

HUNGARIAN DENTAL TOURISM DEVELOPMENT PROGRAM

SUMMARY

PRESENTER:
LÁSZLÓ SZŰCS
CEO

12/10/2017

“

***NOTHING CAN STOP
AN IDEA
whose time has come***

VICTOR HUGO

”



WHAT IS THE *Hungarian Dental Tourism Development Program?*

Hungarian Dental Tourism Program is a modular model of dynamic economic development and health tourism aimed at preserving the leading position of Hungary in the European market and ensuring sustainability in Hungarian Dental Tourism.

© László Szűcs
© Béla Bátorfi

FOUNDERS

Dr Béla Bátorfi, dentist, implantologist, expert of dental tourism and the chairman of the Board of Supervisors of Medical Tourism Office.



The owner and medical director of Batorfi dental clinic. As a practising implantologist and dentist and the head of a number of successful dental clinics, Dr Bátorfi has an experience of almost 20 years in this trade. He earned his degrees at Semmelweis University, Budapest and at the Westphalian-Wilhelminian University of Munster.

As one of the pioneers of modern age dental tourism, he played a key role in working out the services of dental tourism and the methods of dental marketing, as well as in bringing about sectoral innovation. He is a founding member of the Association of Leading Hungarian Dental Clinics. In recognition of his efforts in dental tourism, he was awarded the most important professional award in Hungarian tourism

and tourism development, the Pro Turismo award in November 2010.

Last year, Dr Bátorfi and Mr Szűcs laid the foundations of, and worked out, the Hungarian Dental Tourism Development Program, which is considered a model in economic development, and prepared the opportunity for other health sectors to join the medical services-based tourism business in an operation-optimised way. They prepared a large-scale international survey in 28 cities of 8 European countries to give direction to the development of Hungarian dental tourism and they also prepared the MFTFP Professors' Council project as a background for the international survey.

László Szűcs, chairman of the Board of Directors, CEO



Mr Szűcs has an experience almost 20 years in tourism and catering and organising development projects, and more than a decade of experience in media and communication. A number of international media projects, such as the series Receptklub that was implemented in 11 countries, are associated with his name.

He earned his first degree in tourism and catering at the University of Pécs. In acknowledgement of his efforts in connecting tourism and catering with modern media solutions, he was awarded a scholarship in the Adelaide Campus of the international Le Cordon Bleu academy of gastronomy, hospitality and management in 2006. In the same year, the Malaysian government invited him to be a member of a series of communication and media strategy events to celebrate the 50th

anniversary of the Federation of Malaya becoming independent from the British Commonwealth.

In 2008, the Croatian Minister of tourism awarded him with the Golden Pen award established to acknowledge the highest quality tourism promotion work of foreign journalists. In the same year, as the main organiser of a NATO conference in Budapest, he was awarded with the highest civilian degree of the For Hungarian Defence Forces medal. In 2009, he had the chance to make a unique documentary in California about the icon of American winemaking, Miljenko 'Mike' Grgich, the legendary winner of the great Paris wine test of 1976.

In 2009/2010 Mr Szűcs and Dr Bátorfi laid the foundations of, and worked out, the Hungarian Dental Tourism Development Program, which is considered a model in economic development.

THE **30** OF HUNGARIAN DENTAL TOURISM YEARS [1982 -2012]

- 1982- '85* ⇒ 100% private dental clinics appear, dental clinics close to the border flourish
 - 1988* ⇒ Start of the technology transfer from the western borders to Budapest
 - 1993 - '94* ⇒ Affordable dental implants appear in the market
 - 1995* ⇒ The privatisation of government practices
 - 2000-2001* ⇒ The advent of organised tourism by air
 - 2001-2002* ⇒ The start of the Széchenyi Plan, first significant developments
 - 2003* ⇒ Budget airlines appear
 - 2005* ⇒ The start of dental tourism in Poland
 - 2007* ⇒ PEAK YEAR in Hungary
 - 2008-2010* ⇒ Global credit crisis – stagnation (+ Iceland volcano)
 - 2012* ⇒ The year of renewal
- HUNGARIAN DENTAL TOURISM DEVELOPMENT PROGRAM

