

AREAS OF INNOVATION ON THE HEALTH AND WELLNESS TOURISM MARKET

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Abstract:

The modern market has been undergoing a continuous process of development. There are new offers constantly emerging on the markets. This continuous development can be observed also in the supply side of the market and it is related to the consumers' search for new product solutions available at a competitive price and with the highest possible quality parameters. Innovations are a key instrument for the development of the tourism market structure. The health and wellness tourism market is particularly affected by innovation. It is a result of highly dynamic development of this market on a global level but also of the engagement of many entity groups who are participants of that market. Apart from tourism market entities, medical market entities have a decisive role in terms of implementing innovative solutions. Health and wellness tourist destinations play a significant role in the adoption of innovations on the health and wellness tourism market as they develop territorial products of health and wellness tourism, including: medical, health resort, spa & wellness and aesthetic medicine tourisms. The objective of this study is to identify the entities of the health and wellness tourism market which are responsible for introducing innovative offers on that market.

INTRODUCTION

The modern market has been undergoing a continuous process of quantitative and qualitative development. There are new offers constantly emerging on the markets. This continuous development can be observed also in the supply side of the market and it is related to the consumers' search for new product solutions available at a competitive price and with the highest possible quality parameters. Innovations are a key instrument for the development of the tourism market structure. The health and wellness tourism market is particularly affected by innovation. It is a result of highly dynamic development of this market on a global level but also of the engagement of many entity groups who are participants of that market. Apart from tourism market entities, medical market entities have a decisive role in terms of implementing innovative solutions. Health and wellness tourist destinations play a significant role in the adoption of innovations on the health and wellness tourism market as they develop territorial products of health and wellness tourism, including: medical, health resort, spa & wellness and aesthetic medicine tourisms.

The objective of this study is to identify the entities of the health and wellness tourism market which are responsible for introducing innovative offers on that market. Firstly, the theoretical issues are described concerning tourism market innovations and the structure of the health and wellness tourism market. This enabled the identification of the areas of innovation on the health and wellness tourism market. The conducted research is conceptual.

The following research methods were applied: a critical analysis of sources, logical and heuristic operations.

INNOVATIONS ON THE TOURISM MARKET

Innovations are an important factor for shaping and developing modern markets. According to traditional views on the notion of innovation formulated by J. Schumpeter [1960] in relation to the functioning of the market, the term innovation means a combination of the following factors, with their functional interdependencies:

- launching new products or improving existing ones,
- implementing new or improved production technology, including new methods of providing services,
- introducing new ways of selling and buying, including new ways of creating interaction with customers, together with appropriate customer care systems,
- opening a new market, both in terms of supply, production or sales,
- using new raw materials, materials and tools,
- implementing changes in the organization of production, including changes in the organization of the service providing process [Niedzielski 2008: 230-232].

Innovations are one of the key elements of increasing competitiveness and achieving market success in the knowledge-based economy. When taken in a general view, one may regard innovation as a process of introducing new products, ideas or way of acting. Thus, these would include all positive implemented changes which are perceived as new from the perspective of the entity that introduced them [Kalinowski 2010:13-18]. Innovations are connected with creating new market offers. However, normally these are not completely new products but rather improvements of already existing products [Westland 2008: 42-43], which are given new practical values or increased quality parameters. Thus, the vast majority of innovations consists in creative imitation of already existing solutions. Creative imitation focuses particularly on the consumer needs and starts not from observing the product but the market [Drucker 2000: 254-255].

Typical innovative undertakings in terms of services include:

- creating new service concepts,
- new forms of cooperation with the client,
- new systems for providing services,
- using modern IT solutions [Den Hertog 2002: 226-231].

The following types of innovation can be distinguished as a result of introducing new concepts for business operation on the market:

- product,
- process,
- organizational (managerial),
- marketing [Niedzielski 2013: 29],
- instytucjonalnych [Hjalager 2010: 1-12].

The first two types mainly refer to core business operation of an enterprise, that is to the structure of the offer. Market expansion should be the result of product innovation and this, in turn, should lead to the sector development or increased diversification of offered products in order to fully satisfy clients' needs and requirements. Process innovations refer to changes in the creation process and in the methods of providing products. Organizational innovations are related to internal organization and have definitely a non-physical character. They are mostly aimed at changes in the methods of operations, including creating new organizational structures, implementing new management techniques and changes in economic practices,

both internally and externally. A similar non-physical character defines marketing innovations as they focus on the course of action and interaction between the organization and the client. Their objective is to increase demand for products, both these already on offer and the ones being launched on the market [Hejduk 2004: 16-17]. Institutional innovations refer to new forms of collaboration between market participants or changes in the legal form of business operation of an entity.

