

Strategic Direction and Progress of the UAE Tourism Industry

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Abstract

Travel tourism is one of the most significant forms of tourism. The United Arab Emirates (UAE) has invested heavily in travel tourism in many ways. This has proved to be one of the best decisions made by the government. Travel tourism has positively contributed to the economic and soft power development of the country. The UAE has taken many steps, such as investing in health care and public-private partnerships and has proved to be very successful during and after the outbreak of Covid-19. After a careful analysis of the literature, this paper discusses how the UAE government has taken major steps, the progress in the economy and the soft power of the country.

Health tourism has indeed become one of the major sources of the country's economic development as well as the development of the country's soft power, resulting in the emergence of the UAE as one of the most preferred destinations for health tourism.

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1. Introduction

The strategic direction and progress of the United Arab Emirates (UAE) tourism industry is an important and contemporary issue. Strategic direction plays an important role in the process of formulating a business strategy and includes aspects such as defining the mission, vision, goals and objectives, policy, and other fundamental aspects of company activity (Papazov & Mihaylova, 2019; Stanimirov, Zhechev & Stanimirova, 2017).

Tourism takes many forms, including leisure travel, religious travel, sports travel, and exhibition travel. The current paper focuses on some important aspects of medical travel or medical tourism, specifically in the United Arab Emirates. Travelling to foreign countries for a holiday in order to receive a variety of medical services is known as medical tourism (Connell, 2013).

Health tourism is one of the fastest growing segments of the global tourism industry. A growing number of nations are vying for control and leadership of this industry, both legally and practically. There is considerable economic scope for the global economy in the current rush to participate in the global trade in medical services (Bookman et al., 2007). In Bulgaria for example, medical centres are searching for

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strategic solutions for digitization of healthcare services (Mihaylova, Papazov & Andreev, 2021).

The purpose of the paper is to present the specifics of medical tourism in the United Arab Emirates and investment in the healthcare industry as part of the strategic direction and progress of the UAE tourism industry.

2. Special features of medical tourism in the UAE and investment in the healthcare industry

The United Arab Emirates have given high priority to medical tourism and has put in place all the necessary arrangements for its success, including medical facilities, hospitals, specialised treatment centres and many other facilities accredited by international bodies such as the Joint Commission International (JCI). The UAE also has excellent hotels, first-class infrastructure, and direct and efficient air links. The government has placed particular emphasis on the privatisation of the healthcare industry, which has resulted in the highest levels of quality in terms of standards, services, expertise, and the latest medical technology being available to both locals and visitors.

The UAE has become a hub for medical and cosmetic surgeries in the region due to its unique and excellent healthcare offerings. It is recognised for its affordable and fair prices, reasonable waiting times and a high level of international confidence in the country's healthcare system. Successful efforts have been made to attract renowned international medical institutions to the UAE. With a wealth of tourist attractions and a safe, multicultural environment that enhances the restorative experience, it is also the ideal location for those who wish to take their clients abroad for medical treatment. The medical specialties of orthopaedics, sports medicine, dermatology and skin care, dentistry and reproductive therapy are the most popular among foreign patients seeking treatment in the country. In 2021, patients from 153 different nations will have visited medical facilities in the UAE. The Medical Tourism Index (MTI) ranked Dubai as the 16-th most popular destination for medical tourism in 2016, while Abu Dhabi was the 25-th most popular destination for medical tourism (The Medical Tourism Index 2020-21, n.d.). Among GCC and Middle Eastern countries, Dubai ranks highest. According to a study by Ahmed et al. (2018), when Dubai's MTI score is compared with the scores of other well-known medical tourism destinations such as Germany (71.90), France (71.22) and India (72.10), it is clear that the difference is not particularly large.