THE PHENOMENON OF HEALTH TOURISM

- Globalisation – new trends, new customer requirements
- Dynamic development
 - offers from 200 countries
 - 5 million health tourists
 - McKinsey report –2014: \$120 billion global income in health tourism
 - the estimation of the European commission: 780,000 health tourists/year
- Lack of reliable surveys
- Global competition
 - Asia (India, Malaysia, Thailand, Singapore)
 - Central and South America (Mexico, Brazil, Cuba and Costa Rica)
 - Europe (Hungary, Poland, Turkey, Croatia, the Czech Republic, Romania, Cyprus, Malta)
 - The Middle East (Arab Emirates, especially Dubai)

(Source: Health insurers and medical tourism/cross-border healthcare)

MARKET PLAYERS

COMPETITORS

TURKEY

- 20 million tourists a year
- 150,000 health tourists
- \$ 300 million (2014)
- JCI accredited hospitals
- Government subsidies
- 30% increase of the number of health tourists is the goal (CAGR) (2010-2013)
- Health tourism services on offer:
 - Eye surgery*
 - Hair implants*
 - Artificial insemination*
 - Plastic surgery*
 - Dental surgery, dialysis and hepatitis treatments*

POLAND

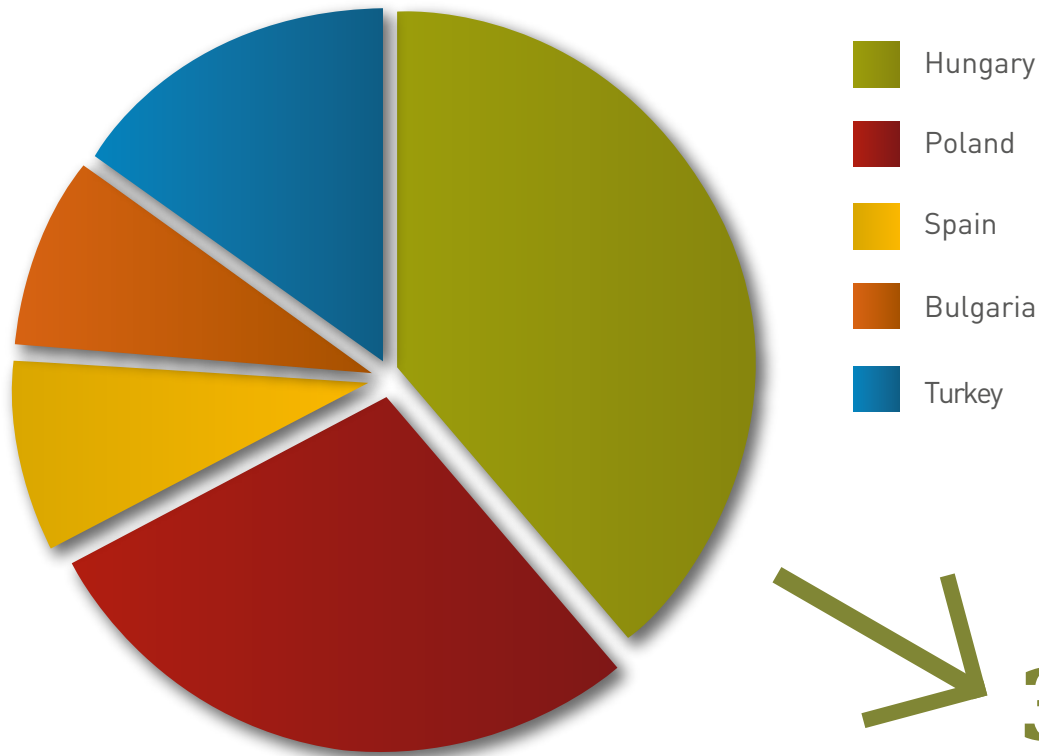
- „**Polish your smile!**“
- Survey: "Poland Medical Tourism Market 2013" (Aarkstore)
- 500,000 health tourists (2012)
- A plan of 15-20% growth a year
- Government-owned health institutions
- A growing private sector
- Government subsidies
- Health tourism services on offer:
 - Cardiac surgery*
 - Neurosurgery*
 - Orthopaedics*
 - Dental surgery*
 - Aesthetic and plastic surgery*

