

A Study on the Strategic Vitalization Plan of Korean Integrated Medical Tourism

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Objectives: As a newcomer to the medical tourism industry, Korea needs to differentiate itself from the leading competing countries to vitalize its early-stage medical tourism industry. This study aims to introduce a strategic plan to vitalize the Korean integrated medical tourism so that Korea can differentiate itself from competing countries and create high added value.

Methods: The concept and actual conditions of medical tourism and Oriental medical tourism were examined. A plan to differentiate Korea from the competing countries in the medical tourism industry was studied to create high added-value through strategic vitalization of its medical tourism industry.

Results: Korean integrated medical tourism must be developed differently from those of other South-East Asian countries in order to strategically promote the cash-cow medical tourism industry. In order to develop such medical tourism, Korean medical practice, which integrates Western and Oriental medicine, is to be developed through mutual understanding and fusion of other disciplines among medical doctors and Oriental medical doctors who are working in local healthcare for health promotion of local residents and disease prevention and control. This will play a key role in developing a unique medical tourism product of Korea by means of strategic alliances as an integrated medicine.

Manpower specialized for integrated medicine is to be specially supplied for Oriental medicine-related business lines at city, county and borough levels, among local governments, that are enthusiastically carrying forward Oriental medical tourism with an interest to promoting more active and strategic business development and raise the effectiveness and efficiency of public health centers handling related medical tourism.

Manpower specialized for Korean integrated medical tourism is to be specially supplied for the Ministry of Culture, Health and Tourism, a policy control tower to develop and vitalize high value-added fusion (theme) tourism products such as the Korean integrated medical tourism, in order to discover, promote and support Korean integrated medical tourism's differences from existing medical tourism.

Conclusions: The differentiated integrated medical tourism that only Korea can offer in a variety of forms, in order to create a key area of high value-added medical tourism, should be strategically vitalized through a liaison between integrated medicine and tourism and the realization of patient-centered health care services with medical technology developed based on mutual understanding of Western and Oriental medicine.

Key Words : Korean, integrated medical tourism, strategic vitalization, differentiation, high added-value

Introduction

Medical tourism has arisen as a new growth engine in many countries.¹⁾ Medical tourism, which

indicates the combination of medical service and tourism, is gaining popularity worldwide as an innovative tourism program.²⁾ Many countries promote the medical tourism industry at a national

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level, and several South-East Asian countries such as Thailand, India, the Philippines and Malaysia are creating high added value through medical tourism by combining traditional medical therapies with tourism.³⁾

Unlike other kinds of medical tourism which focus on patient treatment, Oriental medical tourism targets tourists who can move their bodies relatively freely. Thus, it can be linked with various tourism resources, and has lower risk of medical accidents. In this sense, Oriental medical tourism is one area of medical tourism that deserves thorough attention and investment.³⁾ In particular, as it is possible to use existing facilities and personnel without large scale investment, some local governments are heavily engaged in the vitalization of Oriental medical tourism by utilizing natural environments and conditions in order to boost local economy.⁴⁾ However, if similar kinds of resources and contents are combined as tourism programs, it may be unnecessarily flooded without differentiation and competitiveness. Therefore, the government needs to set a supply strategy based on the demand estimation for balanced supply and demand of Oriental medical tourism.³⁾

As more people are travelling internationally thanks to the development of transportation and communication, their interest in medical services is increasing, too. South-East Asian countries such as Thailand, India and Singapore have found the potential of this market and have supported medical tourism at a national level. Stimulated by such success, the Korean government also began supporting the vitalization of medical tourism a few years ago.⁵⁾ However, Korea, as a newcomer, needs to be different than the leading competing countries, and an effective control tower role of the central government is required to evenly distribute foreign patients, who are intensely flocking to Seoul and the capital areas, throughout the nation.

This study attempts to examine a strategic

vitalization plan for Korean integrated medical tourism in order to vitalize the medical tourism industry in Korea, which is still at an early stage.

