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Determinants of health tourism competitiveness: An Alpine case study

Abstract

Health tourism is of growing interest for tourism destinations and serves as a key theme to add value and to differentiate destinations' tourism product and service bundles. In tourism research recent studies underline the importance of various forms of health tourism in the Alps. However, due to the fact that health tourism definitions vary greatly amongst academics one can hardly assess the determinants of competitiveness of health tourism products or destinations. This paper aims to investigate, both, destination management organizations' CEO's and health tourism experts' perceptions of health tourism competitiveness in alpine tourism. Smeral's (1998) adaptation of Porter's model of national competitiveness (Porter, 1990) for serves as a framework for the analysis. The authors conducted a case study of health tourism in alpine countries gathering quantitative and qualitative data. The study was conducted in the German-speaking alpine regions, in Austria, Northern Italy, Germany and Switzerland. The results revealed that factor and demand conditions are the most relevant determinants of health tourism competitiveness and that health tourism is moving towards more specialized but narrow markets such as medical wellness. Furthermore, the results indicated that the main strength of health tourism for the Alps is the wide area of (medical) prevention. Therefore, destinations must focus on the sustainable management of their natural key resources which are needed to create competitive tourism products in the future.

Key words: health tourism; competitiveness of destinations; alpine destination; medical wellness; Alps

Introduction

During the last two decades the demand for health services became an important niche for tourism managers and destinations (Rulle, 2004; Mainil, Platenkamp & Meulemans, 2011). Reasons for these developments are manifold: longer life expectancies, stronger health orientation and the need for self-development in well-developed nations are drivers of health tourism (Haderlein, Rauch, Kirig & Wenzel, 2007).

Smith and Puczko (2009) describe the variations of health tourism using the two elements - "wellness" and "medical" - creating a basic categorization of the main applications of this form of tourism. Furthermore, regional developments play a major role when researchers attempt to classify health tourism. One of the broadest definitions of health tourism is provided by of Goodrich and Goodrich

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(1987, p. 217) who define it as "...an attempt on the part of a tourist facility (e.g. hotel) or destination (e.g. Baden, Switzerland) to attract tourists by deliberately promoting its health-care services and it can include medical examinations by qualified doctors and nurses at the resort or hotel, special diets, acupuncture, transvital injections, vitamin-complex intakes, special medical treatments for various diseases such as arthritis and herbal remedies." Goeldner (1989, p. 7) underlines that "individuals stay away from home and health is their most important motive, and they finally consume these services or goods in leisure settings".

One reason for the variety of existing definitions is the fact that major terms such as "health" or "wellness" are perceived very differently in the North American and European context (Goodrich, 1994). This is especially noticeable in the field of "wellness" where a large variety of products and services can be found. The World Health Organisation (WHO) defines wellness as "...the optimal state of health of individuals and groups. There are two focal concerns: the realisation of the fullest potential of an individual physically, psychologically, socially, spiritually and economically, and the fulfillment of one's role expectations in the family, community, place of work and other things." (WHO, 2012).

Beside this more prevention focused area, medical tourism is another term used to describe the demand for medical treatment such as surgery or other specialist interventions during holidays (Smith & Puczkó, 2009). Medical tourism is often seen "as adding medical services to common tourism" (ESCAP 2009, p. 1) and is based on non-leisure motives as customers seek to get medical treatment (Kušen, 2010; Kušen, 2011, p. 98). Health tourism, in general, is mainly based on "leisure-related motives of rest and relaxation (maintainance and improvements of health)." (Kušen, 2011, p. 98).

In the alpine regions, over the past years, health tourism with all its subgroups (in terms of medical tourism and spa/wellness holidays) has developed into an independent tourism segment, which is expected to grow in importance. Due to the high demand in the spa/wellness sector several tourism destinations are already associated with a strong value chain offering health tourism packages. These destinations are usually having a strong cure-background based on thermal baths or exceptional air quality. In addition, many hotels, especially of high quality (e.g. 4-and 5-star), have introduced spa and wellness facilities.

There is also a growing interest of tourism researchers in health tourism and we find recent academic contribution focusing on wellness tourists (e.g. Voigt, Brown & Howat, 2011; Henderson, 2004; Smith & Puczkó, 2009; Sheldon & Bushell, 2009) or on medical tourism (Mainil et al. 2011; Bristow, Yang & Lu, 2011; Connell, 2006; Bookmann & Bookmann, 2007; York, 2008). This paper seeks to contribute to the body of knowledge on health tourism by investigating factors influencing competitiveness of a health tourism destination and attempts to derive a number of future research initiatives to optimize tourism research contributions in this field of expertise. With the help of a case study, factors of highest relevance for the competitiveness of health tourism in alpine tourism destinations are identified.

