

SECTION 11. TOURISM AND HOTEL AND RESTAURANT BUSINESS

DOI: 10.46299/ISG.2024.MONO.ECON.3.11.1

11.1 Substantiation of the prospects for the medical tourism development in Ukraine

Medical tourism is one of the most dynamic and promising sectors of the global economy, combining the opportunities of healthcare, tourism and economic development. Ukraine, due to its geographical location, developed infrastructure, qualified medical staff and competitive prices for services, has significant potential for the development of this area. Modern challenges and trends in the field of healthcare contribute to the growth of demand for quality medical services abroad, which opens up new opportunities for attracting foreign patients to Ukraine [365].

The medical tourism development in Ukraine can bring significant benefits in several key aspects [366-368]:

1. Economic growth. Medical tourism contributes to attracting foreign investment and income to the national economy. This includes the costs of foreign patients for medical services, stay in the country, food, transport and other related services, which in turn stimulates the development of business in tourism, hotel services, transport, restaurants, etc.

2. Improving the image of the country. Active medical tourism development can improve the international image of Ukraine, demonstrating it as a country with highly qualified medical workers and modern medical technologies. This can stimulate interest in other sectors of the economy and attract investors.

3. Creation of new jobs. The medical tourism development stimulates the creation of jobs in various sectors: from medicine and pharmaceuticals to tourist services, the hotel business, transport and other industries, which directly supports employment in the country.

4. Improvement of the quality of medical services. Competition in the international medical services market contributes to raising the standards of quality of treatment and improving medical technologies. This, in turn, can positively affect the

country's medical system as a whole, providing access to the latest treatment methods and technologies for local patients.

5. Development of infrastructure. To attract medical tourists, it is necessary to improve the infrastructure, in particular, transport networks, the hotel business, as well as introduce the latest service standards. This leads to the overall development of the country's infrastructure, which is beneficial for the citizens of Ukraine.

6. Stimulation of scientific and research activities. Medical tourism contributes to the development of medical research and innovation, as doctors and medical institutions are guided by high international standards and the latest technologies to meet the needs of foreign patients.

7. Improving the health of the population. Increasing demand for medical services and the exchange of experience between countries can contribute to the integration of international medical standards into Ukrainian medicine, which will positively affect the quality of service for domestic patients.

In general, the medical tourism development can become an important factor in the economic and social development of Ukraine, opening up new prospects for business, medical institutions and citizens of the country.

Among the problems and barriers that hinder the medical tourism development in Ukraine, the following should be highlighted [369-372]:

- insufficient quantity and quality of services in the field of hospitality;
- low number of tour operators specializing in medical tourism;
- security problems: the conflict in the east of the country and the annexation of Crimea scare away potential clients, most of whom do not understand the situation;
- lack of state support and a clear development strategy;
- low level of personal data protection;
- imperfect professional training of service personnel;
- lack of sufficient legal assistance for patients;
- lack of clear rules and standards regulating medical tourism;
- outdated material and technical base;
- lack of international pricing standards in state medical institutions;

- lack of a closed cycle of services, difficulties in organizing postoperative care;
- lack of qualified specialists with knowledge of a foreign language;
- social and cultural differences;
- bureaucratic obstacles;
- difficulties in obtaining a visa to enter Ukraine;
- lack of direct air connections with potentially interesting countries;
- insufficient development of transport and logistics infrastructure, problems with the quality of service;
- lack of specialized medical centers for foreign patients;
- insufficiently developed system of promotion of medical services abroad.

To substantiate the prospects for the medical tourism development in Ukraine, we will use the SWOT analysis method, which involves assessing the strengths and weaknesses of the store, as well as identifying opportunities and threats. SWOT analysis is a universal method used in business, marketing, management, and personal development. SWOT analysis helps identify internal and external factors that affect the achievement of goals and develop an effective strategy. This tool is used to make informed decisions by analyzing the current state and development prospects [373, 374]. The identified strengths and opportunities will become the basis for developing a strategy for the medical tourism development in Ukraine.

The results of the SWOT analysis of the prospects for the medical tourism development in Ukraine are presented in the Table 1. We will conduct a quantitative analysis of these prospects using SWOT analysis according to a certain algorithm. We will assess the probability of the implementation of the identified opportunities or threats on the scale given in the Table 2, with possible values from 0 to 1.

