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DOES QUALITY ALWAYS MATTER? THE ANTECEDENTS OF INTENTION TO VISIT INDONESIA AS A MEDICAL TOURISM DESTINATION

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ABSTRACT

Medical tourism is growing at a pace of 20% a year and is estimated to have an approximately USD 40 billion annual market value (ITB Berlin, 2012). As a result of its rapid growth, medical tourism has become one of the most profitable tourism sectors, mainly in developing countries. As the medical tourism sector is growing, it is important for Indonesia to recognize the important factors that may encourage tourists to visit Indonesia for medical care. This research aims to examine the antecedents of intention to visit Indonesia for medical care purposes. The findings of this research will help Indonesia's medical tourism sector to understand the factors that must be paid attention to in order to encourage potential visitors to come to Indonesia for medical tourism purposes.

INTRODUCTION

In recent years, the medical tourism sector has grown rapidly and is predicted to continue experiencing a rapid growth in the coming years (20th World Travel Monitor Forum, 2012, as cited in ITB Berlin, 2012). Medical

tourism grew at a pace of 20% a year and was estimated to have an approximately USD 40 billion annual market value (ITB Berlin, 2012).

As a result of its rapid growth, medical tourism has become one of the most profitable tourism sectors, mainly in developing countries. In a research by Woodman (2007), Asian countries experienced the most growth in the medical tourism industry, with India, Thailand, Singapore, South Korea, and Malaysia leading the market. These countries have managed to see the potential of the medical tourism sector and seize the opportunity for growth (Jotikasthira, 2010). As many Asian countries experience rapid growth in the medical tourism sector, Indonesia may have missed the opportunity to be a major player within Asian countries. There were approximately 600,000 Indonesians travelling abroad for medical treatments, with 67% of them going to Malaysia (Ministry of Tourism, 2012). This makes Indonesia as one of the biggest outbound global medical tourism country sources.

As the medical tourism sector continues to grow, it is important for Indonesia to recognize the important factors that may encourage medical tourists to visit Indonesia for medical care. Service quality has been one of the most crucial factors in explaining the intention to visit (Raza, Siddiquei, Awan, & Bukhari, 2012). Indonesian former Minister of Health Nafsiah Mboi (as cited in "Indonesia wants to become a health tourism destination", 2013) stated that Indonesian medical practitioners lacked the 'pride to serve', whereas doctors in Singapore were pleased to spend more time with their patients to listen to their problems and discuss various medical procedures that were available. This raises a warning for Indonesia's medical tourism sector to start evaluating its perceived image in the mind of potential visitors.

Customers' decision to go abroad for medical treatment is also determined by lower cost (Paul, 2014). The cost of medical treatment in Thailand is much lower than developed countries that offer the same quality of care, medical equipment, trained medical practitioners, and quality of service (Jotikasthira, 2010). York (2008) states that the perceived image of a destination's hygiene and safety standards is also an important factor in choosing a medical tourism destination. Destination image can be understood as 'what a person knows and feel about the capacity of a destination to be a solution to a recognized problem'. Thus, a destination with a positive image has a greater chance to be chosen by medical tourists. The former Indonesian tourism minister Mari Elka Pangestu (as cited in 'Indonesia wants to become a health tourism', 2013) stated that Indonesia has a favorable geographical proximity to several developed countries, such as Australia and Japan. Nur Rasyid Lubis, the Deputy Director of Adam Malik Hospital based in Medan, stated that one of the reasons why Indonesians choose Singapore and Malaysia for medical treatment overseas is because of geographical proximity - these countries are located close to Indonesia. Thus, this signals that geographical proximity may be a contributing factor for the intention to visit a destination for medical care.

It is important for Indonesia to start considering its potential in medical tourism by exploring what it can do to improve its position and image in the mind of potential visitors. This research aims to examine the antecedents of intention to visit Indonesia for medical care purposes. The findings of this research will help Indonesia's medical tourism sector to understand the factors that must be paid attention to in order to encourage potential visitors

to visit Indonesia for medical tourism purposes. This will help Indonesia to be put into the consideration set when thinking of an alternative medical tourism destination.