Main issues

1. Concept and status of Medical Tourism and Oriental Medical Tourism

Medical tourism began as a type of travel seeking health and wellness thousands of years ago.⁵⁾ Medical tourism is a combination of medical business and tourism for patients who need special treatment or surgery, which is like health tourism.²⁾

The concept of the medical tourism is developed in Table 1.²⁾

Medical tourism in Korea is still at an early stage. Despite such, the number of tourists coming from China and Japan to take plastic surgery has increased along with the “Korean Wave”, and there are also visitors for cancer examination, heart surgery and LASIK surgery. Mainly plastic surgery towns in Myeong-dong in Seoul and Seo-myeon in Busan host such medical tourists.²⁾ Though the number of medical tourists is small, Korea has excellent medical tourism resources. The medical tourism resources in Korea can be classified as in Table 2.²⁾

The strength of medical tourism in Korea lies in its medical technology, services, tourism resources and reasonable price. The medical technology and its level is the highest in Asia, and reaches 80~90% of the advanced countries. The price is lower than international hospitals in China and similar to for-profit hospitals in Singapore.⁶⁾

As for medical service resources and products, there are not many products related to general medical areas, and tourism resources development using Oriental medicines is being vitalized.²⁾

Table 1. Concepts of Medical Tourism

Scholar	Concept
Lee YT (2006)	As one area of special-purpose tourism, medical tourism is a business to provide foreigners, including overseas Koreans, with services and products by developing tourism resources in the health area and commercializing it. It aims to develop related industries and contribute to the national economy such as by acquisition of foreign currency
Hall (1992)	A kind of special interest tourism whose main motivation is related to health
Goodrich (1987)	Intentional attempt to attract tourists to travel facilities and destinations by promoting the combination of healthcare services, facilities and general tourism facilities
Law (1996)	Leisure activity leaving home to improve own health condition
Connell (2006)	Long-distance travel to take medical service such as surgical-dental treatment and enjoy holidays at the same time
Gupta (2004)	Provision of efficient medical services at an affordable cost to patients who need surgery and treatment in combination with tourism
Carrera and Bridges (2006)	Action to move beyond normal treatment area for reinforcing or recovering health by means of medical intervention
Jagyasi (2008)	Action to move long distance or to cross borders to get medical service while engaging in leisure and business directly and indirectly
Kumar (2009)	Action to go overseas or beyond borders to get medical treatment including surgery and dental treatment
Voigt et al. (2010)	Process to go overseas to take medical services which are not provided or are expensive in the native country

Table 2. Classification of Medical Tourism Resources

Classification	Resources
Medical service resources	Medical technology (diagnosis, surgery, etc.), hospital, clinic
Product resources	Herb, medicinal herb, cosmetic material, massage
Natural resources	Herb, medicinal animals and plants
Tourist resources	Herbal garden, festival, expo and museum

Table 3. Concepts of Oriental Medical Tourism

Scholar	Concept
Choi SG, Kim HG (2005)	A kind of health tourism which arises by the combination of oriental medical treatment services with health related tourism activity
Jeong DC (2002)	A kind of health tourism to provide tourism programs, services and facilities for health improvement and treatment using oriental medical resources
Yu JY (2009)	Preventive healthcare and treatment tourism for health improvement and treatment using oriental medical resources in tourism programs, services and facilities

According to the Reuters, professor Helmut Wachowiak estimates that the global medical tourism market value ranges between \$40 billion~\$60 billion with about 20% annual growth. It means more and more people would select medical tourism to seek affordable cost, rapid treatment and operation or surgery that cannot be provided in their native countries.¹⁾

Despite such excellent medical tourism

resources and potentiality, the medical tourism industry in Korea falls short of expectations due to lack of promotion, etc.²⁾ According to the research report on 'Policy project for developing the medical service industry', global medical tourism has increased up to \$100 billion worth, but the resulting attraction to Korea is less than 1%.⁷⁾

Generally, Oriental medicine is recognized as a

relative concept against Western medicine, and is called Oriental therapy, Oriental hospital and Oriental medical therapy. Concepts of Oriental medical tourism are presented in Table 3.³⁾

In December 2008, the report by the Presidential Council on National Competitiveness remarked that Oriental medical tourism support system would be built by combining the Oriental medical industry cluster with tourism, which is promoted by local governments, and that a comprehensive plan for vitalizing Oriental medical tourism would be prepared. During the new year's speech on January 2, 2009, the President remarked that high value-added service industries like the medical industry would be strategically supported to make good jobs and national wealth.⁸⁾ As for the market characteristics of Oriental medical tourism, the survey of the Korea Tourism Service in 2008 showed that medical skin care (75.8%), Oriental medicine (36.1%) and health examination (27.4%) had high marketability towards those with medical tourism experiences in Asian countries. The main Oriental medical tourism countries were Japan, Hong Kong and Thailand from the highest order.⁹⁾

To realize the vision of "Global Oriental Medicine Korea", the government established an Oriental medical tourism receptiveness system, promoted overseas marketing, vitalized an Oriental medical tourism cluster and set up an administrative support system and follow-up management strategy.