Similarly as on any other markets, innovation plays a key role on the tourism market in achieving sustained competitive advantage by entities from the supply side of the market [Szymańska 2013: 146-148]. The ongoing globalization processes demand not only increased innovation activity from tourism enterprises but also from tourist destinations as it determines their survival and further growth and development. Business operation of entities on the tourism market imposes the necessity to develop different types of innovations complementarily [Gołębski 2007], as tourism enterprises (mainly micro, small and medium) vary in terms of their level of innovation, which, among other things, depends on the business strategy used, type of business, staff qualifications and market environment [Gancarczyk 2012: 105].

Tourism enterprises have a decisive role in the development of tourism market innovation. The innovation of tourism enterprises is determined by independent actions of these entities but also by sources of innovation that come from: suppliers, competitors, employees, consumers [Peters, Pikkematt 2005], advisory and consultancy firms [Wszendybył-Skulska 2010: 622], tourism policy entities. The actions of tourism policy entities may be a source of innovation for tourism entities as they develop pro-innovation policies aimed at the tourism market, in particular at tourism entrepreneurs. Furthermore, tourism policy entities may conduct innovative actions on their own. It should be noted that one of the main means of introducing innovation to the operations of tourism market entities is modern information technologies [Prahalad, Krishnan 2010: 15].

Innovation processes on the tourism market are also a result of the actions undertaken by tourist destinations [Panasiuk 2013a: 267-277]. They are directly connected to the public system (local authorities) and implement tasks related to the tourism policy. The entities representing public authorities impact innovation through developing a network of connections between entrepreneurs and tourism organizations from an area which has tourism values and attractions, tourism infrastructure and where tourism services are provided. The public entities' role in a tourism area is to establish an optimal, under specific circumstances, configuration of competitive advantages [Jaremen, Rapacz, Gryszeł 2010: 166] and as a result to implement an innovation policy. The main goal of innovation policy on the tourism market should involve the state's influence on the structure of that market through strategic actions. The innovation issues can be found in strategic documents as priorities and actions with a defined funding scheme, but in practice they are mainly funded through the European Union's structural funds [Panasiuk 2014a].

Innovations lead to the development of a new tourism market, mainly with respect to quality, which decides on the market position of the providers of that market and satisfies the needs of consumers-tourists to a greater extent. Thus, innovations directly affect the market structure and drive the market development both in terms of offer creation and consumption [Panasiuk 2014b: 246-247].

HEALTH AND WELLNESS TOURISM MARKET

One of the tourism markets is the health and wellness tourism market. This market is determined by reasons for tourism, i.e. trips which main or complementary aim is to improve health and physical and mental condition of a tourism participant. The health and wellness tourism market is also a special industry encompassing in its activities elements of other

tourism industries, mainly the hotel industry, however, with an equal involvement of medical industries, i.e. medical treatment, including wellness.

A special nature of health and wellness tourism mainly results from an aim of and reason for a trip to destinations where medical services are offered and to health resorts as well as from needs to use services provided by these enterprises.

The main reasons for health and wellness tourism include:

- a) with respect to medical tourism, including aesthetic medicine:
 - receiving medical treatment, often one that includes invasive procedures,
 - receiving planned medical procedures, including dentistry,
- b) with respect to health resort [Gaworecki 2000: 36] and wellness & spa tourisms:
 - renewal of vital strength, as a result of staying in a particular tourist destination
 - improvement of health and well-being,
 - active leisure.

The listed aims may be achieved not only through health and wellness tourism. Treatment may happen in a permanent place of living, thus, without the need to go on a tourist trip. The indicated aims of health resort and spa & wellness tourism may be achieved through other forms of tourism, for example, active tourism [Panasiuk 2008: 231-235]. It should be remembered that, as far as demand is concerned, a health and wellness tourist creates also other needs which are satisfied by other elements of the tourism supply structure.

Defining health and wellness tourism as all relationships, activities and phenomena which result from stays of people having medical treatment, including spa treatment, and from travels to medical tourist destinations and health resorts and returns to their places of living [Kaspar, Ferlich 1979; Kornak 1999: 21] constitute the grounds to identify the essence of health and wellness tourism and, next, to indicate its elements of the subjective and objective structure. In objective terms, the health and wellness tourism market is a process in which customers (tourists, patients, spa guests) and service providers (providers of tourism and medical services as well as health and wellness/medical tourist destinations and health resorts) specify the subject of the market exchange which constitutes tourism and medical (health resort) services offered at defined prices and conditions [Panasiuk 2013b: 9-22].