LITERATURE REVIEW

Medical Tourism in Southeast Asia

Medical tourism is 'the term commonly used to describe people traveling outside their home country for medical treatment' (Gaines & Nguyen, 2015). The definition of medical tourism can be taken from two different perspectives. From the perspective of a destination, medical tourism is defined as the overseas arrangement of medical care that is combined with other tourism products, by taking advantage of the lower comparative cost (Awadzi & Panda, 2005). From the traveler's perspective, medical tourism refers to obtaining health-care services in another country other than their country of residence (Marlowe & Sullivan, 2007).

Travelling abroad to receive medical services is not a new phenomenon. In ancient times, when advanced medical technology did not exist, people sought medical treatment by travelling to hot springs to cure their diseases (Goodrich, 1994). A more recent phenomenon is that people from developing countries travelled to developed countries for medical treatment, as decent medical services were not available in their home countries (Pocock & Phua, 2011). Currently, however, the medical tourism sector is experiencing a reverse change, as indicated by an increasing number people from developed countries that travel to developing countries to seek medical services. This change is due to the rising cost of treatment in the developed countries, which is no longer perceived as commensurate with the quality of service offered (Marlowe & Sullivan, 2007). Moreover, developing countries have made significant improvements in terms of medical services in recent years (Vadanabha, 2007). Therefore, it has become more attractive for people, whether from developed countries or other developing countries, to consider seeking medical services in the developing countries. However, some variables or conditions must be present in the developing countries.

The attractiveness of South East Asia has been rising in the medical tourism sector, as three of the world's main destinations are in the region. Those three countries are Thailand, Malaysia, and Singapore (McDowall, 2006). In 2014, Thailand received 1.1 million medical tourist arrivals (Peltier, 2015), while Malaysia received 820,000 medical tourist arrivals (Oxford Business Group, 2016). Singapore, on the other hand, received 7.5 million medical tourist arrivals (Singapore Tourism Board, 2015).

Malaysia has seen its medical tourism sector grow rapidly in recent years. Malaysia's reputation as a medical travel destination grew when the International Medical Travel Journal (IMTJ) named Malaysia as "Medical Travel Destination of the Year" (Suki, Putit, & Khan, 2017). The government of Malaysia began promoting its medical tourism sector in 2002, with Penang and Kuala Lumpur as the hubs. Penang and Kuala Lumpur are easily accessible to foreign tourists, as there are numerous international airlines that are serving the route. Malaysia's international airport is also equipped with dedicated medical tourism concierges and lounges (Oxford Business Group, 2016). Moreover, the government of Malaysia also gives

ease of access for medical tourists, as their visas are valid for 90 days and can be extended if needed (Yuen, 2009a). A patient can also bring up to four accompanying people under the same visa conditions (Yuen, 2009b). Being a Muslim country, Malaysia is able to attract a lot of medical tourists from Indonesia and the Middle East. Halal food, medicine, and treatments are widely available in hospitals across the country (Wong & Musa, 2012). Indonesia accounted for 72% of its medical tourist arrivals in 2007, and growth for medical tourist arrivals from the Middle East is significantly increasing (Association of Private Hospital in Malaysia, 2009).

Thailand is considered as the market leader for medical tourism. Statistics show that there are 2.53 million medical tourists arrivals in Thailand. The medical tourism sector has generated approximately USD 4 million in revenues in 2012 (Wong, Velasamy, & Arshad, 2014). Similar with the case of Malaysia, medical tourists can easily enter Thailand for the purpose of medical care. Potential medical tourists can apply for a non-immigrant visa that is valid for 90 days. Thailand also offers visa on arrival to most nationalities. Medical tourists from the Middle East can also stay in Thailand for 90 days without a visa for medical purposes (MyMEDHoliday, 2014). One of the advantages that Thailand offers as a medical tourism destination is that hospitals in Thailand are able to do medical procedures that may not be widely available around the world, such as gender reassignment and stem cell (Olson, 2010). Hospitals in Thailand are among the first to receive JCI Certification in South East Asia, and in 2014, there were 37 JCI-accredited hospitals in Thailand (JCI, 2013).

