

THE LEADING COMMUNITY OF CHINA'S TOP TRAVEL BUYERS

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Chinese medical tourists travel abroad for higher quality services

Chinese travelers who take part in medical tourism do not differ dramatically from their Western counterparts; in that they are all seeking medical resources they deem to be better abroad. Nevertheless, while patients from the United States, for example, may decide to travel to Asia or Latin America for heart issues in order to save more than 30% compared to the same treatment at home¹, Chinese medical travelers are willing and capable to pay extra in order to receive more advanced medical treatment and higher quality of care abroad, according to Ms. Hong Zhang, the Founder and General Manager of Sparkle Tour.

Ms. Zhang pointed out that, typically, the Chinese medical tourism market is drawn to destinations that offer high quality medical services, but do not discriminate between foreign patients and their own residents by charging significantly higher fees. Additionally, some Chinese customers are willing to seek out destinations where the latest medicines are available and are effectively administered to patients. Lastly, Ms. Zhang explained, “[places] where Chinese medical travelers can receive prompt medical responses, such as fast-track appointments in surgical operations or painless gastroscopy, for example.”

“Short-haul destinations, such as Japan and Singapore, are among the most popular”, remarked Ms. Zhang.

Traditionally, the Chinese travel industry acted as a service provider to more specialized overseas medical agencies, providing visas, flight tickets and translators. Subsequently, some leading travel companies embarked on their own medical tourism businesses. These travel agents are catering to an increasingly growing basis of Chinese travelers who are not seriously sick nor seeking medical treatment overseas, but rather traveling for health-check or wellness purposes. Such Chinese travelers would consider undertaking cancer screenings in Japan or plastic surgery in South Korea as feasible as going to the New Year Eve’s Concert in Vienna or visiting the Alhambra Palace in Granada. “Our main products and services in overseas medical tourism include screening for cancer and other common diseases,” Ms. Zhang added, “as well as appointment services and assistance in communication with overseas hospitals.”

Due to a higher degree of privacy concerns and demand in customized services, Chinese medical travelers are, according to Ms. Zhang, typically high-end customers between their 40s and 60s and have the financial means to meet their wellness and medical needs. “That’s why”, she continued, “the split of customized travel, FITs (Fully Individual Travelers) and package groups is 70%, 20% and 10% among our medical tourism customers.”

Specific channels to market medical tourism

Despite the fact that Chinese travel agents engaged in medical tourism also use traditional marketing channels to promote their services, they find it is necessary to harvest positive influence among the friends, families and wider networks of their customer base. In China, it is commonly considered that seeking medical assistance is a private affair and should be kept rather low-key; therefore, it is not

¹ OECD, 2013

unusual to find that Chinese medical tourists' social circles, both online (e.g. WeChat) and offline (e.g. business and alumni networks), have served as one of the major sources of information. Friends' referrals are often deemed as being reliable and can play a vital role in customers' decision making.

Ms. Zhang further remarked that "[customers] are also inclined to be willing to learn more about certain medical facilities and destinations if they hear media reports about Chinese celebrities having chosen to have treatment at certain hospitals or clinics." Chinese celebrities' choices serve as endorsements of these medical providers, since it is believed that the rich and famous will only select top quality services, with money being a lesser concern.

However, while expecting that the market will maintain a strong growth, Ms. Zhang pointed out that the current awareness and actual level of information surrounding overseas medical products and services is still relatively low. This has consequently impacted medical customers' decisions and even levels of satisfaction. Ms. Zhang explained, "overseas medical tourism destinations and clinics are promoted in China through the creation of certain images, such as their specialization in specific medical procedures or treatment. There is little flexibility that intended Chinese customers are willing to take alternatives, even when these medical facilities have no capacity to offer appointments or can only arrangement them after a long waiting period."

Japan's down-to-the-last-detail service spirit wins praise from China

Chinese medical tourists' expectations are generally high: they are paying a much higher fee out of their own pocket, traveling outside of China and sometimes even requiring interpretation services, all in order to invest in their most important assets in their life – their health, beauty or even life expectancy. This is why Japan, according to Ms. Zhang, thanks to its down-to-the-last-detail service spirit, has become one of the most popular medical tourism destinations for Chinese customers.

"A number of Japanese hospital partners that we work with have always satisfied our clients with their professional, rigorous and non-discriminatory services. For instance, an authoritative doctor from our partner hospital will provide a same-day presentation to our clients after they complete their health screening. Along with high-resolution computer images, there are also anatomic models of organs or body parts to help better understand the information. Sometimes the doctor even brings in different sizes of bowls to clarify what he means about reducing rice intake levels. It is not surprising to record an hour-long meeting between our clients and their Japanese doctors (which is unimaginable in China, even in private clinics)."

"Our customized health screening in Japan lets our clients feel the warmth of doctors, literally", continued Ms. Zhang. "Our partners' doctors will warm up their stethoscopes for patients, cover them up with blankets, heat the gel used in ultrasonic examinations and wipe away used gels with a warm towel."

In respect to "hot" future destinations, Ms. Zhang anticipated that Dubai would expect some concrete growth from China as "Dubai has an abundance of internationally-certified medical facilities and has gathered medical experts from more than 110 countries."

"Increased number of affluent Chinese customers are coming to realize that prevention is as important as treatment, and they are willing to book comprehensive health checks through us on a regular basis. Under these optimistic circumstances, I am confident that we will see a three-digit growth rate in medical tourism at Sparkle Tour in the next two to three years", concluded Ms. Zhang.