

MEDICAL SPAs: HEALTH, ECONOMIC AND TOURISM ASPECTS

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1. Introduction

Over the last years, medical SPAs¹ have been known not only for the effectiveness of the health care services² provided but also because usually:

- a) their locations are fascinating;
- b) the ancillary services provided are of a high quality standard;
- c) they are easy to get to.

In this context, the reputation of a thermal resort is actually capable of benefiting the whole surrounding area, thus strengthening the concept of tourist destination. In modern times, it is possible to point out that the quality of the services (i.e. medical SPA resorts) along with the welcoming capacity and the perception of well-being are all characters that contribute to increase the *appeal* of the tourist destination in which the thermal resorts carry out their activities.

Tourist packages are then to fully assess the “value added” represented by thermal resorts, both by means of a higher level of scientific validation and through the experimentation of new legal and organisational forms whereby to manage the resorts. Marketing at the local level together with the awareness that medical SPAs represent essential assets are supposed to foster the growth of the resorts themselves.

Accordingly, medical SPAs are by definition set to carry out positive and long-lasting co-operation between tourism promotion and health care services, thus

¹ Both at the European and international level, “thermae” are identified with the word “SPA”, which many scholars regard as the acronym of the Latin word “*sanitas per aquas*”. Others, instead, are convinced that the word derives from the little village in Belgium called “Spa”, the hot springs of which used to be beneficial to Roman soldiers and their horses, especially after battles. Medical SPAs are then based upon the existence of natural spring waters or sea waters. These treatments, rich of minerals, including thalassotherapy, have been historically identified with medical treatments, which are capable of restoring a wide range of bad health conditions. Such a healing effect has enabled most European national health authorities to refer medical SPA treatments to those services that the national health systems ensure to their citizens out of the general taxation.

² “In the early 1990s there was very little overlap between medicine and spas. That has changed dramatically over the last decade. More doctors have discovered that spa and wellness establishments can be allies in helping their patients make long-term lifestyle changes”. S. ELLIS, *SpaFinder Wellness Trends*, in L. PUCZKO’ – M. SMITH, *Health, Tourism and Hospitality. Spas, wellness and medical travel*, Routledge, 2014, second edition, Chapter 9, p. 239.

linking two concepts that especially at the European Union level have been lately very much enhanced.

Against this background, the paper aims at:

- a) highlighting the characteristics of the so called “health tourism” (par. 2);
- b) stating that SPAs, including medical ones, are natural DMOs (Destination Management Organisations) (par 3);
- c) briefly recalling the recent evolution of *thermae* (par. 4);
- d) pointing out to the European experience as far as patients who want to access cross-border health care services are concerned (par. 5);
- e) underlining the goal and the action plan relating to tourist promotion connected to medical SPAs (par. 6);
- f) bringing about some proposals (par. 7).

2. Health tourism: some key words

Over the last decades, both in Europe and world wide, there has been an increase in the numbers of people whom travel cross-border and over the oceans to access tourist as well as health care services. Such an increasing demand for well-being has brought to surface a new awareness relating to tourist attractions and services. Against this background, it is possible to state that the very concept of “cure/treatment” has been changing over the last ten years. Its evolution has been influenced by a different approach to health matters. Indeed, health is no longer identified with a strictly medical resolution of an illness but also with the possibility of redress, relax and an opportunity of preventing some state of mind. In this respect, sports, wellness and SPA treatments have been more and more successful also because they have been adequately supported by specific and targeted marketing campaigns.³ In other words, the traditional concept of “cure” has been enlarged, thus including modern approaches and tools, whereby people may

³ Also governments have changed their attitude towards health tourism: see, PUCKZO’ – SMITH, *above*, p. 102.

actually experience a new and different way of facing their own demand for well-being.

The following trends may be generally depicted:

1. the number of *seniors* whom are willing to travel is increasing;
2. the *seniors* are healthier and wealthier than in the past;
3. most of them can count on early pension schemes;
4. increase of the demand for quality, economic convenience and security;
5. increase of the demand for easily accessible transports;
6. increase of the demand for products and services targeted for singles;
7. increase of the demand for tourism during the so called “dead Seasons” of the year;
8. a higher awareness by tourists concerning the aspects related to their own health, which accordingly has a great deal of influence on the choice of the destination and on the market behaviours during the stay;
9. increase in the perception of the destination and the surroundings as distinctive aspects to choose a destination.⁴

Globalisation drives to an overall necessity of thinking over the boundaries of a new economy, which has to come to surface and overcome localism so as to be an actor on the international stage. In this respect, tourism and especially health tourism must be re-invented so as to communicate and market the enormous natural and historical resources in a modern way. Accordingly, health tourism and hot spring resources are supposed to be strengthened according to sustainable development programmes, by which environment and economic growth can get together. Such a growth has also to do with finding out new strategic and organisational tools whereby to carry out innovative projects.