Competitiveness of destinations

The goal of destination management is to achieve a competitive advantage for a tourism destination ensuring that its overall appeal and the tourist experience offered, is superior to that of the alternative

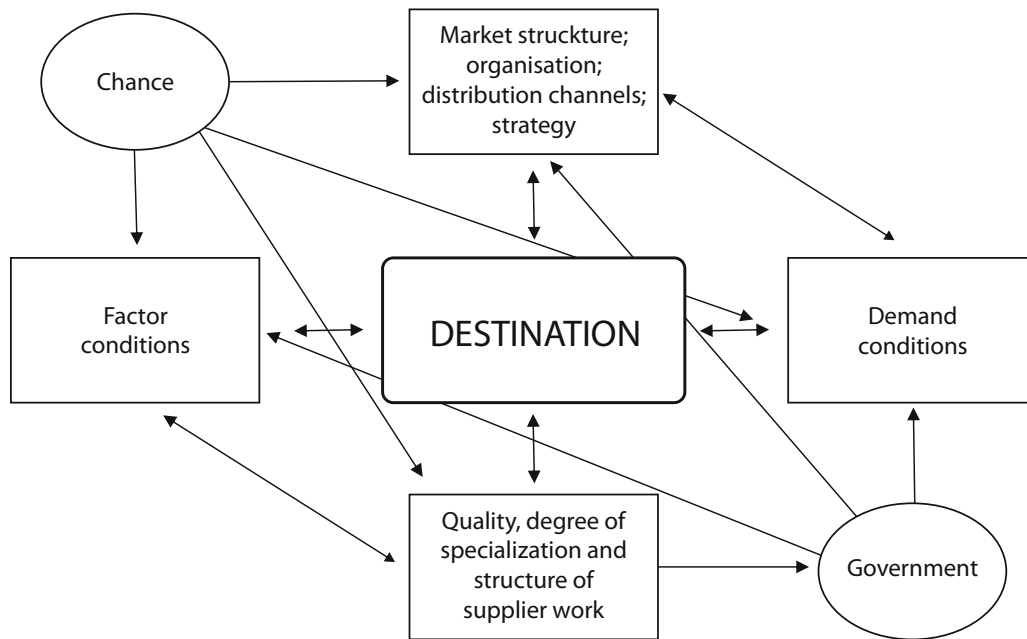
destinations open to potential visitors (Dwyer & Kim, 2003). A number of tourism researchers developed partial and holistic models of destination competitiveness identifying a number of factors and indicators to determine it (Ritchie & Crouch, 1993; Evans & Johnson, 1995; Pearce, 1997; Smeral, 1998; Hassan, 2000; Kozak, 2001; Dwyer & Kim, 2003; Enright & Newton, 2004; Bornhorst, Brent Ritchie & Sheehan, 2010; Müller, Hallmann & Brothers, 2011).

A holistic model was developed by Ritchie and Crouch (2003). It assumes that competitiveness of destinations depends mainly on resource (comparative advantage) and resource use (competitive advantage) (Crouch, 2011). Furthermore, the model presents influences of the macro level (e.g. global economy, terrorism, and cultural and democratic trends) and microeconomic factors. In total, the model defines 36 dimensions and factors to be measured. To apply this conceptual model of destination competitiveness, Ritchie and Crouch (2003) proposed a destination audit. This audit can be described as an examination of the destination to analyze how well each destination dimension is performing and to identify potential areas for improvement. Such an audit leads to recommendations formulated to improve the success and thereby the competitiveness of the destination. To facilitate the audit the authors developed a battery of items based on marketing audit measures. The operational measures, which they refer to as "destination diagnosis", have been developed from two perspectives: subjective consumer measures (demand side) and objective industry measures (supply side). Thus, they offer a destination diagnosis for each of the dimensions of the model from two perspectives. Latest related tourism research confirmed the complexity but also the usefulness of Ritchie and Crouch's model (see Hallmann, Müller, Feiler, Breuer & Roth, 2012).