Singapore is famous for its high-quality service and medical care, and is also seen as home to trustworthy medical providers. Hospitals in Singapore own some of the most advanced medical technologies available in the market (Wong et al., 2014). Medical practitioners in Singapore are mostly foreign doctors (approximately 800 foreign doctors in 2011) and they speak fluent English (Leong, 2012). In 2014, Singapore had 21 JCI-accredited hospitals (JCI, 2013). Singapore also appeals to potential medical tourists for its clean environment with low pollution levels. A stable political condition also indicates that Singapore is relatively safe (Yeoh, Tan, Wang, & Wong, 2002).

Product and Service Quality

The concept of perceived product and service quality is not significantly different from each other. This concept acts as an important factor in evaluating products and services offered by a particular establishment against alternatives from its competitors, in terms of quality (Han & Ryu, 2009). Quality itself mainly consists of two major parts: core-product and service-product performance (Bitner, Booms, & Tetreault, 1990). Core product represents what the buyer is really buying, while service-product performance is defined as 'performance derived from interaction with service personnel' (Han & Hyun, 2014).

In a recent study by Han and Hyun (2014), perceived medical quality is referred to as 'an individual's evaluation of core medical product performance, amongst other things, excellence of medical care, surgical/medical skills, and a wider availability of medical/healthcare

products.' Moreover, perceived medical quality is defined as 'an individual's evaluation of the service performance of medical professional and staff, such as service delivery skills and competencies, efficient/comfortable communication, [and] kindness' (Han & Hyun, 2014). Thus, quality in medical services will be viewed from: (1) process, (2) people, (3) physical instrument.

In medical tourism, research on service quality has been done in different sampling frames, such as dental clinics (Carman, 1990), military hospitals (Bowers, Swan, & Koehler, 1994), and nursery services (Bebko & Garg, 1995). Among these studies in medical tourism, the SERVQUAL method is commonly used. SERVQUAL was developed by Parasuraman, Zeithaml, and Berry (1988) and highlights the components of service quality. The original model, which initially consisted of ten dimensions, was reduced to five dimensions: (1) tangibility - the physical appearance of its facility, equipment, staff, and communication materials, among others, (2) reliability - the ability of a company to deliver service accurately, on time, and as promised, (3) responsiveness - the willingness to help and give a prompt and correct service treatment to guests, (4) assurance - the knowledge, hospitality, and skill of the staff that help customers to grow trust towards the company, (5) empathy - the effort to know, understand, and feel the needs of the guests individually (Bloemer, Ruyter, & Wetzels, 1999).

Perceived quality and service have been found to have a positive relationship with trust (Cerri, 2012). In a survey of 162 respondents in Albania, Cerri (2012) found that quality was one of the important factors that affected trust. A company that is perceived to have a high quality of product and service tends to receive a high level of trust. Professionalism of the employees was also a strong basis for building trust (Cerri, 2012). In a similar vein, Moorman, Deshpande, and Zaltman (1993) also agreed that quality was an important foundation of trust. When customers believe that a particular institution is truly concerned about the patients' health condition, this enhances credibility, another main component of trust (Ganesan, 1994). Further, Markovic, Lončarić, and Lončarić (2014) ran a research on the quality of medical services in Croatia by administering questionnaires to 104 respondents, and discovered that medical quality positively impacted customer satisfaction and their intention to revisit. Therefore, we propose the following hypothesis:

H1: Perceived Medical Quality is positively related to trust

H2: Perceived Service Quality is positively related to trust

Perceived Image of a Destination's Hygiene & Safety Standards

The term 'destination image' has been interpreted in several ways. For the purpose of this research, however, destination image is defined as the 'description of image as being constituted by the perceptions of prospective tourists about the elements – such as climate, people, and culture- that influence the attractiveness of a destination. Destination images are constructed and kept in potential customers' memory as a combination of separate memories about a stimulus (Phillips & Jang, 2008). Destination image researchers, Echtner and Ritchie (1991) used several attributes to study destination image, such as natural attractions, and price levels, among others. In recent years, Beerli and Martin (2004) divided the attributes into

nine categories. Those attributes are, amongst other things, the natural environment (which includes cleanliness, air and noise pollution) and political and economic factors (which include political stability, terrorist attacks, and crime rate).