⁴ It has been stated that Middle Eastern patients usually travel for factors unrelated to cost, such as quality of health care, skills and reputations of the health-care providers and technology and availability of advanced services (e.g. heart transplant). See, M.Z. YOUNIS, *Muslim Patients*, in EMTC2011, 28 April 2011, Barcelona.

3. Medical SPAs: a case for a natural “destination management organisation” approach

The aforementioned *trends* point out that tourists-curers show a higher degree of sensitivity towards the quality of tourist offers compared to the past.⁵ In this respect, medical SPAs are then called upon to deal with the most useful strategies to develop and enhance health tourism. Wellness, well-being, prevention effectiveness of medical SPA treatments, as well as the necessity of innovating the thermal products, are parts of an overall strategy. The goals of this strategy are the promotion of health in its wide meaning and the sustainable development of tourism at the local level. In this respect, accordingly, tourist and local health authorities are to define actions and programmes by which to develop a new approach to local tourist promotion. This has to revolve around the existence of medical SPA resorts, which can actually take on also the pivot role of tourist promotion in that particular area.

However, it is to be stressed that such a new approach has to be based on a joint programming action plan, whereby public bodies, private entrepreneurs, health authorities and SPA resorts can actually agree upon a set of measures and tools so as to implement and develop the “offer” of that given area. As far as SPA resorts are concerned, their medical-based-evidence character is to go along with their capacity of providing a modern and requested environment to foster good life and health styles. The experience of many medical SPAs and the aforementioned worldwide health tourism trends clearly point out that also SPAs do fall within the concepts of territorial marketing and destination management, in the view of assessing and evaluating the thermal resort destination as a tourist one.

⁵ A specific research on spa-going respondents from 34 countries showed that the following as the primary reasons for visiting a spa: relaxation/stress management (88%); hair/nail/waxing maintenance (59%); improve appearance (47%); skin care (37%); gift (31%); pain management (22%); social experience (19%); other (3%); medical reasons (3%). See, COYLE HOSPITALITY GROUP (2011), *Global Spa Report*, www.discoverspas.com/news/newsstudies41.shtml.

Tourist competition of a given area mainly derives from the resources that it possesses. However, it is not so unusual to find territories that despite their rich attractions factors and endowments are not able to face competition. This very much depends upon the insufficient capacity of integrating natural resources with an adequate mix of tourist services. Such a lack of integration does not allow then to promote co-operation and managerial behaviours, which are on the contrary among the most important aspects of a successful tourist destination policy. Accordingly, it is possible to underline that the capacity of attracting tourists does not stem out only from the actions of single territorial actors. It is rather the outcome of a system or network of actors which is capable of summing up all the stakeholders that operate and are involved in that particular territory so as to balance their interests.

In this perspective, hot spring resorts become *Destination Management Organizations* (DMO).⁶ Despite the importance of marketing issues is fully recognised, over the last few year, a deeper analysis has brought about a different reality. This includes the typical marketing functions along with other ones, which are more consistent with the tourist development of the destination. Such a broader picture takes into account the goals, the functions and the organisation of a DMO. According to a systemic approach, it is then possible to analyse the role of DMOs in the development, management and promotion of a tourist system. Indeed, an effective process of destination management is expected, on the one hand, to analyse, set out and manage the attraction factors and the different entrepreneurial actors of the local system. On the other hand, the destination management approach is to organise all these components in tourist packages, which are to be capable of attracting tourists' demands on the market.

⁶ DMO's role is crucial in promoting a health SPA: indeed, their main objective is to offer and introduce the available additional services and attractions in one given area. "In Europe, mainly historic spa towns or towns with an established clinic or major spa tend to label themselves as health or wellness destinations (e.g. Baden Baden in Germany). In other parts of the world, the health element typically is only one of the many image making elements or strengths". PUCZKO' – SMITH, *above*, p. 153.

4. From “thermae” to “thermal well-being”: the market-oriented evolution of medical SPAs

It is well known that “thermae” has been changing from a “place” where to go to get cured to a “destination” where to find solutions to health and life expectations at large. The evolution of the cure concept has brought with it then a change in the way hot spring resorts are perceived by the public. Along with the growth of the preventive role of medical SPAs, they have also been regarded as a component of the overall “health market”. This market is wider than both thermal medicine and the wellness system only. Indeed, the “health market” comprises of various and different aspects, such as sports, life style, food education as well “other” types of tourism.