CROATIA

- EUR 95 million income (2015)
- An integrated approach
- 'state-of-the-art'
- Foreign investment interest
- International conferences, professional events
- Health tourism services on offer:
 - Cosmetic treatments*
 - Ophthalmological treatments,*
 - Neurosurgery*
 - Orthopaedics*
 - Cell therapy*
 - Dental surgery*

[Source: Global Travel Industry News, 2009., IMTJ]

DENTAL TOURISM OF EUROPE



350-400
dentistries

[Micro- and small enterprises]

(cca. 2 500 Hungarian dentistries: 12-14%)

DENTAL TOURISM

- The most dynamically developing sector
- Lack of global experience
- Lack of leadership and cooperation
- Fragmentation
- Reasons of development:
 - Budget airlines
 - No boundaries in information – Internet
 - Ageing society – growing demand
 - The withdrawal of health insurance companies
 - Rapid technological development
 - Expertise intensive treatments
 - Significant differences in services (price, quality, availability)

Hungary: 'The leading dental tourism destination of Europe'

THE PRESENT AND FUTURE OF HUNGARIAN DENTAL TOURISM

STRENGTHS

- A presumed market leading position in Europe
- Good general opinion of ex-patients
- Good accessibility of the country
- Sufficient number of renowned and highly trained professionals
- Hungarian medical science is well known around the world
- High level of services
- Right level of pricing
- Advanced technology
- Experience in “treating” health tourists
- Favourable touristic conditions
- Innovation capacities

WEAKNESSES

- Dropping number of patients
- Weakening competitiveness
- Lack of strategy and image
- Fragmented resources
- Financial difficulties
- High agency commissions
- Lack of foreign language skills
- Lack of international accreditation
- Tackling problem cases, legal security
- Missing cooperation of health insurance companies
- Lack of resources necessary for technological development
- Lack of government taking a role