Dwyer and Kim (2003) also focus on resources and resource-use but differentiate between natural resources (e.g. mountains, lakes, coasts), heritage (e.g. language, cuisine, etc.), created resources (e.g. tourism infrastructure, special events) and supporting resources (e.g. general infrastructure, accessibility). Furthermore, destination competitiveness is determined by the quality of its destination management, demand and situational conditions. Particular for this model is the relevance of these factors to the socio-economic context, such as residents' quality of life perception (see e.g. Weiermair & Peters, 2012). The model has been described as the most comprehensive, rigorous and complex among all dealing with tourism destination competitiveness (Hudson, Ritchie & Timur, 2004; Tsai, Song & Wong, 2009). Although there is still room for further development and discussions of improvement of the model, it does manage to encompass all aspects and determinants used in other approaches to competitiveness.

While, both, Dwyer and Kim's and Ritchie and Crouch's models are all encompassing, in practice destination audit that is required to apply them at the level of individual destination is complicated and a resource intensive process. This complexity is partly overcome in the model of destination competitiveness proposed by Smeral (1989). His model is an adaptation of Porter's diamond of national competitiveness (1990). However, the model can also be used to describe and to understand patterns of tourism destinations competitiveness. Although this model is not as holistic as those proposed by Ritchie and Crouch (2003) and Dwyer and Kim (2003), it is simpler to use and, as such, appropriate at the early stage of investigation of competitive situations of regions or destinations. The latter is tested by further applications of Smeral's (1998) model in the field of tourism (see e.g. Pechlaner, 2003; Weiermair, 2001). Figure 1 shows the main elements of Smeral's model.

Figure 1
Competitive advantage of tourism destinations



Source: Smeral, 1998, p.375.

Determinants of competitiveness are demand conditions, factor conditions, the quality and structure of related industries (suppliers), market and organizational structure and strategies. Beside these determinants, chance (e.g. wars, terror) and governmental policies (e.g. taxes and regulations) are determinants which can hardly be influenced but which strongly influence the other main determinants. For instance, the type of destination determines how important or unimportant several of these factors are for the destination's competitiveness (Pechlaner, 2003).

Factor conditions are natural resources (e.g. landscape, air, water, geographical location and climate peculiarities), material resources (such as hotels, shopping facilities, entertainment facilities), human resources (e.g. the quality, quantity and cost of personnel, entrepreneurship, knowledge and experiences), capital resources (existence of venture capital etc.), and infrastructure (e.g. highways, airports, accessibility) (Smeral, 1998; Pechlaner, 2003).

The quality and structure of suppliers are also major determinants of competitiveness: the spatial and content relatedness of the suppliers within a destination to competitive industries such as leisure industries, banking and insurance, tour operators or manufacturing industries (e.g. construction) influence the tourism industries' and therefore destinations' competitiveness (Smeral, 1998). The suppliers' network is of utmost importance to create a holistically perceived destination quality for tourists. Therefore according to Smeral (1998) cooperation of central suppliers is a major success factor for tourism development and professionalization within a tourism destination (see also Beritelli, 2011). Demand conditions are a central determinant of competitiveness: demand is significantly influenced by size and structure of a market, the travel experiences and the openness of consumers regarding the consumption of innovative products and services (Smeral, 1996). Demand conditions are the fundament of sustainable product development initiatives in the tourism destination. As a consequence the

quality of human resources or entrepreneurs in the destination influences the success of these innovation processes (Pechlaner, 2003).

Finally, market and organizational structure, strategy and targets, distribution channels shape the competitiveness of a destination. Strategy and destination governance, as well as the degree of cooperation and the quality of destination management are primary determinants of sustainable strategic competitive advantages (Schertler, 2000; Erkus-Öztürk & Eraydin, 2010). The latter derives positive effects for tourism politics within a destination, as possible inefficiencies due to lacking cooperation can be compensated (Pechlaner, 2003; Weiermair, 2001). Destination Management Organisations (DMOs) play a central role in generating and exploiting competitive advantages. Beside these main determinants of competitiveness, governments and unforeseen events can significantly influence destination development. The factor "chance" stands for wars, terrorism or catastrophes harming destination's supply – demand balances (Smeral, 1998). Furthermore, governments can change competitive situations, e.g. by influencing exchange rates, the structure of investment promotion, control of environmental pollution, competition law, barriers of entry, staggering of holidays, structure and goals of the tourist organization (national or regional). Product differentiation and positioning, but also the geographical peculiarities (urban vs. rural) create the foundation for the composition and importance of these factors of competitiveness.