In the medical tourism context, a destination needs to manage its image well, as destination image plays an important role in determining an intention to visit. Potential first-time consumers would base their expectation of a destination mainly on the image that they formed before their actual visit, especially with regard to a certain standard such as hygiene and safety (Gallarza & Gil Saura, 2006). A destination then needs to illustrate a positive image that fulfills customer expectation, since a destination with a positive image has a greater possibility to be the preferred choice (Jotikasthira, 2010). Considering that visitors for medical tourism purposes tend to pay attention to health-related aspects of the destination, we believe that hygiene and safety are considered as a top priority in the destination image checklist. Therefore, we propose that:

H3: Perceived image of a destination's hygiene and safety standards is positively related to trust

Trust

Alsaghier, Ford, Nguyen, and Hexel (2002) defined trust as 'an individual's belief or expectation that another party would perform a particular action important to him or herself in the absence of control over [the] trustee's performance'. Trust has been considered as a catalyst in many transactions and plays an important part in evaluating social and economic behavior (McKnight & Chervany, 2002).

In the medical tourism context, trust is significant as numerous risks may occur. These risks range from malpractice, low-quality medical care, and medical accidents (Han, 2013). Researchers have found that trust is an important factor in determining an intention to visit a certain destination. Gambetta (1988) mentioned that trust leads to a favorable behavior toward a certain product, or in this case, visiting a destination.

H4: Trust is positively related to an intention to visit a destination

Price Reasonableness

According to Han and Hyun (2014), price reasonableness is defined as 'customers' perceptions of the appropriateness of a price for a product or service in comparison to competitors' prices'. Price is a vital component in the hospitality industry, and researchers suggest that price reasonableness is important in analyzing consumer behavior (Varki & Colgate, 2001). Most of the time, consumers employ their perception of the fairness of the price in examining a certain product and service, and develop an attitude towards the provider (Han & Kim, 2009). Consumers' assessment of the fairness of the price, may result in either a favorable or unfavorable decision towards the provider, and may also increase price sensitivity (Oliver & Swan, 1989). Han & Kim (2009) also agreed that perceived price reasonableness significantly impacted intention formation.

In the medical tourism context, the consumers come from more developed countries to the less developed ones in order to seek a high-quality medical treatment at a lower price (Paul, 2014). The Japanese often go overseas to seek more affordable medical care, while the Chinese go abroad for a good-

quality medical care at a reasonable price. In a research study by Ryu & Han (2010), the consumers' judgment of a certain product or service is likely to lead to a more favorable intention to purchase, if the consumers think that the price is relatively fair. Therefore, we propose the following hypothesis:
H5: Perceived price reasonableness is positively related to an intention to visit a destination

Importance of Geographical Proximity

Runnels and Carrera (2012) created a hierarchy of health care needs model, derived from Maslow's hierarchy of needs. People with different health care needs may have different characteristics. The model consists of the four following tiers: (1) Basic healthcare, such as immunization and medical check-up; (2) Medically-necessary treatment, such as surgeries and treatments for certain diseases; (3) Health enhancement, such as weight loss treatment and cosmetic surgery; (4) Optimum health, such as spa, acupuncture, and detoxification treatments. Kanittinsuttitong (2014) further categorized them into: (1) medical-focused tourists - those who seek medical treatment as their main focus; and (2) tourism-focused tourists - those who seek medical treatment with tourism as their main purpose. Tourism-focused tourists consist of those who have basic healthcare and optimum health needs.

Geographical proximity is generally understood as related to close distance. In this research, however, we operationalize geographical proximity as the consumers' perception of the geographical proximity to certain destination, which is measured by the perceived distance travelled, perceived flight hours needed, and perceived multiple stopovers done. We use perception-based measures, instead of a real geographical distance, to capture the consumers' subjective evaluations and feelings, since the attractiveness of a tourism destination tends to be based on a subjective evaluation. Since the direction of the relationship between geographical proximity and the intention to visit Indonesia as a medical tourism destination is yet unknown, the following non-directional hypothesis is proposed:
H6: Geographical proximity is significantly related to an intention to visit a destination

Our research used the following research model to achieve the research objectives. Our main interest was to understand the relationship among perceived medical quality, perceived service quality, perceived price reasonableness, perceived image of a destination's hygiene & safety standards, and geographical proximity in examining foreigners' intention to visit Indonesia for medical care.

