Attractiveness of Swiss Health Care and Medical Tourism


International Tourism Trend study

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**Introduction to the topic**

Although Swiss health care in general and medical services affiliated with tourism industry in particular may be considered somewhat expensive inside the country and by its visitors or clients from abroad, various sources, including peer-reviewed professional articles from Gulf News, Fraser Institute and several renown institutions, such as WEF (World Economic Forum) estimate Swiss Medical Services Competitiveness among the highest Swiss USPs.

**Summary of Articles**

Opinion on Swiss health care system in general:

The Fraser Institute representative, Dr. Nadeem Esmail conducted a short research to describe Swiss Medical system to his colleagues and other English-speaking interested readers. Here’s my interpretation of his explanation, adjusted to our topic:

Swiss health care system differs from North American peers; it doesn’t rely much on medical taxes requested by the government. “The Swiss model provides universal coverage in an insurance premium-funded system characterized by competition between independent insurers and competition between providers, consumer choice of health plan characteristics, and a high level of consumer responsibility. Universality is ensured through government mandates for insurance purchase” ». (Nadeem Esmail, 2013)

However, Swiss health care system seems to succeed in retaining its dominant position on the market, providing customers with high level of satisfaction, despite its expensiveness.

**Financial Factor**

The past economic crisis of 2008 and its consequences contributed their share to the diminution in numbers of tourists from Eurozone in general and interested in medical services in particular.

**Atractiveness for the new markets**

Swiss medical services become more and more popular in several Asian countries: Russia, China, some Middle Eastern countries as well. One may suggest that BRIC countries in general will dominate in this sector of Swiss FDI in the next two decades.
According to the WEF 2013 report, Health and wellness tourism attained new level, despite high prices and competition from over European countries, such as Austria, Germany, even Croatia and Hungary, which are also in a very good situation in this particular sector of Economy. Of course, this also includes medical extraordinary situations, such as cardiology services, advanced blood diagnosis, e.g. situations where patients require fast and exact measurements and possible intervention. But this category also includes wellness-oriented services and after-care time expenditures, which all contribute to the increased linkage multiplier factor.

Most well-known and reputed hospitals popular nowadays may be found in Geneva, Lausanne, Bern, Montreux, Vevey. There medical tourists search for popular services, including spa procedures, cosmetic and reconstructive surgery, etc. However, other more minor destinations (like smaller cities in cantons Vaud and even Valais) also start entering the business, taking care of less wealthy customers. The author of this article-blend contributes his efforts to this process as well.

Although dental services are considered extremely expensive, “Swiss-made” dental prosthesis are becoming rather popular among the Russian customers.

*The Swiss Health and Wellness Tourism is worth over CHF3 billion (about Dh12.1 billion). It was one of the most growing sectors in 2012 together with being the second-largest market in Europe in the health and wellness tourism segment. Medical tourism accounts for 30 per cent and spas for the remaining 70 per cent, reports Euromonitor.* (Pavri S., 2013)

Various source estimate considerable growth (+5% for Pavri’s sources) in this market.

Medical treatment in Switzerland may be rather expensive, prices going up to CHF20,000.

**Conclusion: recommendation for Switzerland**

Despite many factors, such as apparition of low-cost competitors in Eastern Europe, Asia and South America, Swiss medical market can still make its stand, attracting potential customers from previously unaffected areas, such as, for example, Russian Federation and other post-soviet states, People’s Republic of China. But Swiss popularity isn’t limited to that market share, since it still may attract many traditional EU-visitors, such as Americans, who gladly effectuate FDI in Swiss economy, visit the country for business and on medical purpose. However, this segment will decrease during the next decade due to the actual global financial situation and challenges US government faces nowadays.
References


