THE DEVELOPMENT OF MEDICAL TOURISM IN MALAYSIA: FACTORS, ACTORS, AND STRATEGIES

NUR ALIA BINTI AZMI

Thesis submitted in fulfillment of the requirements for the degree of Master of Science

Faculty of Administrative Science and Policy Studies

January 2020
AUTHOR’S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student : Nur Alia Binti Azmi
Student I.D. No. : 2016412406
Programme : Master of Administrative Science – AM 780
Faculty : Administrative Science and Policy Study
Thesis Title : Development of Medical Tourism in Malaysia: Factors, Actors and Strategies
Signature of student : ……………………………………………
Date : January 2020
ABSTRACT

Medical tourism is defined as a movement of people from one country to another to receive medical treatment as well as to enjoy site tourism attractions. Medical tourism industry in Malaysia was introduced in 1998. The industry is growing fast that it has generated a profit of MYR 1.5 billion and the number of medical tourists 25.8 million in 2018. Currently, Malaysia has become one of the best countries in the Southeast Asia region (SEA) in the health tourism industry and is competing with developed countries such as United States, United Kingdom, Costa Rica, Japan, Brazil and Singapore. Based on recent statistics, Malaysia is on her way to be the best medical tourism hub in SEA region, yet literatures need to be update on the factors, who are the main actors behind the rising of medical tourism and the challenges they face as well as the feasible strategies undertaken by the government and relevant parties to promote the industry. Hence, the purpose of this study is to explore the development of medical tourism in Malaysia through three core elements namely factors, actors, and current strategies that lead to the development of Malaysia's medical tourism. This research has applied qualitative method. In-depth interviews were conducted with eighteen (18) informants from the government ministries, agencies and private hospitals in Selangor and Kuala Lumpur. Content analysis through government reports on medical tourism were also analyzed. The data collected from the interview were scrutinized through thematic analysis. The findings are as follows: (1) factors that made Malaysia a preferred medical tourism destination are: high quality services, affordable cost, site attraction places, Syariah medical practices, government initiatives and smart partnerships. (2) The key actors that drives the medical tourism industry are: government ministries and agencies, and the private hospitals and finally (3) the government has implemented two major strategies to promote the industry, namely smart partnerships and to increase quality healthcare services. The findings contribute significantly towards literature in the field of study and these findings can help relevant agencies to develop various strategies to promote and improve the industry.
ACKNOWLEDGEMENT

Assalamualaikum and greetings,

First and foremost, I am thankful to Allah S.W.T for being my backbone and given the strength to complete this thesis. I would like to express my gratitude to both of my parents, Azmi Bin Sulaiman and Radziah Bt Mat Zin. There have been times where I want to give up but they motivate me and encourage me. Although there were many life-challenges that we had to go through, they did not give up on me.

I would also like to express my sincerest gratitude to my main supervisor Associate Professor Dr. Suseela Devi S. Chandran for her support, advice and knowledge given throughout my thesis journey. Her advice and her constructive critiques have helped me to improve my writings. I have never imagined of having such a wonderful mentor and advisor for my master study. My sincere of gratitude also goes to my second supervisor Associate Professor Dr. Hajah Fadilah Binti Hj Puteh who has provided me ample of advice and motivation, not only on my presentation skills and my ideas, but my life as well. I appreciate all the efforts given by both of my supervisors.

My sincere thanks also goes to the Faculty of Administrative Science and Policy Studies, for accepting me as a student to pursue my dream. The faculty has helped me in various ways. I would also like to thank Mr. Max Wong, from Malaysia Healthcare Travel Council (MHTC), Kuala Lumpur for assisting me in the academic ideas and writing throughout my master journey. My special thanks also goes to the Ministry of Higher Education for an opportunity to become a Graduate Research Assistant throughout my master's journey under the research grant entitled: "Assessing the Policy Framework on Medical Tourism Malaysia in The Globalized World" in a Malaysian perspective. My research was also part of two years research grant led by Associate Professor Dr. Suseela Devi and her research team. Lastly, I also appreciate the support from my siblings and friends: Afina, Arif, Amira, Naimin, Aidil, Mardhati, Hafiz Nabil, Raja Farhanah, and others. This journey would not be possible without them.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONFIRMATION BY PANEL EXAMINERS</td>
<td></td>
<td>ii</td>
</tr>
<tr>
<td>AUTHOR’S DECLARATION</td>
<td></td>
<td>iii</td>
</tr>
<tr>
<td>ABSTRACT</td>
<td></td>
<td>v</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENT</td>
<td></td>
<td>iii</td>
</tr>
<tr>
<td>TABLE OF CONTENTS</td>
<td></td>
<td>vi</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td></td>
<td>xi</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td></td>
<td>xii</td>
</tr>
<tr>
<td>LIST OF ABBREVIATIONS</td>
<td></td>
<td>xiii</td>
</tr>
</tbody>
</table>

## CHAPTER ONE: INTRODUCTION

1.1 Background Of Study | 1 |
1.2 Problem Statement | 4 |
1.3 Research Questions | 7 |
1.4 Research Objectives | 8 |
1.5 Scope Of Study | 8 |
1.6 Significance Of Study | 8 |
    1.6.1 Theoretical Contribution | 8 |
    1.6.2 Managerial Contribution | 10 |
1.7 Definition Of Terms | 11 |
    1.7.1 Medical Tourism | 11 |
    1.7.2 Medical Tourists | 12 |
    1.7.3 Government Actors | 12 |
    1.7.4 Non-Government Actors | 13 |
    1.7.5 Strategies | 13 |
1.8 Outline Of Thesis | 14 |
1.9 Summary | 14 |

## CHAPTER TWO: LITERATURE REVIEW

2.1 An Overview Of Medical Tourism | 16 |