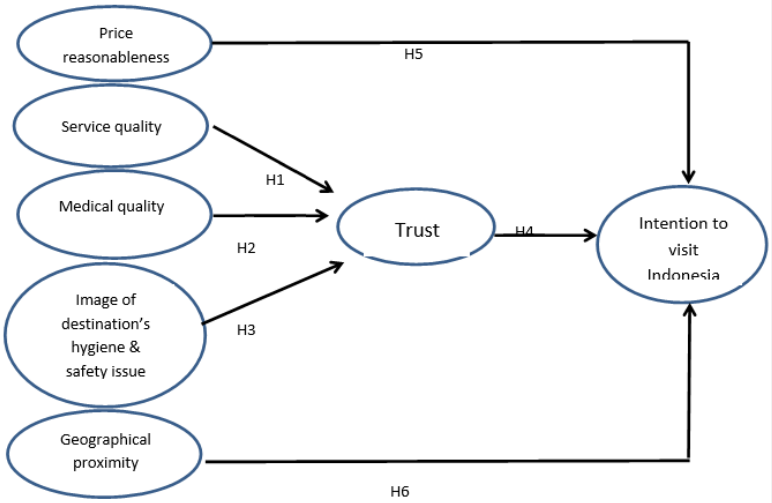

Figure 1. Research model for a medical tourism visit intention

MATERIALS AND METHODS

Measurement Development

The hypotheses were tested through the use of a self-administered survey of tourists from several continents. The questionnaire was made up of 29 question items with seven sections comprising constructs developed in the conceptual model. Perceived service quality was adapted from Parasuraman et al. (1988) and measured using a 4-item Likert scale (e.g. *"Staff seems to be able to perform medical treatment on time"; "I believe medical practitioners and staff act in the best interest of the patient"*). Perceived medical quality was adapted from Han & Hyun (2014) and Parasuraman et al. (1988) and measured with a 6-item Likert scale (e.g. *"Medical providers in Indonesia seem to have modern medical facilities", "Medical practitioners and staff seem to be able to give diagnoses and treatments without error."*).

Perceived geographical proximity was measured with a 3-item Likert scale (e.g. *"The distance I will have to take to travel to Indonesia is not that far"; "The hours of flight I will have to spend to travel to Indonesia is not that long."*). Perceived price reasonableness was measured using a 3-item Likert scale adapted from Han & Hyun (2014) and Darke and Dahl (2003) (e.g. *"Compared to other similar products, the price charged by medical institutions in Indonesia seems to be justified"*). Perceived image of destination's hygiene and safety was measured with a 4-item Likert scale adapted from Beerli and Martin (2004) (e.g. *"Indonesia seems to have an overall good quality of cleanliness."*). Trust was measured by a 5-item Likert scale adapted from Mayer, Davis, and Schoorman (1995) (e.g. *"I believe in the credibility of medical practitioners in Indonesia."*). Finally, intention to visit was adapted from G Shen, & Schüttemeyer, and Braun, (2009) and

measured by using a 3-item Likert scale (e.g. *"I am interested to visit Indonesia for medical care purposes."*). The measurement of the constructs uses a 7-point Likert scale. Pre-test results suggested that all items of the questionnaire were reliable and valid; thus, allowing the questionnaire to be administered for the main study.

Procedures

The survey was administered online to ensure variability of geographical locations. We used Qualtrics as our online survey tool and Amazon Mechanical Turk as our respondent pool. Amazon Mechanical Turk is an online source of respondents managed by Amazon.com, from which researchers are able to draw a number of respondents to participate in a study, with a certain payment for their responses. Respondents must be individuals who reside abroad and do not have Indonesian citizenship. Before collecting the data for the main study, we ran a pilot study to measure the internal consistency of the questionnaire. We pre-tested our questionnaire to 30 respondents and all 29 items were retained and were considered good to use for the main study.