The main entities operating on the health and wellness tourism market are:

- a) in terms of demand:
 - tourists - patients and spa guests,
 - other tourists staying in health and wellness tourist destinations that use health resort offers and services of spa & wellness facilities as complementary services,
- b) in terms of supply:
 - enterprises providing medical services (hospitals, plastic surgery clinics, treatment centres, clinics and analytical laboratories),
 - health resort enterprises (health resort treatment facilities, e.g. sanatoriums, natural healing facilities),
 - entities providing spa & wellness services, both hotel businesses as well as entities for which these services are their core business,
 - tourism enterprises operating in a tourist destination and offering their services both to health and wellness tourists and other tourists (incl. hotel, catering, transport, inbound tourism movement travel agencies, tourist attractions),
 - specialized tourism enterprises operating in tourism areas, tourism organizers servicing the health and wellness tourism segment, intermediaries and tourism agents selling comprehensive packages or focused solely on brokerage and service in terms of medical services,

- enterprises offering health and wellness tourists, including spa guests, para-tourism services which main function is to satisfy needs of permanent inhabitants of health and wellness tourist destinations, including health resorts,
- c) in terms of the tourism policy:
- authorities regulating the functioning of tourism economy,
 - local authority bodies, particularly on the commune level, including health resort local governments,
 - associations of health resort communes,
 - tourism industry organizations, including health resort organizations
- d) in terms of the health protection policy:
- state bodies regulating the functioning and financing of the healthcare system, including health resort treatment,
 - health and wellness and health resort industries organizations.

It should be noted that the health and wellness tourism market can be developed mainly thanks to the supply elements of the general tourism market. It is complemented by elements relevant to the reasons for health and wellness tourism related to the medical offer, that is by those resulting mainly from activities of medical facilities sanatoriums or health resort hospitals but also supported by the activities of local authority bodies in tourist destinations.

When referring to the analysis of the health and wellness market structure from the objective perspective, one should mention the following patterns related to:

- a) demand for health and wellness tourism services,
- b) supply of health and wellness tourism services,
- c) instrumental scope of influence on that market by public bodies.

The increasing demand for health and wellness services is a global process which is linked to economic development, better education of the society and higher incomes. Demographic changes, especially aging society, and growing needs of the elders for medical services in combination with a favourable epidemiological situation and increase in the prevalence of chronic diseases result in a higher demand for high-quality health and wellness services. High costs of health and wellness services in wealthy countries and the availability of cheaper, alternative medical services in developing countries lead to the development of health and wellness tourism movement [Hazarika 2010: 248-251]; Pocock, Hong Phua 2011]. As people's lifestyle and workstyle change, there is a visible change in the customer demand for health and wellness tourism. The way people use their leisure time has changed and, instead of having one long holiday (2-3 weeks), people are more eager to go on holiday a few times a year for shorter periods. Consumers who due to professional reasons can only go on short holidays mainly look for interesting forms of recreation. They want to find offers that are not only appropriate in terms of prices but also have an attractive programme for which customers are willing to pay more [Briggs 2003: 30]. Therefore, they create a demand for services related to the health and wellness tourism market.

The demand for health and wellness tourism services [Kotarski 2013: 36] results from:

- needs connected with treatment and rehabilitation,
- needs connected with good health maintenance as well as regeneration of strength, prevention and recreation,
- making the demand for health services and trips to health and wellness tourist destinations become an element of a lifestyle arising from civilization progress,
- creating the so-called subjective demand which results from patients' inner conviction that they need treatment and which may not be often justified in terms of health, however, it is based on a need for demonstration,

- economic effectiveness of limitations introduced in health services due to their excessive consumption in tourist destinations.

The demand for the health and wellness tourism offer can be classified from an objective point of view taking account of group of patients, especially in terms of financing methods and a choice of places where health services are consumed. These are tourists (including patients, health resort tourists) [Szromek 2012: 188-190] using:

- medical offers (also in health resorts) in health and wellness tourist destinations, incurring costs on their own and choosing a place and service providers independently,
- medical offers financed by a health insurance purchased independently [Cohen 2012: 9-20],
- offers of health resort tourism funded or partially funded by social insurance thanks to which patients have a possibility of a limited choice of places and dates of a stay as they are referred to a health resort on the basis of a doctor's referral.

Health and wellness tourism supply demonstrates slightly different features than tourism supply in a broad sense. The expansion of current medical tourism influences the global economy significantly. The most essential issue is the difference in production capacity and costs of services between developed countries (e.g. the USA, Germany, the UK) and developing ones (e.g. Mexico, Brazil or Central and Eastern European countries). The greatest mobilization of health and wellness tourism offer can be observed in developing countries where entities of this market try to fully exploit financial and human capital of this industry and, at the same time, also receive support from the government.

