning and development at site level

- Supposing that there are applicable national, regional and/or local plans, site-level planning is much more related to business objectives than general goals.

- Regardless of what facility we want to develop, the existing assets, location, architecture and the service portfolio to be offered can make all the difference.

1. Development concept
   - The development concept combines all the above-mentioned elements into one and is crucial to the success of the project.

2. Location and assets
   - Assets based on which a development can take place, as we could see earlier, can be
     - thermal/medical waters (for bathing or drinking),
     - climatic conditions,
     - medical caves,
     - medical mud,
     - a shrine or a spiritual site.

3. Architecture and design
   - A well-designed spa should be aesthetically pleasing, comfortable, and functional (D’Angelo, 2006).
Planning and development at site level /2

4. Service portfolio

– In health tourism, services can involve a certain amount of associated and real risk.
– Treatments and programmes are dealing with bodies, minds and spirits, therefore guests want services and staff that look safe and are safe, but are also interesting and can enhance health and experiences.
• The range of offered services is essentially important considering those who are accompanying a guest with a health interest and motivation.
• Remote spa resorts on an island, mountain retreats or medical hotels are all facing the challenge: what can guests do when the ‘official’ programme or treatments are finished?
• This question is especially true for those who would not use those services anyway, for example kids or other family members.

SUMMARY

• The most successful developments in health tourism are those
  – which are planned or regulated in some way, ideally combining
  – national government intervention and
  – support with private sector creativity and vision.