This evolution implies that SPAs are no longer regarded as a social phenomenon only. By contrast, SPA resorts are considered to be places where to spend individual and quite short stays, during which “tourists” get *also* cured but especially are taken care of. Indeed, whereas in the past medical SPAs were used to be attended for relatively long periods of time and by ill people, nowadays hot spring resorts are visited for shorter periods of time by “health tourists”. These are individuals whom are willing to exploit many or all the tourist opportunities that the area can offer to them after being treated. It is noteworthy that these treatments are no longer only strictly medical but they can also be (and it is often so) referred to a general state of health wellbeing.

Such a change in the way health SPAs are perceived by patients at large ends up with challenging the very core of thermal treatments, namely, their medical aspects. Therefore, it is up to scientific research and the management of health SPAs to find out the most appropriate way whereby to strike a balance between patients’ needs and medical treatments.

5. A glance of Europe: the European Union Directive on the application of patients' rights in cross-border healthcare (24/2011/EU).

Over the last decade, the European Court of Justice has confirmed member state's responsibility in the health care sector but it has also stressed that patients are free to move cross-border in order access health care services. Furthermore, the ECJ (in the leading case "Leichtle") has stated the following:

- a) prior authorisation must be regarded as a hindrance that prevent people to move freely cross border;
- b) there is no need for a scientific test that proves that thermal treatment is better at home rather than abroad;
- c) the thermal centres and establishments abroad must be recognised by and registered with the national health system.

The aforementioned statements of the ECJ has become parts of the UE Directive 24/2011/CE of 9 March 2011 on the application of patients' rights in cross-border healthcare. This Directive represents a very important and strategic piece of European legislation, especially because it has eventually repelled the prior authorisation that until then patients needed to go abroad to access health care services. Therefore in this respect, the Directive has contributed to a better level of freedom of choice for the European citizens.

Moreover, the Directive can be regarded as strategic since it has a great potential to develop in the direction of allowing EU citizens to move cross border being certain that the costs that they incur to benefit from another health care system are to be paid by their State of affiliation. Although the current financial crisis brings with it several budget restrictions as far as medical SPAs are concerned, the Directive allows European citizens to access thermal provisions cross-border being reimbursed by their national health systems.

The Directive strikes a balance between the citizens' rights to move freely cross border to access health care services and the need for the Member States to control their health budgets. Accordingly, finance restrictions vs. freedom of choice seems to be the battle that nowadays health care systems are called upon to carry out. Might one state then that patients' rights to access health care services depend upon Member States' budgets? Are we facing a time in which the principle that defines many legal systems, especially European ones, according to which "everyone is entitled to access health care services regardless their wealth" is about to give way to financial sustainability?

The European Union at large and the Member States are called upon to set up the priorities of their actions. The health care systems are often regarded only as expensive pieces of the modern welfare states that need to be reduced in order to ensure financial sustainability. There is evidence that reducing and savings should be obtained in the health care sector. But these should also envisage the priority of all priorities that is to be identified in the protection of citizens' right to access health care services. We would like to think of a health care system in which financial resources and priorities of actions are bound together. We would not like to think of a health care system in which financial resources are to influence the decision making process or the policy making concerning the health care sector.

In other words, there should be still some room for depicting health care systems moving from the assumption that what is fundamental is to protect citizens' welfare and wellbeing first and foremost.

In this respect, particular attention should be devoted to the legal and organisational systems by which health care services are provided. Indeed, there is a direct link between the citizens' right to access health care services and the way these are performed and carried out. And this is especially clear in those legal systems where the central government has long ceased to play the pivot role that it had historically played.

6. Health tourism: goals and action plan

Tourism is not a well defined productive activity. Rather, it forms a comprehensive range of services, activities and actions that concern several economic sectors. By its own nature, the tourist product is extremely diverse and complex. Tourism is characterised by the use of the specific environment in which it is carried out. It is also defined by the fact that the activities performed by the different stakeholders make a system. At the same time, tourism produces a systemic impact, since from tourist activities derive significant social, cultural and environmental impacts. Tourism, like other economic sectors, has been changing over the last years. On the demand side, consumers are much more sensitive towards environment and its protection. On the supply side, there has been an increasing awareness that nature and territory are not resources to be consumed and destroyed but they represent assets to be managed and developed according to sustainable policies. In this respect, then, tourist activities are called upon to play a complimentary and supporting role in promoting local development by endeavouring to keep up to tourists' changing needs and demand. It is therefore needed to set up programmes and projects aimed at pursuing an economic model of development which implies an adequate and effective level of integration among the different stakeholders that are involved in that area.