However, if similar Oriental medical resources and tourism programs are combined in regions, it will generate excessive Oriental medical tourism without competitiveness and differentiation. Therefore, the government needs to set a supply strategy based on demand estimation to balance supply and demand for Oriental medical tourism.³⁾

The global traditional medical market is \$100 billion in size and the government aims to

increase its share of this market by attracting overseas patients to Oriental medical area.¹⁰⁾

In order to vitalize the Oriental medical tourism industry in Korea as a new growth engine,³⁾ Korea needs to differentiate it from the leading competing countries, and the effective control tower role of the central government is also required to evenly distribute foreign patients, who are intensely flocking to Seoul and the capital areas, throughout the nation.

2. Strategic vitalization plan of integrated Medical Tourism

To vitalize our medical tourism industry by means of differentiation, it needs to develop fusion integrated medical service. The Oriental medicine R&D long-term development plan (2008~2017) remarked on the integrated medical research vitalization and support system by setting an advancement promotion strategy of Oriental medicine R&D to secure medical service improvement and treatment technology competitiveness.¹¹⁾

Kyunghee Medical Center is active in content development of Western and Oriental medical tourism. They entered an agreement with the Korea Tourist Service, for 'Vitalization of Medical Tourism by using Western and Oriental medicine,' and have promoted Korean medical tourism using traditional medicinal herbs and fusion of the technologies of Western and Oriental medicine.¹²⁾

In 2010, Daegu Integrated Medical Center for Incurable Diseases started construction. The center, located near the hospital of the Catholic University of Daegu, aims to treat 5 incurable diseases including stroke, diabetes, dementia, lung cancer and liver cancer. The center will be operated by the Integrated Medical Promotion Institute, co-invested by the Catholic University of Daegu and Daegu Hanny University. Daegu also

has a plan to construct another integrated medical healing center for alternative medicine and rehabilitation services in Suseong medical district in Suseong-gu.¹³⁾

An integrated medical center will also be established in Jangheung-gun, Jeollanam-do in 2015 with 25 billion won investment. Yonsei University Severance Hospital will advance into the Oriental and Western alternative medical market, establishing a hospital with 200 sick beds and 50 medical staff in Jeollanam-do. Jeollanam-do and Jangheung-gun will have established the first integrated medical center in Jangheung-gun by 2015, to introduce a new medical service system focusing on patients and disease prevention with 25 billion Korean won investment from national, local and private funds. The center will take clinical tests for chronic, environmental and incurable diseases. Once operating, it is expected to make a huge impact on national health insurance cost reduction and attraction of foreign patients along with medical system changes.¹⁴⁾

It is urgent to develop differentiated Korean integrated medical tourism products to create a high profit tourism industry. Integrated medical tourism can be defined as differentiated medical tourism which can be experienced in Korea based on mutual understanding of Oriental medicine and Western medicine and integrated medicine.

Institutional medicine is two parallel systems of Oriental medicine and modern medicine. However, recently active exchanges between the two are being made under the title of 'Oriental • Western medical cooperative treatment' or 'East-West medicine.' While these two medicines have different basic viewpoints, their ultimate goal to help health life is same. The exchange between the two medicines is an attempt to overcome the limits of any single medicine, and aims to find a proper treatment for patients.¹⁵⁾ According to the

current medical law, the medical doctor deals with medical and health services, and the Oriental doctors are engaged in Oriental medical and health services respectively. In order to expand understanding and to integrate the two systems, they need to exchange medical staff. Table 5 shows the operation of medical treatment rooms in the public health centers in Korea (including health clinics).¹⁶⁾ As 225 public health centers (88.9%) out of 253 operate an Oriental medical treatment room, it seems realistic and proper to make scholastic exchanges between the public medical doctors and Oriental doctors. This is because they have no direct economic conflict with each other and are colleagues who communicate frequently. The public health center is a public health organization installed in cities, counties and boroughs to prevent pandemic diseases and to improve public health in accordance with Article 7 of the Regional Public Health Act. The government and the medical community have a conflict over the treatment function of the public health centers. Thus, the act is said to be in the process of revising to improve health of local residents and to prevent and manage diseases. As a media article remarked, since the public health centers must concentrate on local community health problems rather than treatment or health business execution,¹⁷⁾ it is desirable that the public medical and Oriental doctors are engaged in developing the Korean integrated medical practice for health promotion of local residents and disease prevention, based on scholastic exchange, by linking oriental and Western medicine, because the regional public health organization could contribute to the differentiated medical tourism products in an enormous way.