Smeral's determinants of tourism destination competitiveness can be applied to describe health tourism in the Alpine setting. The factor conditions are core products and services mainly based on natural resources such as a high air quality, ideal climatic conditions or altitude. Beside these natural prerequisites for health tourism, infrastructure and human resources play the most important role in attracting health-motivated tourist visits as these factors are transforming natural core resources into products and services that can be consumed (Schobersberger Schmid, Lechleitner, Duvillard & Hörtnagl, 2003; Smith & Puszkó, 2009). Natural resources are the foundation of health tourism as they provide the ideal spatial setting for both physiological activities such as hiking or biking and for psychological health (e.g. silence, landscape, relaxation) (Laesser, 2011). In the area of human resources the industry needed to develop new job profiles, education and training initiatives to meet health tourism demand (Pechlaner, 2003; Smith & Puszkó, 2009).

The quality and structure of suppliers is characterized by a large majority of small businesses along the destination value chain. Therefore it is evident that cooperation and active co-production of a holistic health tourism product bundle, beside strong quality measures and control, are prerequisite (Weiermair & Auer, 1997; Weiermair, 2001; Bieger, 2005; Dettmer, Hausmann & Schulz, 2008). Within this context, the DMO has a major role, especially in community oriented European alpine destinations (Flagestad & Hope, 2001). Demand conditions in health tourism are strongly dominated by an increasing health awareness in the alpine tourism generating markets (Rulle, 2004; Haderlein et al., 2007), demographic changes towards a "grey society" (Hugo, 2011) and the increased life-expectancy and the health insurances' tendency to proactively invest in preventional measures.

Alpine destinations are specific in their market and organizational structure, strategy and targets, distribution channels due to the small size of the tourism businesses. A large proportion of businesses in health tourism destinations are micro or small enterprises, often family owned and managed, characterized by informal business practices and lack of (strategic) planning. Due to their small size they

lack economies of scale and scope and are hardly able to undergo international marketing on their own. The same holds true for the distribution of health tourism products. The demand for stronger professionalism led to further cooperation initiatives in the field of marketing and distribution of health tourism products (e.g. Alpine Wellness, Wellness Hotels Austria), as well as in the provision of services within the destination itself (e.g. medical and therapeutic services in hotels).

Health tourism in the Alps

A case study research was chosen to investigate the patterns of competitiveness of health tourism in Alpine regions. It is considered the most appropriated method, as the case study approach helps to develop research propositions for further testing of causal relationships (Yin, 2009) and it is applied where there is a need to explore potential causal relations between variables or factors under investigation (Myers, 2009). The case study is structured as follows. Firstly, using secondary sources the status-quo of health tourism in the Alps is presented and serves as a starting point for the primary research. Secondly, using Smeral's adaptation (1998) of Porters diamond of competitiveness (1990) to operationalize the questionnaire, a survey of destination managers was conducted in health related destination management organizations in Southern Germany, Eastern Switzerland, North Italy and Western Austria.

In German-speaking alpine destinations health tourism is growing tremendously. Although in the alpine accommodation sector small facilities prevail – for example, the average size of the 4- or 5-star hotel is 100 beds, 3-star hotel about 40 and 2- or 1-star hotels 22 beds (Statistik Austria, 2012) - the larger accommodation facilities are taking the lead role in provision of health and wellness related facilities. This is understandable given the high investment and product development costs in health tourism (e.g. for spa areas, wellness areas). Germany and Austria, for example, count for over 2,200 hotels with such facilities (Werner, 2010). Which are most often concentrated in traditional healing spa villages (about 1,000 in Europe), but not restricted to them. The health and wellness products offered by the alpine accommodation sector are supplemented by facilities offering variety of treatments such as day spas, thermal baths, healing springs, gyms and private hospitals (Illing, 2009). However, there is no empirical evidence profiling business size in alpine health tourism.

There are three main forms of health tourism within alpine tourism: cure and rehabilitation destinations, thermal baths and medical wellness. The first two aim at providing cure and rehabilitation services for patients whose health insurances are remitting the costs. In Europe, there are about 1,000 facilities in the area of traditional cure thermal baths and destinations. In Bavaria, Austria, and Switzerland about 180 facilities and destinations can be identified in 2012 (Bundesministerium für Gesundheit 2012; Gesundes Bayern, 2012; Wohlbefinden Schweiz, 2012).

In comparison to classical wellness, there are only few medical wellness suppliers in alpine regions (e.g. Tyrol, Vorarlberg, Salzburg, Carinthia, Bavaria). Their major or core product is the medical foundation or an optionally available medical expertise. In Bavaria and in alpine destinations of Austria 125 firms exist which offer some kind of additional medical expertise to tourists (Werner, 2012). For an illustration, medical checkups are offered by eleven, TCM (Traditional Chinese Medicine) by 46 businesses and various cure offers are provided by about 50 businesses in the Tyrol, Vorarlberg, Salzburg, Carinthia and Bavaria.