Against this background, medical SPAs' main goal is to build up a supply system of thermal wellbeing, which enables to balance the traditional concept of medical SPAs and the new trends connected to wellness. In this respect, a new approach towards the development of medical SPAs is needed. This should include the following aspects:

- marketing
- web positioning
- communication
- capacity of making different proposals
- search for a high product quality

- links between medical SPAs and the territory

In this framework, SPAs cannot be disconnected from the territory in which they operate. By contrast, they are expected to be considered an added value to the area itself, so as to promote a mutual recognition between the two. By means of a network of relationships it is then possible to set up an integrated territorial supply system. The connections with the territory is indeed a valuable competitive advantage. A strong connection with the area may allow the SPA resort to supply a wide range of different services, thus being more appealing to tourists.

7. Concluding remarks

Medical SPAs can no longer be considered in the perspectives of being health care provisions only. As a matter of fact, by moving from this assumption it is possible to infer that medical SPAs do represent a fundamental part of wider tourist promotion policies at the local level. In this respect, then, medical SPAs become a strategic asset for a country or a county, especially if they are capable of networking. These aspects are all the more applicable to traditional SPAs.

In the light of what has been underlined in the previous pages, I intend hereby to address some key questions concerning medical SPA resorts so as to help implementing consistent tourist and marketing policies on the part of the local authorities.

Firstly, medical SPAs call for new partnerships between public bodies and private organisations, which are capable of foreseeing the strategic changes under way within society at large. In this respect, it is worthwhile stressing that health care systems are no longer based on public expenditures only. They are also defined by the existence of private investment funds or by private insurances that are progressively taking the lead in ensuring health care provisions.

Secondly, medical SPAs are to support the connections between “public health” and “tourism”. Tourism is facing important and crucial challenges

worldwide. In particular, it is clear that an effective tourism promotion needs the partnership of various stakeholders (public authorities, private entrepreneurs, non governmental organizations). Furthermore, tourism does not require too much “red tape”, given its free movement and free choice approach. Tourist actions need of coordination and especially at the local level they require monitoring and assessment schemes by which all the actors that in charge of its growth may be enabled to grasp trends and demands so as to define the right decisions.

Thirdly, medical SPAs, both because of their very nature and by virtue of their connections with the environment in which they operate, are natural allies of a sustainable approach to tourism. This can be achieved by both promoting the attractions of a given area (environment, heritage, landscape, local traditions) and advance quality. Indeed, in the future a high standard tourism quality will be even more met by integrating environmental sustainability, natural assets and cultural heritage. According to some research data, tourism is presently characterised by the following trends:

1. the increase in the long-term demand;
2. the structural changes in the demand for tourism connected to demographic variations;
3. the re-arrangement of holidays in many countries around the world, which has led many tourists to prefer short breaks to long stays as it used to be in the past. This trend, especially if referred to “dead seasons”, may have a positive impact on SPA resorts.

Fourthly, an adequate development of medical SPAs cannot but be reached by heavy investments in professional training. Thermal operators are called upon to be able to match clients’ demands and exigencies not only from the medical point of view but also by being ready to share and promote a marketing approach.

7.1. A possible agenda for SPAs development

According to what has been stated so far, the following agenda of possible actions may be drawn:

1. to strengthen the networks among the different medical SPA resorts;
2. to promote and support a stronger integration between SPA resorts, health care and social care services;
3. to foster the partnership with national and local tour operators so as to include the SPA services in specific all inclusive tourist packages for the international markets;
4. to endow more resources to professional talent training programmes of thermal operators;
5. to define a wide governance scheme which enables to include all aspects of medical SPA treatments: from the cultural approach through the therapeutic value of water, also by means of new legal and organisational forms of management;
6. to improve the management services that are implied in the carrying out of hot spring resorts;
7. to foster tourist exchange programmes with other countries around the world;
8. to set out legal provisions at the national level to recognise “free zones” for medical SPAs with financial support and tax allowances for them.

These are only a few suggestions that I hope you can find of some use in order to support the development of medical SPA resorts. These may live a new era of growth and prosperity if they are able to re-invent themselves. But contrary to what it is usually the case, their renewal is closely linked to one of their most original and historical aspect, namely, water. It is indeed around water and its modern perception and use that relevant marketing programmes need to revolve. In this perspective, water becomes the key element that could allow for the change of some SPAs into medical ones. Moreover, water represents the common ground on which to foster scientific research and tourist

promotion, without running the risk that the former wins the upper hand over the latter or the other way round.