It is expected that the integrated medical centers in Daegu and Jangheung would contribute to the vitalization of integrated medical tourism in

Table 4. Dept. of Oriental Medicine in National Oriental Medicine Urban Association

City, Province	City, County, Borough	Department Name
Chungbuk	Jecheon-si	Oriental medicine economy manager
		Oriental medicine industrial team manager
		Attendant
Jeonbuk	Jinan-gun	Strategic industrial manager
		Public relation staff
		Attendant
Daegu	Jung-gu	Strategic management manager
		Strategic management staff
		Attendant
Gangwon	Pyeongchang-gun	Health clinic
		Project manager
		Preventive medicine staff
Chungnam	Geumsan-gun	Attendant
		Policy project manager
		Policy development staff
Jeonnam	Hwasun-gun	Attendant (Oriental medicine industry)
		Public health center director
		Oriental medicine staff
Jeonnam	Jangheung-gun	Attendant
		Enterprise support manager
		Herb medicine staff
Gyeongbuk	Andong-si	Attendant
		Public health center director
		Health administration manager
Gyeongbuk	Youngcheon-si	Medicine staff
		Attendant (Oriental medicine city)
		Attendant (Medical Tourism)
Gyeongbuk	Mungyeong-si	Agricultural technical center distribution manager
		Specialized farming team manager
		Attendant
Gyeongbuk	Sancheong-gun	Farming technical center income development manager
		Schizandra staff
		Schizandra Attendant
Gyeongnam	Hamyang-gun	Schizandra Attendant
		Oriental medicine herb business manager
		Oriental medicine support staff
Gyeongnam	Hamyang-gun	Attendant
		Economy manager
		Equal development staff
Gyeongnam	Hamyang-gun	Attendant
		Forestation manager
		Wild ginseng staff
Gyeongnam	Hamyang-gun	Attendant
		Agricultural technical center technology distribution manager
		Medical herb staff
Gyeongnam	Hamyang-gun	Attendant

Korea.

Recent press reports show that cooperative

Oriental and Western medicine treatment is the most effective treatment for backache,¹⁸⁾ and the

presentation of 'a plan to vitalize business to attract foreign patients and stability improvement plan,' held in Severance Hospital by Korea Health Industry Development Institute, argued that the integrated medical service development was required to expand the attraction of foreign patients, and that regional attraction capacity must be intensified to have equal distribution of patents who are concentrated in Seoul and the capital areas, throughout the nation.¹⁹⁾

In 2011, the number of foreign patients in the Oriental medicine was 9,793 with Seoul 86.7%, Gyeonggi 5.5%, Daegu 3.9%, Gangwon 2.2%, Busan 1.4% and other 0.3%.²⁰⁾

Many primary local governments promote Oriental medical tourism and Table 4 shows the medical tourism line responsible for the business.²¹⁾ In the organization, there were no specialists in Western or Oriental medicine. In 3 primary local governments out of 12, the public health center takes business developing policies by sharing human and physical resources, but

specialists for integrated medicine must be secured for specialty and promotion of the business. It is also effective to adjust the scope of work so that the public health center takes responsibilities. As a public health center has doctors, Oriental doctors, nurses, pharmacists, physical therapists and medical laboratory technologists, it is ideal for continuity and promotion of the business with which a non-full time facility could not cope.

If similar kinds of resources and contents are combined as tourism programs, it may be unnecessarily flooded without differentiation and competitiveness. Therefore, the government needs to set a supply strategy based on the demand estimation for balanced supply and demand of Oriental medical tourism.³⁾ Accordingly, the government needs to develop high value-added fusion themed tourism products like Korean integrated medical tourism and to arrange specialists for balancing supply and demand. If necessary, it needs to recruit specialists with multiple licenses of medical doctor and Oriental

Table 5. Public Health Centers Providing Oriental Medicinal Health Services in Korea

(As of Dec. 2011, Unit: number)