Abu Dhabi continues to promote innovation in medical technology. With a focus on specialities such as cardiology, cancer and executive screening, the emirate has worked with the MTA to promote Abu Dhabi as a destination for medical tourists. Orthopaedics, sports medicine, dermatology and skin care, dentistry and fertility are among the top specialties attracting medical tourists to the UAE. Early detection and prevention of disease is one of the emirate's priorities (Holtmeier & Holtmeier, 2023). Telemedicine has made it easier for international patients to schedule therapies and sessions. Cloud technology facilitates medical tourism by

storing patients' health records online. With huge data centres and cloud service providers such as Oracle, AWS and Microsoft, Abu Dhabi is ready to offer the next level of healthcare to international patients (Holtmeier & Holtmeier, 2023).

To support economic diversification, the UAE government is working with all health authorities to ensure that all public and private hospitals in the country are accredited to global standards of excellence for medical services and staff. The United Arab Emirates has five government entities that control the delivery of healthcare services, according to the US-UAE Business Council (2014).

The seven emirates are home to a combined 292 public and private hospitals and clinics, 209 of which are recognised as having met international standards (Ahmed et al., 2020).

In 2020, the government had predicted that 500,000 people would travel to Dubai to take advantage of its medical tourism resources. Travel and mobility for travellers has been disrupted by the coronavirus. With a recovery rate of more than 90% and a mortality rate of less than 0.3%, the UAE government has effectively managed the healthcare system and promoted the country's world-class medical and research facilities. As a result of the government's efforts to contain the pandemic and the strength and resilience of its medical system, the UAE was one of the safest countries throughout the pandemic. To manage the pandemic, the government established COVID-19-free member facilities that were prepared to receive patients from abroad and provide teleconsultation. With the return of patient mobility prior to COVID-19, new trends in medical visits are expected to bring both benefits and issues related to trust and safety, necessitating collaboration across the medical tourism industry (Dupind, 2021). In addition, Emirates has become the safest airline, providing safety equipment and taking immense steps to ensure the safety of its passengers, and Dubai Airport has been voted the safest airport in the world in terms of Covid-19.

3. The impact of health tourism on the diversification of the UAE economy

According to a report, medical tourism is expanding in all international markets, with annual revenues expected to be between \$50 billion and \$65 billion, and an ongoing annual growth rate of around 15-20% (Ahmed et al., 2020). Al-Talabani et al. (2019) state that the UAE is well on its way to becoming a global centre and a destination of choice for patients from other countries seeking high-quality treatment. Accordingly, one of the latest developments in the UAE healthcare system is the partnership between the UAE government and renowned healthcare companies and organisations (Shukla and Kulshreshtha, 2020). As a consequence, Dubai, one of the UAE's main administrative cities, is becoming fast a major centre for medical tourism. According to recent reports, the city's healthcare industry is now home to more than 35,000 professionals from over a hundred different nations. Achieving the goal of diversifying the UAE's economy will require significant investment in specialised facilities and highly skilled human capital, which the UAE

government is already committed to. This will enable the development of a tertiary sector that is already well established. As the economy shifts towards high-value exports and demand-driven global demand, diversification will lead to greater revenues and economic development. This will be possible because diversification will allow movement up the value chain (Ahmed et al., 2020).

The growth of the nation's economy – The statistical portal of the UAE, Statista, announced for the medical tourism industry a growth rate of 5.5% in 2018 (compared to the previous year), resulting in revenues of AED 12.1 billion (USD 3.29 billion) in 2019 (Statista, 2022). A total of around 350,118 tourists visited the country in 2019, representing a 4% year-on-year increase in medical tourism arrivals. People are estimated to have spent around AED 727 million (or USD 197.9 million) on medical procedures in various specialties in 2019. In the overall ranking of the 2020-2021 Medical Tourism Index, Dubai ranked sixth in the world with a score of 71.85. Abu Dhabi ranked ninth in the world with an overall score of 70.26 on the 2020-2021 Medical Tourism Index. According to the Joint Commission International (JCI), the United Arab Emirates (UAE) has 205 accredited hospitals, medical centres, and other healthcare facilities, making it the world's leader in the number of accredited healthcare facilities.