The largest proportion of health-oriented businesses is made of hotels offering wellness services. A detailed definition is missing and it remains unclear which elements categorize a certain hotel as a wellness hotel. In Germany and Austria about 2,200 businesses offer purely spiritual offers, relaxation and sports-oriented product packages as well as beauty offers. Of these 2,200 firms, about 50% are in Bavaria and the alpine destinations of Austria (Tyrol, Salzburg, and Vorarlberg) (Werner, 2010).

Furthermore, a small range of marketing cooperations and associations, especially in the wellness hotel sector can be observed over the last years (e.g. as documented in Best Health Austria, 2010; Best Wellness Hotels Austria, 2010; Premium Spa Resorts, 2010; Schlank und Schön, 2010; Thermenurlaub in Österreich, 2010; Wellness Hotels Deutschland, 2010). On a destination level, only a few health tourism products can be identified (special hiking trails, baths, etc.). In the field of Alpine health tourism in Austria, Germany and Switzerland a small number of destinations level initiatives attempt to conquer this market (e.g. Alpine Wellness, 2010; Welltain®, 2010; Wellvital, 2010; Schweizer Tourismus Verband, 2010).

With exception of the traditional spas in Bavaria, only a few destinations are known as real health tourism destinations. In fact, a large proportion of these destinations is able to offer some health tourism related facilities (e.g. hiking baths, trainers, specialized hotels, etc.) but their main competencies are to be found in other areas: for instance Bad Kleinkirchheim, Adelboden, Gstaad are more famous for winter sports and skiing than for health tourism. Furthermore, the majority of products and offers in the health tourism sector are limited to different special providers (e.g. wellness hotels, etc.) and are available for their guests only.

Regarding human resources there are significant differences between traditional tourism destinations and modern wellness-oriented destinations or resorts. In traditional cure and thermal bath destinations medical doctors, nurses and medical masseurs or physiotherapists are employed. In contrast, in the modern wellness resorts no standards in education and training for those working in this industry have been developed (Rulle, 2004). However, in recent years the strong demand from the wellness industry for qualified employees resulted in additional or supplementary training and educational measures (e.g. diploma for wellness trainers or health tourism study programmes at University of applied sciences) (AMS, 2012).

Method

In order to identify relevant destination specific factors regarding alpine health tourism competitiveness a survey of chief executive officers (CEO) of destination management organization and in-depth interviews with health-sector representatives were conducted.

In order to obtain a representative sample of tourism destinations in the Alps, 58 DMO's in Austria, Northern Italy, Germany and Switzerland were selected. Criteria for selection of the destinations were natural mountain resources, the tourism infrastructure with alpine winter and summer products. In the Tyrol (Austria) 34 DMO have been identified, in Graubünden (Switzerland) 6, in South Tyrol (Italy) 11 and 7 in Bavaria (Germany). The DMO representatives have a strong expertise and knowledge about product and service development initiatives in their destination. To collect data, a questionnaire with mostly close-ended questions was designed, pretested and administered online.

A pretest was conducted with 5 CEOs of regional tourism organization in the Tyrol leading to questionnaire modifications in terms of wording, scaling and formatting. The online survey was implemented during July and August 2011. Personalized e-mail messages were sent out to the DMO's CEOs with a link to the online survey place within the e-mail message. Two weeks later a reminder was sent out. In total, 36 out of 58 CEOs of the Alpine destinations responded and filled out the online questionnaire (response rate = 62%). Amongst the respondents there were 58% Tyrolean, 21% Italian, 9% Bavarian, and 6% Swiss destinations. In the case of three DMOs, it was not possible to identify their country of origin.

The questionnaire was structured into four main parts: the first part was an evaluation of the importance of several health tourism supplier components (e.g. hotels, tourism infrastructure, tour operators, shopping and trade), the second part was measuring the CEOs perspectives on positioning the health tourism product. The third part was measuring the CEOs perceived importance of Smeral's determinants of tourism competitiveness and the final, fifth part, was focusing on the CEOs opinion on relevant factors for future health tourism growth. The scales used in the questionnaire were 5 point Likert-type (1=not important at all, 5=very important or 1=low, and 5 =high). SPSS 18.0 was used for descriptive statistical analysis. Questions focused the following themes: (1) health product development, (2) positioning of health tourism destinations, (3) competitiveness of health tourism destinations, and (4) future growth in health tourism. The analysis presented here will focus on the CEOs evaluation of health tourism competitiveness and future growth.