City, province	Number of public health centers (health clinic)	Number of public health centers providing oriental medical health services	Percentage (%)
Total	253	225	88.9
Seoul	25	19	76
Busan	16	4	25
Daegu	8	6	75
Incheon	10	10	100
Gwangju	5	5	100
Daejeon	5	5	100
Ulsan	5	1	20
Gyeonggi	45	44	97.8
Gangwon	18	16	88.9
Chungbuk	13	13	100
Chungnam	16	16	100
Jeonbuk	14	14	100
Jeonnam	22	22	100
Gyeongbuk	25	24	96
Gyeongnam	20	20	100
Jeju	6	6	100

medical doctor, or others with interdisciplinary careers in tourism and management based on Western or Oriental medicine to discover, promote and support differentiation of the Korean integrated medical tourism.

Discussion and conclusion

While Korean medical tourism has strengths in medical technology and services, tourism resources and reasonable prices, it is still at an early stage. Only a few products are provided to link between the general medical area and tourism. Rather, the tourism resource development in Oriental medicine is vitalized.

To realize the vision of "Global Oriental Medicine Korea", the government established Oriental medical tourism receptiveness system, promoted overseas marketing, vitalized an Oriental medical tourism cluster and set up an administrative support system and follow-up management strategy.

A recent media report²²⁾ "Oriental medicine, time to leap for the global market" suggests that Korea attempts to preoccupy the global market by means of international competitiveness with foreign currency funding support and Well-KOM Care (Get Well, Korean Medicine, Care, April 2013).

Kyunghee Medical Center is active in creating the 3rd medicine by integrating Western and Oriental medicine and promotes Korean Medical Tourism activities using fusion of medical technologies, and Daegu plans to establish an integrated medical center for 5 incurable diseases including stroke, diabetes, dementia, lung cancer and liver cancer, and also will operate another integrated medical healing center for alternative medical services and recuperation. Further, Yonsei University Severance Integrated Medical Center will open in Jangheung-gun, Jeonnam to treat

chronic, environmental and incurable diseases.

Korean integrated medical tourism must be developed different from other South-East Asian countries in order to grow the medical tourism industry strategically. To vitalize our medical tourism industry by means of differentiation, it needs to develop converged integrated medical service.

The institutional medicine has a dual parallel system of Oriental medicine and modern medicine. With active exchange between the two to reduce disadvantages and to accept advantages, the Korean integrated medical tourism industry would be vitalized. In order to expand understanding and to integrate the two systems, it needs to exchange the medical staffs first. The public health centers have public medical doctors and Oriental doctors working as colleagues. Thus, it is expected that the public medical and Oriental doctors are engaged in scholastic exchange because they have no direct economic conflicts with each other and are colleagues who communicate frequently. The government and the medical community have a conflict over the treatment function of the public health centers. Thus, it is said that the Regional Public Health Act would be revised to improve health of local residents and to prevent and manage diseases. The public health centers must concentrate on local community health problems rather than treatment or health project execution. It is expected that the public medical and Oriental doctors are engaged in scholastic exchange and the development of Korean integrated medical activity for disease prevention and for linking Oriental and Western medicine, because the regional public health organization could contribute greatly to the differentiated medical tourism products.

Many primary local governments promote oriental medical tourism projects and Table 4 shows the business lines responsible for the

projects. In the organization, there were no specialists on Western or Oriental medicine. In 3 primary local governments out of 12, the public health centers take on the project developing policies by sharing human and physical resources, but specialists for integrated medicine must be secured through special recruitment to promote the business more actively and strategically. It is also effective to adjust the scope of work so that the public health centers take responsibilities. As a public health center has doctors, Oriental doctors, nurses, pharmacists, physical therapists and medical laboratory technologists, it is ideal for continuity and promotion of the project with which non-full time could not cope.

The government needs to develop high value-added fusion (theme) tourism products like Korean integrated medical tourism and to arrange specialists to balance supply and demand. If necessary, it needs to recruit specialists having multiple medical doctor's licenses and Oriental medical doctor's licenses, or others with interdisciplinary careers in tourism and management based on Western or Oriental medicine in order to discover, promote and support Korean integrated medical tourism's differences from existing medical tourism.

As considered above, a differentiated integrated medical tourism that only Korea can offer in a variety of forms, in order to create a key area of high value-added medical tourism, should be strategically vitalized through a liaison between integrated medicine and tourism and the realization of patient-centered health care services with medical technology developed based on mutual understanding of Western and Oriental medicine.

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