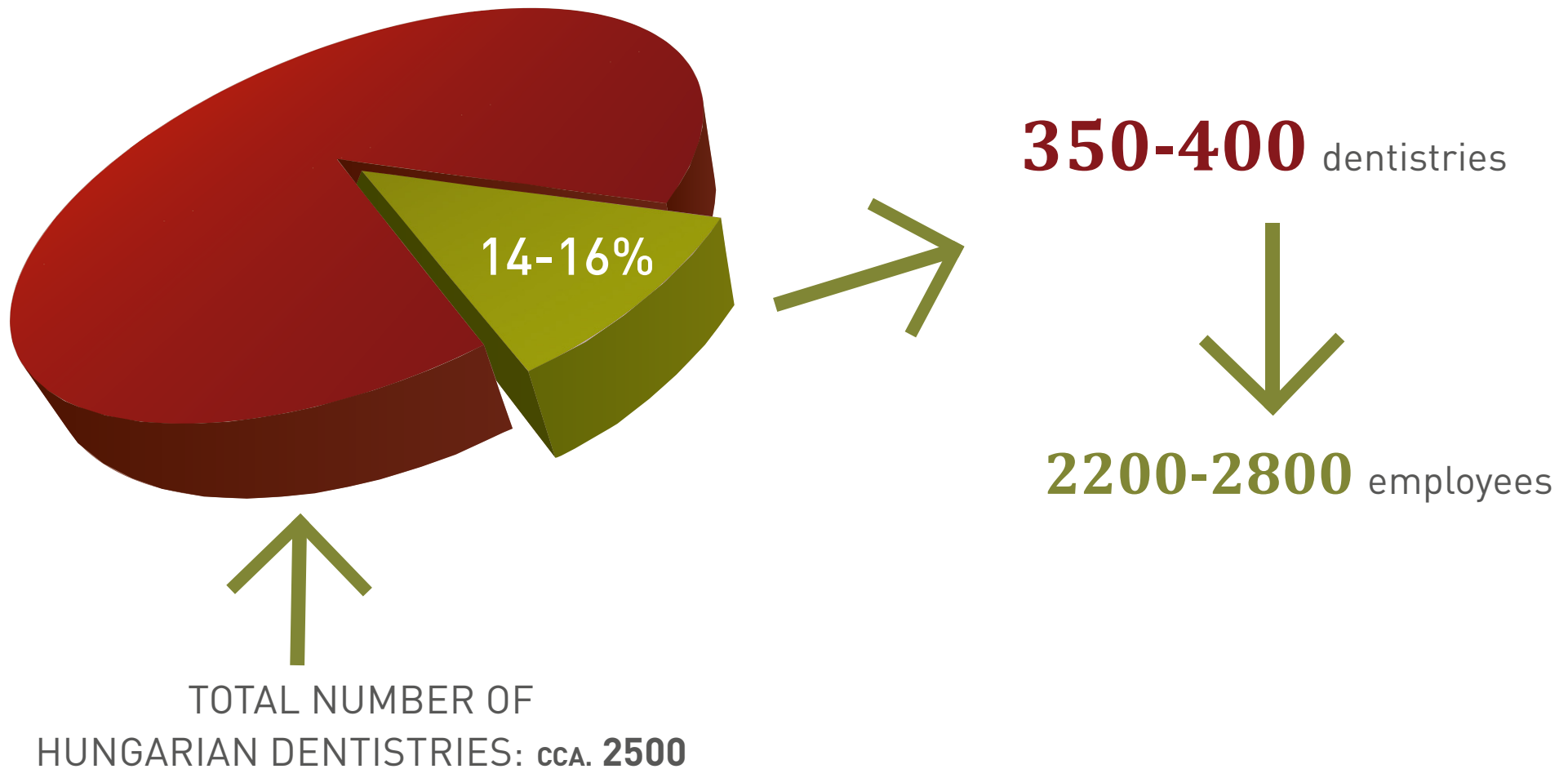
OPPORTUNITIES

- Keeping the market leading position in Europe
- Increasing patient numbers
- Maximising capacity
- Defining sectoral principles (rules and standards) and having them internationally acknowledged
- Contracts with health insurance
- Synergy, developing a uniform image
- Centralised non-medical activities
- Technological investment and development
- Knowledge development, education, training, RDI
- Government taking a role

THREATS

- New competitors
- Losing competitive edge
- Dynamic development of existing competitors – with government support
- Warranty and quality assurance problems
- Emigration of health professionals
- Continuing credit crisis within the companies
- Grey economy
- Technological lag, lack of innovation and R&D
- Aggressive marketing communication competitors
- Discord of the players in the sector

DENTAL TOURISM OF HUNGARY



WHAT IS THE HUNGARIAN DENTAL TOURISM DEVELOPMENT PROGRAM?

THE HUNGARIAN DENTAL TOURISM DEVELOPMENT PROGRAM

Is a modular model of dynamic economic development and health tourism aimed at preserving the leading position of Hungary in the European market and ensuring sustainability in Hungarian Dental Tourism.

WHAT DID WE HAVE TO DO
TO ACHIEVE THE **AIM**?

WHAT DID WE HAVE TO DO TO ACHIEVE THE AIM?

