MARKET REPORT

HVS Monday Musings: The Heal in India Initiative – An Opportunity for Indian Hotel Sector

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Hotels and healthcare facilities, two key stakeholders in the growing medical tourism segment that successfully collaborated to provide quarantine services during the pandemic, should now build on this success to realize medical tourism's true potential.

India has emerged as a preferred medical tourism destination, with the Medical Tourism Association ranking it as the world's 10th most attractive country for medical tourism in 2020-21 out of 46 destinations worldwide. Nevertheless, India ranks higher in terms of medical tourism costs and facilities & services. The presence of several high-quality, well-equipped healthcare facilities, as well as a strong base of highly skilled and specialized English-speaking medical professionals, offering world-class treatments at much lower costs than in developed nations, are some of the reasons for the growth of this segment in India.

With the easing of international travel restrictions and the falling rupee, medical tourism is expected to increase in the country, and India is preparing to capture a larger share of the global medical tourism market, which is estimated to be worth USD 60-80 billion, through the Heal in India initiative. As part of this initiative, the government will soon launch a new portal that will serve as a one-stop center for foreigners and those seeking medical assistance. Medical travelers will be able to access information about hospitals in the country that offer specific medical treatments, as well as treatment costs, and will be able to apply for visas through the portal. The government also intends to create an 'Ayush' visa category for foreigners seeking traditional medical treatments in India. These initiatives are expected to assist the country in becoming a global medical tourism hub and a preferred destination for quality healthcare services in the future.





Source: Freepik

The growth potential of medical tourism, as well as the fact that it is a year-round business, making it more dependable than the seasonal leisure segment, has prompted hotel chains to develop properties near prominent hospitals and medical centers in the country, and these hotels frequently enjoy higher occupancy than other hotels in the city. However, India has yet to see extensive alliances between the hotel and healthcare industries to provide travelers with a seamless medical tourism experience.

During the pandemic, hotel chains and healthcare facilities successfully collaborated to provide quarantine services when hospital beds were scarce, and the two industries should now build on this success to realize the full potential of medical tourism. Partnerships between hotels and hospitals will help hospitals free up beds, increase convenience for patients who have been discharged but require follow-up care, and provide a steady revenue stream for nearby hotels. Hotels can offer special rates or all-inclusive packages as part of such partnerships, as well as customized facilities and services such as customized elevators that can accommodate stretchers, interconnected rooms near elevators or on lower floors, and customized food and beverages as per special dietary requirements to the patients of the partner hospital. Developing dedicated hospital-hotel mixed-use projects and patient hotels designed to meet the needs of medical travelers, as is common in Scandinavian countries, could also be a profitable business model in the future and help the country realize its true medical tourism potential.