In terms of the process, initially, the respondents were exposed to an advertorial-like media coverage article describing Indonesia's medical service industry as an alternative destination in Southeast Asia. The coverage includes a description of the medical services offered, qualifications of medical practitioners, excerpts of price packages, and images that highlight the facilities and human resources of certain medical service providers. Medical services offered in the advertorial were categorized as 'basic healthcare' and 'optimum health'. The article served as a reference for the respondents as they filled out the questionnaire.

RESULTS AND DISCUSSIONS

Descriptive Statistics

We collected data from 111 respondents (44% male; 56% female). Approximately 45% of the respondents resided in the US, followed by those who resided in Asia (40%) and Europe (15%). In terms of education, almost half of the respondents had a 4-year college degree. The socio-demographic profile of the respondents is shown in Table 1.

Table 1. *Socio-demographic Profile of Respondents (n = 111)*

	Frequency	%
Gender		
Male	49	44.1
Female	62	55.9
Education		
University Degree	54	48.6
Somewhat College (incl. currently college students)	49	44.1
High School Degree	8	7.2
Continent of Residence		
North America/U.S.	50	45.1

	Asia	44	39.6
	Europe	17	15.3

Measurement Validation

This study used SmartPLS to analyze the measurement and structural models. Twenty-nine measurement items were valid and utilized in this study. To ensure convergent validity, this study assessed the factor loading and average variance extracted (AVE). According to Hair, Ringle, & Sarstedt, (2011), factor loading should be higher than 0.6 for an exploratory study and the AVE score should be higher than 0.5. The factor loadings in this study range from 0.697 to 0.906 and the AVE scores range from 0.6965 to 0.9549. Discriminant validity in this study fulfilled the criteria where the square root of all AVE scores is higher than the correlation between the constructs (Fornell and Larcker, 1981). The composite reliability of the constructs was above 0.7 (Hair et al., 2011), ranging from 0.8912 to 0.9499.

Table 2. *Convergent Validity and Composite Reliability*

Construct	**Items**	**Factor Loading**	**AVE**	**Composite Reliability**
Geographic Proximity (GEO)	GEO1	0.9348	0.8635	0.9499
	GEO2	0.9549		
	GEO3	0.8971		
Destination Image	IMAGE2	0.8489	0.7205	0.9116
	IMAGE3	0.8748		
	IMAGE4	0.8402		
	IMAGE5	0.8309		
Intention to Visit (VISIT)	VISIT1	0.8749	0.7390	0.8947
	VISIT2	0.8619		
	VISIT3	0.8419		
Medical Quality (MED)	MED1	0.8081	0.6244	0.9087
	MED2	0.8338		
	MED3	0.8411		
	MED4	0.7435		
	MED5	0.7676		
	MED6	0.7407		
Price Reasonableness (PRICE)	PRICE2	0.8318	0.8084	0.9250
	PRICE5	0.9184		
	PRICE6	0.9376		
Service Quality (SQ)	SQ2	0.6965	0.6229	0.8912
	SQ3	0.8039		
	SQ4	0.8380		
	SQ5	0.8793		
	SQ6	0.7126		
Trust (TR)	TR1	0.8840	0.7353	0.9327
	TR2	0.8518		
	TR3	0.8741		
	TR4	0.8929		
	TR5	0.7798		

Table 3. *Discriminant Validity*

	GEO	IMAGE	VISIT	MED	PRICE	SQ	TR
GEO	0.9292						
IMAGE	0.0455	0.8488					
VISIT	0.5001	0.1035	0.8597				
MED	-0.1258	0.4262	-0.1738	0.7902			
PRICE	-0.3072	0.1893	-0.3585	0.4095	0.8971		
SQ	0.0327	0.5122	0.1176	0.6624	0.1815	0.7892	
TR	0.2135	0.6059	0.336	0.4722	0.1873	0.6574	0.8575

Structural Model Testing

The structural model testing results are shown in Table 4. All paths were significant at the $p < 0.05$ level, except for one path. Out of the six hypotheses, five hypotheses were supported (t statistics > 1.96), while one hypothesis was not supported (H2). Perceived service quality ($b = .465$, $t > 1.96$), perceived image of hygiene and safety ($b = .364$, $t > 1.96$) were found to have a significant positive relationship with trust thus supporting H1 and H3. Perceived price reasonableness ($b = .317$, $t > 1.96$), geographical proximity ($b = .334$, $t > 1.96$), and trust ($b = .324$, $t > 1.96$) have significant positive relationships with intention to visit Indonesia thus suggesting support for H4, H5, and H6). The details of the hypothesis test results are shown in Table 4.