Next steps

- 1 | Comprehensive market and opinion surveys
- 2 | Developing operation standards
- 3 | Developing an accreditation structure
- 4 | Developing a warranty scheme
- 5 | Reducing agents' commission levels – starting market organisation
- 6 | Working out a sales strategy

Next steps

- 7 | Implementing a marketing and communication strategy**
- 8 | Running a patient referral system**
- 9 | Operating a financial background system**
- 10 | Developing the technology, the knowledge and the market**
- 11 | Organizing European Union funds**
- 12 | Prospects for future practitioners**

WHAT DOES THE MEDICAL TOURISM OFFICE DO?

- Builds a Hungarian dental brand
- Operates sales channels
- Implements a marketing strategy
- Supports a quality management and accreditation system
- Runs a patient referral system
- Operates a financial module
- Organizes additional areas
- Reduces operation costs with mutual will
- Allocates dedicated development resources
- Gives warranty
- Organizes training



Home 2008-11-19 12:04
MIS LST SDI VL PMSI RCM
WIS Toner Maintenance
Headset

DELL

SPACELINE

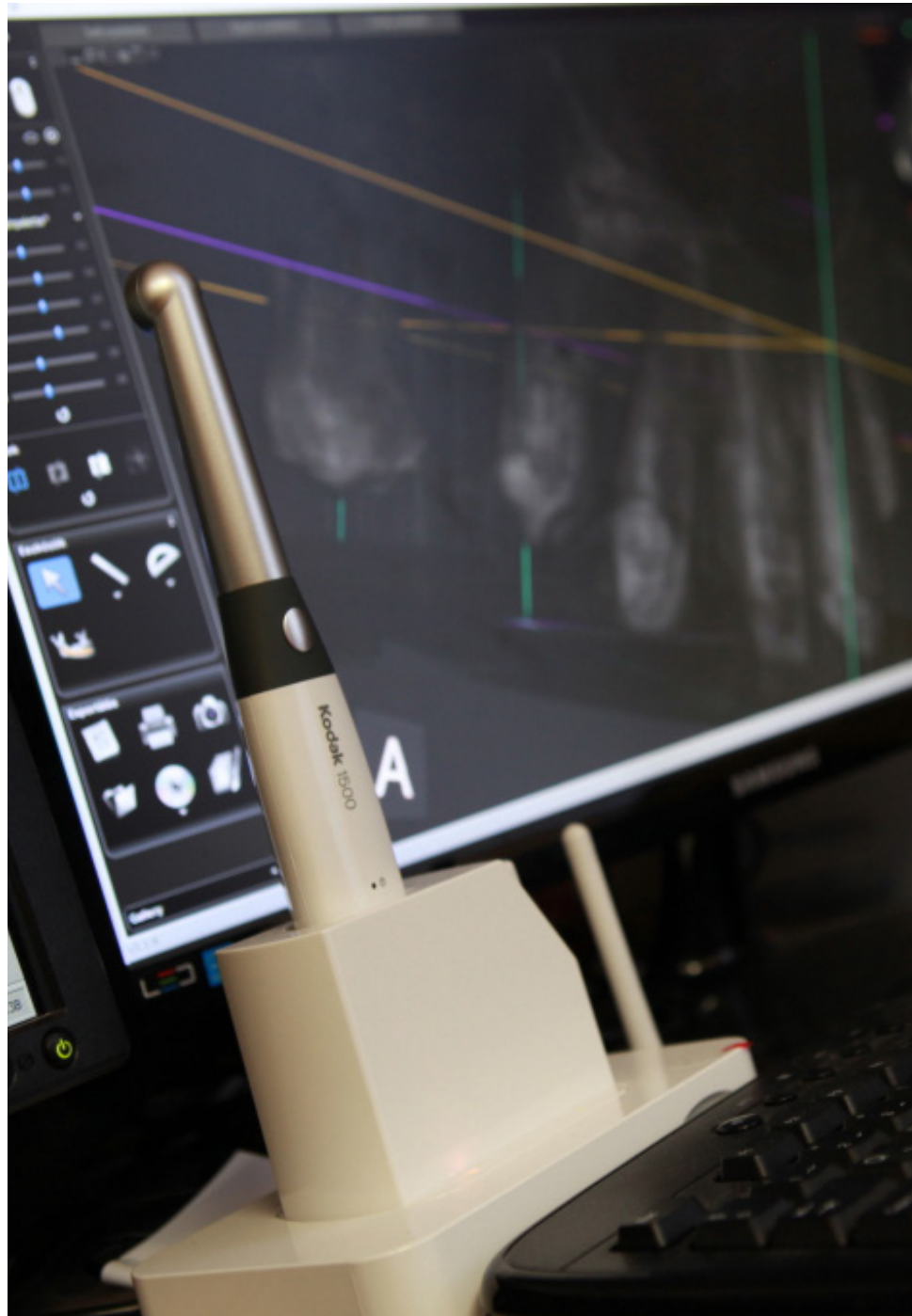




















Agreement with the Hungarian Government: **21 April 2011**
The official start of the Program: **Q1 2012**

Achievements in the first 5 years:

- Participation in >190 successful applications with the development of 110 dental businesses
- real, non-imaginary, feedback from the market
- identifying matching points of state participation and the private side
- identifying matching points of EU grants and the private