The results of the quantitative survey were taken and discussed with five experts in the field of health tourism in order to validate the results of the survey and to derive implications for the alpine tourism industry. Experts, all from Austria, were chosen according to their experience with the development or creation of health tourism (related) products or services and included a self-employed medical doctor in a medical wellness resort (Respondent A), an owner of a medical wellness hotel (Respondent B), a health tourism product development expert (Respondent C), a CEO of health tourism consulting company (Respondent D) and a representative of a health hotels marketing consortium (Respondent E). These in-depth discussions took place from September to November 2011. The respondents were presented with the main results of the survey and asked to help interpreting these results. The interviews were held personally by using a guideline for interviews. The interview guideline has been tested prior to the first interview. A few small changes and optimizations were done. The interviews lasted between 50 and 90 minutes.

Results

The CEOs, responding to the online survey, evaluated the four main determinants of competitiveness and rated factor conditions as the most important determinant (4.19) while clustering as the least important one (3.04). Demand conditions and strategy and market peculiarities were evaluated as quite important (3.67 and 3.65). Natural and human resources were seen as the most important factors influencing the competitiveness of health tourism. Table 1 shows the mean values of all underlying variables of the determinants of competitiveness.

Table 1
Evaluation of the factors of competitiveness by the respondents

Factors of competitiveness	Mean value	Variance
Factor conditions	4.19	
Natural resources	4.73	0.455
Human resources	4.48	0.383
Material resources	4.09	0.585
Infrastructure	3.91	0.335
Capital resources	3.76	0.689
Cluster and cooperation	3.04	
Competitive sector	3.85	0.814
Other service sectors	2.73	0.892
Manufacturing and processing industry	2.55	0.818
Demand conditions	3.67	
Economic development in target markets	3.94	0.559
Level of internationalisation	3.76	0.689
Motives for holiday	3.73	0.705
Proportion of guests in country of origin	3.64	0.739
Intensity of tourism	3.27	0.767
Strategy/ structure/ competition	3.65	
Willingness to cooperate	4.52	0.258
Strategy	4.45	0.443
Socio-cultural aspects	3.36	0.989
Heterogeneous structure of tourism providers	2.97	0.780
Small and mid-scale structures of providers	2.94	0.621
Supporting factors	3.14	
Politics	3.30	1.530
Chance	2.97	1.030

(N=36; 1=not important at all, 5=very important)

The respondents did not perceive the small firm-sized structured market as major factor of competitiveness. The same holds true for cooperating industries from other service sectors (2.73) or from manufacturing enterprises (2.55). However, willingness to cooperate and a certain strategy basis were evaluated as the most important "Strategy, structure and competition" variables. Referring to the demand conditions, the CEOs did not perceive the intensity of tourism as a major or very important issue.

In a next step the managers were asked to evaluate those factors which will have the greatest influence on their health tourism product production. On a scale from "not important at all" (1) to "very important" (5) they could mark their preferences. Table 2 highlights the results.

Table 2

Factors influencing health tourism growth

Factors influencing health tourism growth	Mean value
Increased health consciousness	4.36
Aging of society	4.33
New medical technology	4.09
Changed leisure behaviour	4.06
Income	4.06
Changes travel behaviour	3.94
New non-medical technology	3.18
Population growth	2.88
New tourism markets	2.76

N=36; 1=not important at all, 5=very important

Obviously the main target markets for health tourism were not to be found in new markets (2.76). Population growth or technological improvements (3.18) in the field of non-medical technology were not rated as very important. Strongly influencing factors were the increased health consciousness (4.36) and the aging of the society (4.33). Finally, the respondents were asked to indicate those supply areas within the whole broad spectrum of health tourism which will face the strongest growth in the alpine area. The results are presented in table 3 and underline the importance of those variables where a new health consciousness might be interpreted as a trigger.

Table 3

Major growth areas of health tourism

Growth areas of health tourism	Mean value
Medical wellness	4.36
Work life balance	4.33
Recreation	4.30
Beauty and esthetics	3.94
Sports	3.88
Wellness (classic)	3.82
Medical tourism	3.76
Rehabilitation	3.64
Psychology	3.55
Hot springs visits	3.48
Spirituality	3.42
Cure	3.24

N=36; 1=not important at all, 5=very important

Factors of competitiveness

The survey results were the starting point of discussion with health tourism experts, structured along the major determinants of competitiveness proposed by Smeral (1998). As expected, the factor conditions were quite prominent. All experts evaluated them as having major importance for a destination's competitiveness. Especially natural resources and the possibility to create sustainable consumption areas for health tourists within these natural settings were seen as important competitive determinants. In the long run the maintenance of these natural resources will be the major differentiator for a tourism destination in the Alps.