Table 1

SWOT analysis of the prospects for the medical tourism development in Ukraine

Strengths (S)	Weaknesses (W)
– Competitive prices for medical services – the cost of treatment in Ukraine is significantly lower than in most European countries and the USA (S1)	– Uneven level of quality of medical services – there are significant differences between medical institutions in terms of quality of service and equipment (W1)

Continuation of table 1

– Qualified medical staff – high professional training of doctors and medical staff (S2)	– Bureaucratic obstacles – complex procedures for licensing and certification of medical institutions for working with foreign patients (W2)
– Developed infrastructure for receiving tourists – the availability of modern hotels, transport routes and affordable services (S3)	– Insufficient financing of the medical sector – some medical institutions cannot afford to upgrade equipment and invest in development (W3)
Opportunities (O)	Threats (T)
– Development of international cooperation – signing agreements and partnerships with international medical organizations and tour operators to attract patients (O1)	– Competition with other countries – other countries (e.g. Turkey, Poland, Czech Republic) are also actively developing medical tourism and may offer similar services (T1)
– Growing popularity of alternative treatment methods – medical tourism can be favorable for the development of specializations such as health procedures and rehabilitation, especially in war conditions (O2)	– Economic and political instability – possible fluctuations in the economy, political and social crises, which may affect the financial accessibility and attractiveness of medical services for both foreign and domestic patients (T2)
– Investment in the medical infrastructure development – attracting capital investments in medical institutions and clinics to improve service conditions (O3)	– Reduced safety for patients and medical personnel – the threat of security due to military actions may reduce the attractiveness of Ukraine for foreign patients (T3)

Source: compiled by the author

Table 2

Scale of probability of opportunities and threats

Assessment of the likelihood of opportunities and threats (p_i)	
0.05	The probability of occurrence is extremely low, the threat or opportunity is practically not manifested.
0.25	the probability of occurrence is low, the threat or opportunity is most likely not to manifest
0.50	the probability of occurrence or non-occurrence of the threat or opportunity is equal
0.75	the probability of occurrence is high, the threat or opportunity is most likely to manifest
0.95	the probability of occurrence is very high, the threat or opportunity is sure to manifest

Source: [375]

The intensity of the influence of strengths and weaknesses on the medical tourism development in Ukraine is assessed on the scale given in the Table 3. Intensity values can vary from 1 to 5 for strengths and weaknesses.

Table 3

Scale for assessing the influence of strengths and weaknesses

Score (points)	Strengths (a_{si})	Weaknesses (a_{wi})
5	highest influence (important, unique)	highest impact (catastrophic impact)
4	sufficient influence (can have a strong impact)	sufficient impact (can have a strong impact)
3	moderate influence (medium impact)	moderate impact (medium impact)
2	insufficient influence (not very important)	insufficient impact (not very important)
1	least influence (has a small impact)	least impact (has a small impact)

Source: [375]

The intensity of the impact of opportunities and threats on the medical tourism development in Ukraine is assessed on the scale given in the Table 4, where the intensity can vary from 1 to 5.

Table 4

Scale for assessing the impact of threats and opportunities

Score (points)	Characteristics of the intensity of impact	
	Opportunities (k_{oi})	Threats (k_{ti})
5	new opportunities arise	cessation of activity
4	high impact	high impact
3	moderate impact	moderate impact
2	weak impact	weak impact
1	negligible impact	negligible impact

Source: [375]

The Table 5 presents the mathematical justification for determining the integral estimates of the SWOT matrix.

Table 5

SWOT matrix of consolidated integral assessments

			Opportunities (O)			Threats (T)			$\sum_{SW} =$ $\sum_{Smax} - \sum_{Wmin}$
			O_1		O_j	T_1		T_j	
Power of influence (k_j)			k_{o1}		k_{oj}	k_{t1}		k_{tj}	
Probability of occurrence (p_j)			p_{o1}		p_{oj}	p_{t1}		p_{tj}	
Strengths (S)	Power of influence (a_{si})		S0			ST			$\sum_{Smax}$
	S_1	a_{s1}	SO_{11}		SO_{1j}	ST_{11}		ST_{1j}	
									
	S_j	a_{sj}	SO_{j1}		SO_{jj}	ST_{j1}		ST_{jj}	
Weaknesses (W)	Power of influence (a_{wi})		W0			WT			$\sum_{Wmin}$
	W_1	a_{w1}	WO_{11}		WO_{1j}	WT_{11}		WT_{1j}	
									
	W_j	a_{wj}	WO_{j1}		WO_{jj}	WT_{j1}		WT_{jj}	
$\sum_{OT} = \sum_{Omax} - \sum_{Tmin}$			$\sum_{Omax}$			$\sum_{Tmin}$			