- identifying development points of interstate strategies (strategic decision making of national level) and preparing these strategies
- outlining a regional path

SPECIFIC IDEA:

The dental tourism of Poland and Hungary give roughly 2/3 of the total turnover of the EU.

Can the representative of the Polish and Hungarian dentistry sectors cooperate and is it possible to find common points?

The answer of the Hungarian Dental Tourism Program is yes. If the answer is also yes in Polish side, we are suggesting the following fields for cooperation:

Operation

- a) development opportunities in dental technology
- b) development potential in the training of dental technology engineers
- c) harmonizing production and procurement resources – organizing related investment
- d) Expanding the system to the Czech and Slovak Republics – V4 partnership

Since these issues directly influence the operation of the factories (dental surgeries), we will have the organization of credit supply and the investment side.

Circulation control

- a) European legal harmonization – political connections
- b) health insurance – a common model
- c) digital patient access
- d) developing financial solutions

POTENTIAL OPERATIVE STEPS:

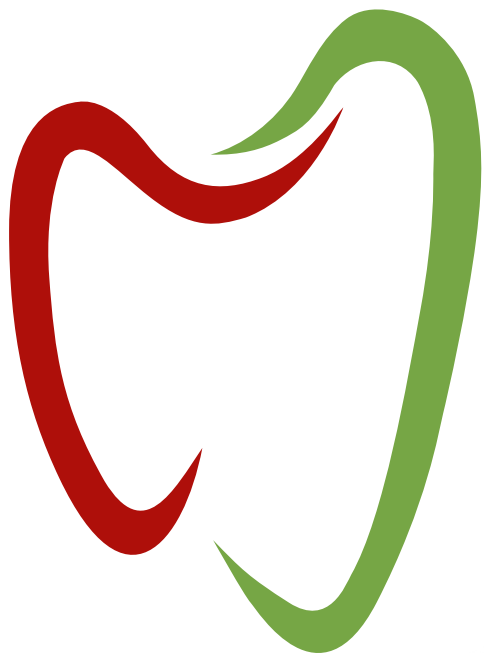
Setting up Hungarian-Polish/Polish-Hungarian subcentres:

- dental clinics
- CT
- creative local service background
- joint use, simplified booking system

***“THE SPECIALISTS ARE
PEOPLE WHO KNOW MORE AND MORE
ABOUT LESS AND LESS...”***

M.D. Williams James Mayo

a founder of Mayo Clinic



THANK YOU FOR YOUR ATTENTION!

**HUNGARIAN DENTAL TOURISM
DEVELOPMENT PROGRAM**

SUMMARY

PRESENTED BY:

LÁSZLÓ SZŰCS

CEO

12/10/2017