The future of the UAE economy through health tourism – The nations predicted to receive the most medical tourists by 2024 have developed medical tourism industries and are expanding their tourism infrastructure. Tourists and patients alike enjoy Abu Dhabi's vibrant city life. The city offers spas, resorts and cutting-edge medical research for people looking to relax. The whole scenario creates a win-win situation for the country's soft power. The rapid growth of the market benefits both patients and companies. Medical companies in the Emirate of Abu Dhabi benefit from an established healthcare industry as well as the government's willingness to invest in such services.

The table below (Table 1) shows the estimated number of medical tourists and revenue generated from 2020 to the present.

Cultural Understanding – The United Arab Emirates is a popular destination for medical tourism, which contributes to the country's position as a global “soft power” leader. Firstly, medical tourists visiting the UAE often have the opportunity to enjoy the country's diverse cultural traditions, friendly people, and modern way of life. Interaction with the UAE's culture cultivates interpersonal respect and admiration, which promotes good opinions of the nation among tourists from other countries (Ghasemi et al., 2021).

Table 1. Estimated number of medical tourists and revenue

Year	Number of Estimated Tourists	Estimated revenue generated in USD (millions)
2020	70,000	400
2021	85,000	500
2022	105,000	600
2023	125,000	700

Source: <https://www.arabhealthonline.com/en/media/press-releases.html>

In second place, medical professionals in the UAE actively participate in cultural awareness training to gain a deeper understanding of the needs and tastes of patients from different cultural backgrounds. This strategy makes it more likely that patients will feel valued and understood, which in turn leads to improved multicultural interaction (Zainal et al., 2021).

Finally, the UAE often plays host to global health meetings, training sessions and events that bring together medical professionals from a variety of nations (Arab Health, n.d.). These activities provide opportunities for cross-cultural interaction, information sharing and the exchange of ideas, further increasing cultural awareness among those involved.

International Collaboration – Healthcare providers in the UAE and other countries can form collaborations thanks to the growth of medical tourism, which is one way in which health tourism helps to develop international cooperation, leading to the development of the country's soft power. These collaborations make it easier to share knowledge, technology, and successful strategies. For example, the Dubai Health Authority (DHA) has worked with other international institutions to improve the quality of medical treatment in Dubai (Dubai Health Authority, 2023). This has been done to ensure that Dubai remains a world leader in healthcare. In addition, the UAE is making a concerted effort to recruit qualified healthcare professionals from around the world to work in its various healthcare facilities. According to the 2021 study by Zainal et al, the country's flexible legislation and supporting infrastructure make it an attractive destination for foreign healthcare professionals. This, in turn, leads to a more diverse workforce and promotes cross-cultural collaboration. In general, the practice of medical tourism in the United Arab Emirates (UAE) encourages international cooperation. This is achieved through the UAE's promotion of partnerships with global healthcare providers; the UAE also hosts global healthcare events and attracts international healthcare professionals, as discussed above. These partnerships enable the exchange of information, new ideas and successful medical practices, ultimately leading to an improved healthcare system in the UAE and around the world.

4. Conclusions

Patients from all over the world seeking high quality healthcare services combined with an unforgettable travel experience are coming to the United Arab Emirates because the United Arab Emirates has effectively positioned itself as a world leader in medical tourism. The country continues to be at the forefront of medical tourism due to its outstanding infrastructure, expertise, and unwavering commitment to patient satisfaction. The image of the United Arab Emirates as a premier healthcare option is expected to become even stronger as the sector flourishes, securing the country's position on the global medical tourism map. This has led to the development of the country's economy and soft power. The United Arab Emirates has emerged as a leading nation and one of the factors is medical tourism.

In fact, the medical tourism industry is developing rapidly around the world. The UAE is showing its willingness to invest in it and promote its digitalisation. In fact, "the UAE, Turkey, Thailand, the Philippines and Mexico are among the top countries with the fastest growth in medical tourism and are all expected to grow in the coming years" (ADIO, 1 June 2023).

Official data shows that the UAE is already home to world-leading clinics and is investing in healthcare innovation. In particular, the Abu Dhabi Investment Office (ADIO) offers support to healthcare organisations in the form of financial and non-financial incentives.

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