Nature is certainly important. We highlight the environment, the nature and try to subtly communicate the health aspect. We started to focus on the theme "water". Because "water" needs not to be explained. You do not need to explain to the guest what water is. Furthermore, you do not need to explain that lakes have something relaxing. Because people just know, that you feel relaxed near the water. Water has a bit a relaxation, a deceleration effect. (Respondent C)

Employees can be found although they have to be very specialized. The major concern is that they are expensive and it is not easy to attract highly-qualified staff.

We closely work together with AMS [authors: a public labour service agency] - this is quite convenient. They also offer a very good training and education program – and I usually offer a three-year contract – that is very attractive for many employees. Important is that you provide your staff with good food and beverage - this improves the overall mood. And you have to pay a good remuneration. Sometimes is it quite a problem to find well-trained masseurs and physiotherapists in Austria. (Respondent B)

Further major areas which are part of the destinations' factor conditions are heavily discussed by the experts: touristic infrastructure and human resources. According to the experts, for alpine health destinations there is a strong need to provide accommodation infrastructure in the luxury segment. Furthermore, there is a stronger need to foster on human resources' qualifications in the area of service management and medical or health management.

To create a health tourism product on the level of a destination, you need three or four hotel resorts in the areas of 4-, 4-star superior- or 5 star segment, because all the other enterprises cannot afford it, e.g. all the investments in the areas of medical services or wellness infrastructure. (Respondent A)

We are working to capacity. Right now, we have the same number of employees in our wellness and therapy area than in the other areas such as service, kitchen and housekeeping. We have eleven employees in our wellness area, therapist and a medical doctor. We create 45% sales in therapeutically services. To deliver a good result, it is very important that our employees have a good education and ongoing training and development initiatives. We take care of the costs. (Respondent B)

Demand conditions were also evaluated as major determinants for competitiveness in these alpine destinations. Especially income related variables were seen critical as only a certain part of health services in tourism is covered by insurance policy. Therefore, the political framework and the treatment of public health insurance in the major health tourist generating countries are crucial for alpine health tourism products. Furthermore, the market for privately paid health products is a very small one, mainly consisting of plastic surgery or burn-out prevention services.

Personally, privately paid health products, I think this is very critical. We know many examples where firms and destinations attempted to offer such products. For instance a perfectly developed medical health service offer with great medical competencies, top doctors and a 4-star superior hotel, which was located near a thermal bath- it did not work. Today, this center has a contract with social insurances- otherwise they would not have any frequency of guests. The only segments where I think we might have are private markets – I personally name it "prevention" or the "market of vanities". (Respondent D)

In the eyes of the experts, the supporting sectors or clusters were not very important for the creation of a competitive health market; however, the most important cooperation and support needs to be offered by the primary sector - agriculture.

Agriculture is very important. Especially on the product level – landscape preservation! Here we have a cooperation with a farmer and a bakery in our region. We buy the butter from one farmer and we buy our bread from another local baker. We suggest them what to produce, for instance, lactose-free products - we have more and more guests with allergies who prefer natural products. (Respondent B)

When talking about strategy and structure as a determinant of competitiveness, the experts referred to the openness and willingness towards cooperations in a destination as well as to the common development of a strategy. The latter should be initiated as a strategy development process within the destination by the DMO.

Ideally, we stakeholders all follow a common strategy, which will then also be communicated through the DMO! (...). Quality of life is closely connected with available resources. It is basically about selling only products you can identify with. (Respondent E)

From a destination point of view, I think that it needs a critical mass of enterprises, which run a health tourism business. You need to offer this product all the year through! (Respondent C)

Furthermore, in the eyes of the experts, the political frameworks have strong influences on the competitiveness of a nation.

Factors influencing health tourism growth and growth areas

The most important factor indicated by the respondents was the growing concern for work-life balances. As soon as individuals acknowledge this need for a balance they want to take prophylactic measures and services such as burn-out preventions during their holidays.