The characteristic features of medical tourism supply include:

- considerable dependence of the supply structure on demand,
- high qualifications of a personnel servicing health resort tourists,
- high availability of information on the offer (especially online),
- high-quality services and management system of health resort tourists,
- a great complementary character of supply of medical and tourism services,
- progressive liberalization of regulations facilitating free international movement of tourists and use of health services,
- high capital intensity,
- very low level of seasonality [Rab-Przybyłowicz 2014: 38-41].

Supply of the health and wellness tourism market includes medical and tourism services which may be the subject of the market exchange as separate services or in the form of a package. Offers are developed by entities of the medical industry, tourism industry and comprehensively by health and wellness tourist destinations. The discussion on these issues will be continued in the next subchapter.

A special role on the tourism market is played by public entities which implement tourism policy. In these deliberations, these are also public entities responsible for social health protection policy. Every country has its own legal regulations concerning a healthcare system and the availability of the system for their own citizens as well as rules of financing from public and/or private sources. Additionally, the scope of specific medical services which can be provided in particular countries as well as those which are illegal due to ethical or religious reasons should be listed.

IDENTIFICATION OF INNOVATION AREAS ON THE HEALTH AND WELLNESS TOURISM MARKET

The analysis conducted on the health and wellness tourism market structure showed that it is the market which is well-developed in terms of offer as well as entities creating it and the market participants representing the demand side and demonstrating various reasons for using

health and wellness tourism services. This market is very competitive at all levels, from the global, through the continental and to the national and regional ones.

It is significant to stress that the elements of the health and wellness tourism market structure adopt innovations. In this respect, the most essential role is played by entities of the supply side of this market and the offer developed by them in terms of health and wellness tourism. The following entities should be mentioned in particular:

- medical market entities (e.g. hospitals, sanatoriums, spa & wellness centres),
- tourism market entities (e.g. hotels),
- specialized entities of the health and wellness tourism market (i.e. tour operators creating health and wellness tourism offers and travel agents) that combine elements of medical and tourism services into an integrated package,
- health and wellness tourist destinations, together with health resorts (countries, regions, cities and smaller towns), which, in order to promote health and wellness tourism offers of their areas, should search for original solutions, for example those combining medical services provided by commercial entities with original tourism-oriented offers.

Moreover, a health and wellness tourism product has a direct influence on developing innovations in the health and wellness tourism market. This definition encompasses all goods and services which can be purchased in health and wellness tourist destinations, including health resorts, enable tourists (patients, spa guests) to arrive and stay there (tourism services), and use health services (medical services) [Kraśiński 2001: 29].

A health and wellness product is diverse depending on the scope of resources and services available in a tourism area and functioning of submarkets: the medical tourism, health resort tourism, spa & wellness tourism, aesthetic medicine tourism markets. Theoretically, it can take a comprehensive structure, however, in market practice, such a product should be analysed separately for specific types of offers, i.e. a product of:

- medical tourism,
- health resort tourism,
- spa & wellness tourism,
- aesthetic medicine tourism.

In the structure of all of the listed product types, there are common elements resulting from tourism area potential and connected with service of every tourism form, that is tourism values (natural and cultural), tourism base (accommodation, catering, transport, additional ones) and typical tourism services. Elements connected with particular types of a health and wellness tourism product result mainly from resources and services of a medical nature. These are specialist elements of given product types. Their diversification concerns especially services provided to health and wellness tourists, but also elements of tourism facilities and values.

A health and wellness tourism product or, in fact, partial products of medical, health resort, spa & wellness as well as aesthetic medicine tourisms are a fundamental subject of influence of health and wellness tourism entities in terms of developing innovations. Innovations can concern not only direct product-related aspects, but also organizational (means of servicing health and wellness tourists), marketing (means of addressing an offer to groups of consumers) or institutional which is essential when building partnership in health and wellness tourism areas between entities offering services.

CONCLUSION

The issue of innovations in the health and wellness tourism market concerns especially supply aspects as it is mainly connected with natural resources and capital resources, including infrastructural, human, informational and technological ones. These issues chiefly

concern a size and structure of tourism movement, especially anticipation of needs of tourists who present their future expectations in terms of health and wellness tourism in tourism reception areas. Thanks to innovations, a new health and wellness tourism market, mainly in terms of quality, is created and it determines a market position of the market providers as well as better satisfies needs of consumers, i.e. tourists and patients. Therefore, innovations directly influence the structure of this market and are the driving force of development from the point of view of offer creation as well as consumption.

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