Table 4. *Hypothesis Test Results*

Hypothesis	Path	Path Coefficient	T-Statistics	Conclusion
H1	SQ → TR	0.4650	4.1344	Supported
H2	MED → TR	0.0092	0.1041	Not Supported
H3	IMAGE → TR	0.3638	3.7492	Supported
H4	PRICE → VISIT	0.3167	3.5931	Supported
H5	GEO → VISIT	0.3336	3.6804	Supported
H6	TR → VISIT	0.3241	4.4304	Supported

This research aims to examine the antecedents of intention to visit Indonesia for medical purposes. In this research, perceived service quality, perceived medical quality, perceived hygiene and safety standards, perceived price reasonableness, and geographical proximity act as independent variables, while trust serves as a mediating variable and intention to visit is considered as a dependent variable. SEM PLS was used to analyze the relationships.

The findings revealed that there was a positive relationship between perceived service quality and trust. This means that potential visitors' trust is shaped by how they perceive the service quality of medical care in Indonesia. The more favorable their perceptions toward service quality, the more trustworthy the Indonesian medical care in their view. Perceived image of destination hygiene and safety standards also generated a positive

relationship with trust, which means that the more visitors see Indonesia to be hygienic and safe, the more trust they put in Indonesia's medical services. Surprisingly, however, perceived medical quality does not have a significant impact on trust. One explanation is that the types of healthcare services highlighted in this research are those of the basic healthcare and optimum health categories. Thus, they do not prompt respondents for urgent medical treatments. In the context of non-necessary medical treatments, medical quality does not seem to matter to the potential visitors; however, service quality is a significant contributor to trust.

Perceived price reasonableness shows a positive relationship with intention to visit Indonesia. This implies that price reasonableness is one of the factors that visitors would consider before deciding to visit a country for medical tourism purposes, specifically for the basic healthcare and optimum health categories. The more reasonable the visitors see the price offered by the medical services of a certain country, the higher their likelihood to visit the country. Our findings also revealed that geographical proximity had a significant positive relationship with intention to visit. As visitors perceive the geographical proximity between their location and the destination to be acceptable or bearable, the more likely they will visit the destination. Lastly, trust is found to have a positive relationship with intention to visit, which confirms that in the context of the medical service industry, trust is a driver for intention to visit.

CONCLUSIONS

The implications of our study are fourfold. First, in an attempt to induce an intention to visit Indonesia as a medical tourism destination, medical service providers of basic and optimum healthcare categories should target the markets of the neighboring countries and of the region, considering geographical proximity as having a positive impact on visit intention. This means that Indonesia's basic and optimum healthcare services must compete head to head with Thailand, Singapore, and Malaysia as the top three destinations in the region. Specifically for the optimum healthcare category such as spa services, Indonesia can take advantage of the various traditional massage and healthcare treatments and position them as an exotic medical tourism package. Focus should be put in this category to leverage Indonesia's various cultures and traditions. Second, the medical tourism package must be priced reasonably. This implies that potential visitors must see the fairness between what they will have to pay and what they will receive. Indirectly, this will also impact the medical service industry in the country to maintain an excellent quality of service so that positive word-of-mouth is well-spread. Third, the Indonesian government must continue to improve hygiene and safety standards in the country to build trust among the potential visitors. This is a very crucial issue and relevant to the current situation in Indonesia as recent terror attacks have been carried out in the country. Medical tourism as part of tourism is dependent upon the country's image in this respect. Therefore, a strong commitment from the government to maintain and improve hygiene and safety conditions is urgently needed. Fourth, while medical quality does not seem to have a significant impact on trust, it does not necessarily mean that it can be abandoned. In general, medical quality must meet, at least, the minimum requirements. Investment in improving

medical quality will be paid off in the long run if Indonesia plays a significant role in the medically necessary treatment category for medical tourism.

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