We want to take care for individuals who focus on burn-out prevention. These are all individuals who work as managers and they just want to calm down, they want to relax during their stay. (Respondent A)

Many of our guests have allergies. (...). This is the top-topic for us! (Respondent B)

Interestingly enough, on the one hand changing demographics and new technologies were not seen as major factors influencing the growth of health tourism products. On the other hand, the growing individual concern about health issues was interpreted as the major determinant of health tourism growth. All respondents stressed this fact, articulated by interviewee in the following way:

Growing health awareness and not the infinite trust in technologies - this is positively influencing the demand. One needs to do something on your own, you need to actively contribute to your own health situation. In earlier times, individuals thought – the doctor will make it. (Respondent D).

When looking at growth areas, nutrition and medical wellness were identified as the major drivers of health tourism growth.

The whole topic of the right nutrition plays a central role. With the help of a dietary changes guests want to reduce their weights. Due to the high demand, my wife was completing a training to become a nutritional advisor. (Respondent B)

Medical wellness is a major driver of health tourism growth. Medical wellness combines the growing wellness market with more serious medical applications. However, the market is not clearly defined as expert A states:

For the guest the term "medical" plays a major role, especially "medical wellness" is interesting for them. Unfortunately you do not find many non-professional services. Products are going to be sold which are of no content. I also think that for the guests it is not clear what medical wellness means at all. (Respondent A).

Discussion and conclusions

The case study provided two databases that strongly highlight the importance of factor conditions for health tourism destinations' competitiveness. This holds true for destinations in all three countries: the alpine natural resources are the most relevant factors which constitute the core products of the majority of health tourism products. Amongst the resources constituting the factor conditions, natural and human resources are seen as crucial for the destination's competitiveness. The quantitative data also revealed the importance of the market structure and strategy constitution.

The respondents point out how important it is to have a high willingness to cooperate as well as a common strategy within the health tourism destination. The results underline the importance of forming strong cooperation to deliver a holistic (health) tourism product along the value chain (see e.g. Theiner & Steinhäuser, 2006; Keller, 2002). When discussing these results with the experts they underline that close cooperation with farmers and other actors in the primary industry exists; however there is much more potential especially for health tourism. All respondents underline consumers' awareness of health issues, together with the ageing society, as a major driver for health tourism growth.

Furthermore, new technological challenges offer many chances to improve existing health tourism services and to develop new and more cost-efficient product and service packages (allergy hotels, healthy living courses, healthy nutrition courses, etc.). Respondents also share the same opinion about the main growth areas within health tourism: medical wellness and the focus on work-life balance will become the major areas where new products and services will be developed in tourism. As wellness is already a strong industry in some of the observed destinations, the focus on the extension of these wellness products with medical services and benefits is seen as a major growth area.

Implications can be derived for tourism destinations and destination managers. First of all the interviews with the experts underlined many of the data obtained from the survey, especially the importance of how consumers' attitude towards health issues changed dramatically during the last decades. This creates new market opportunities, but the market for health products is relatively small especially when enterprises focus on those customers who are not supported by their health insurances. Therefore, health tourism destinations need to diversify their offers in case they still want to target on several market segments.

One major success factor for a health tourism product is the willingness and ability of all enterprises along the health tourism value chain to cooperate. Some destinations can gain synergies in various areas such as human resources, infrastructure, marketing or technology development.

The case study of alpine health tourism presented above reveals the strength of health tourism services in the area of prevention. Medical prevention is seen as the future of health tourism: here the market is larger and many of the already existing (natural) resources within the tourism destinations do already exist and do not demand such high investments as pure medical or therapeutic products and services.

The importance of natural resources demands a stronger focus on its sustainable management in alpine health tourism destinations. A responsible and sustainable management of these resources together with the accessibility (e.g. hiking paths and access to unique alpine relaxation areas) are the foundation for health tourism. However, health tourism is a quite unknown product promising a vague customer value. Therefore, it needs more empirical evidence (such as the AMAS, the Austrian Moderate Altitude study) to prove that the use of these alpine resources is providing a unique benefit for potential health tourists (Schobersberger et al., 2003). With this evidence it is much easier for destination marketers to tangibilize health tourism or medical wellness. Furthermore, it is of importance to follow Kušen's (2011) recommendations not to raise unrealistic expectations on medical tourism as an option to overcome tourism development problems such as seasonality or low occupancy rates. Medical tourism is a niche product which can be embedded in an existing health tourism system.

Further research needs to investigate both the consumers' expectations and desires: it is of utmost importance to shed more light upon the value which consumers attribute to health or medical services. Finally, it needs to be evaluated which destination and/or business model solutions might offer the optimal governance structure to offer health tourism and to gain synergies with strategic alliances or co-operations within or between destinations.

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