Source: [376]

To determine the integral estimates for the quadrants of the SWOT matrix, we use the formulas [376]:

$$ST_{ij} = a_{si} \times p_{ti} \times k_{ti} \quad (1)$$

$$SO_{ij} = a_{si} \times p_{oi} \times k_{oi} \quad (2)$$

$$WT_{ij} = a_{wi} \times p_{ti} \times k_{ti} \quad (3)$$

$$WO_{ij} = a_{wi} \times p_{oi} \times k_{oi} \quad (4)$$

The Table 6 presents the results of the integrated SWOT analysis of the opportunities for the medical tourism development in Ukraine.

Table 6

SWOT matrix for integrated assessments of the prospects for the medical tourism
development in Ukraine

		Opportunities (O)			Threats (T)			Total	48.0
		O_1	O_2	O_3	T_1	T_2	T_3		
Power of influence (k_j)		4	4	5	3	4	5		
Probability (p_j)		0.5	0.75	0.75	0.5	0.5	0.75		
Strengths (S)	Power of influence (a_{si})	SO			ST				
	S_1	5	10	15	18.75	7/5	10	18.75	80
	S_2	4	8	12	15	6	8	15	64
	S_3	4	8	12	15	6	8	15	64
Weaknesses (W)	Power of influence (a_{wi})	WO			WT				
	W_1	3	6	9	11.25	4.5	6	11.25	48
	W_2	3	6	9	11.25	4.5	6	11.25	48
	W_3	4	8	12	15	6	8	15	64
	Total		46	69	86.25	34.5	46	86.25	368
34.5		201.25			166.75				

Source: calculated by the author

Based on the results of calculating the integral estimates (Table 6), we can draw the following conclusions about the prospects for the medical tourism development in Ukraine:

1. Positive prospects (strengths and opportunities):

- the combination of strengths (S) and opportunities (O) shows a high potential for the medical tourism development in Ukraine;
- the greatest impact on the medical tourism development is the opportunities within O3 (investment in medical infrastructure) and O1 (international cooperation development). This provides great potential for improving conditions and attracting foreign patients;

– the high level of qualification of medical personnel (S2), the availability of modern infrastructure (S3) and competitive prices for medical services (S1) create the basis for the implementation of these opportunities.

2. Negative impacts (weaknesses and threats):

– the assessment of the combined impacts of weaknesses (W) and threats (T) shows risks that are less than positive factors. However, this indicates the need to overcome certain obstacles to ensure sustainable development;

– the main threats, such as T2 (Economic and political instability) and T3 (Reduced safety for patients and medical personnel), can significantly reduce the attractiveness of Ukraine for medical tourists, especially in conditions of military conflict;

– problems with the heterogeneous level of quality of medical services (W1), bureaucratic obstacles (W2) and insufficient financing of the medical sector (W3) significantly reduce the chances of overcoming these threats.

3. Prospects:

– the combination of strengths with opportunities gives Ukraine great chances for the medical tourism development, if it is possible to effectively resolve the issue of investments in medical infrastructure, improve cooperation with international partners and develop alternative treatment methods;

– given the low score for weaknesses and threats, the medical tourism development will depend on overcoming bureaucratic barriers, stabilizing the economic situation and ensuring safety for patients.

Thus, the prospects for the medical tourism development in Ukraine have significant potential due to competitive prices for medical services, a high level of qualification of medical personnel and a developed infrastructure for receiving tourists. However, there are also certain challenges, in particular, the heterogeneous level of quality of medical services, bureaucratic obstacles, insufficient financing of the medical sector and threats associated with economic and political instability and security. The main opportunities for development are the expansion of international cooperation, the growth of the popularity of alternative treatment methods and

investments in medical infrastructure. However, competition with other countries, such as Turkey, Poland and the Czech Republic, as well as the military situation in the country can create significant risks for attracting foreign patients. To ensure success, it is necessary to focus on improving the medical infrastructure, simplifying bureaucratic procedures and ensuring the safety of patients and medical personnel. Provided that these obstacles are effectively overcome, medical tourism in Ukraine has great chances for further development and can become an important part of the country's economy.

Prospects for further research into the medical tourism development in Ukraine include analyzing the competitiveness of medical services on the global market, studying the needs of foreign patients, assessing the investment attractiveness of the industry, developing strategies for integrating innovative technologies into the medical field, and studying legal and infrastructure barriers that hinder the development of the industry.