



RESEARCH ARTICLE

Implementation of Blue Ocean Strategy to Increase Patient Visits to Tourism Area Clinics in Bali

I Gede Made Agus Bhayu Wisnumurti*¹, Nyoman Sri Subawa¹¹Faculty of Economics and Business, Universitas Pendidikan Nasional, Denpasar, Indonesia**ARTICLE INFO****ABSTRACT**

Received: Oct 16, 2024

Accepted: Dec 9, 2024

Keywords

Blue Ocean Strategy

Medical Tourism

Medical Wellness

Clinic

Marketing Mix

***Corresponding Author**

agusbayuwisnu@gmail.com

Increasing patient visits is a common goal of the healthcare industry. Blue ocean strategy is one of the strategies used to improve business performance, which emphasizes that companies dare to be different from competitors. This study aims to analyze the implementation of blue ocean strategy in an effort to increase patient visits. This study uses a qualitative design with 7 informants from 7 Hydro Medical clinic branches in Badung, Bali. Data collection was conducted in August 2023 using in-depth interviews. Data were analyzed using thematic analysis. The results showed several main themes, namely challenges, strategies, and innovations from each informant to face business competition in the health world. The application of blue ocean strategy plays a role in reducing elements that do not provide value such as complicated registration processes, clinics can simplify the registration process and reduce unnecessary costs, thus making services more affordable and accessible. by improving the quality of services, facilities, and clinic promotions, patients will have a better experience and the clinic's image will improve among medical tourists. Cooperation with various parties such as hotels, resorts, insurance, and tour guides is an important strategy in supporting the clinic's operations and growth in the medical tourism industry.

1. INTRODUCTION

The healthcare industry is one of the industries that continues to grow and has a promising future. Population growth, increased public awareness of the importance of health, and technological developments in the health sector are the main factors in the growth of the health industry. However, the development of the healthcare business faces considerable challenges, such as intense competition, high operational costs, strict regulations, and complexity in business management.

When associated with the tourism sector, these health industries will certainly be able to have a relationship with each other. The trend of increasing numbers of tourists to an area will also be followed by an increase in morbidity and mortality associated with travel and tourism activities. Research conducted in travellers' home countries which examined travellers who had just returned from a trip in a particular country showed that almost one-third to one-half of the travellers suffered from illnesses, both skin infections and symptoms of certain diseases during and after the trip. This can make a health industry in tourist areas to contribute in ensuring or facilitating the health of tourists.

Based on data from the Bali Provincial Health Office, the number of clinics has increased from 2020, namely from 248 in 2020 to 250 in 2021¹. This figure is expected to continue to increase, where currently the pandemic has begun to gradually improve. The phenomenon that occurs in the field shows that with the increasing number of clinics in tourist areas, the competition is also getting higher.

Along with the increasingly intense competition in the health service business in tourist areas, in this case clinics, a *competitive advantage* is needed for a company to survive in this competition. Competitive advantage is the ability of a company or organisation to produce products or services at a lower cost or better quality than its competitors, so that it can win a larger market share and generate higher profits in the same industry or market². Competitive advantage can be realised through various factors such as innovation, production efficiency, product differentiation, or the right marketing strategy. A sustainable competitive advantage can help a company or organisation to maintain its dominant position in the market and prevent other competitors from taking over the existing market.

When the company's products are in demand in the market, it shows that a company is able to innovate in creating the latest products and services. This means that the competitiveness of a company will continue to be developed by internal resources which include company leadership support, financial strength, internal motivation to develop strengths, and innovations that continue to be created and have competitiveness in the market³. The needs and demands of foreign tourists for optimal health services from a clinic in a tourist area tend to be increasing. This phenomenon requires health service providers to continue improving the service quality. Improving service quality can be done through the development of facilities and infrastructure, management systems and human resources.

Seeing the phenomenon of competition between clinics in tourist areas that are increasingly competitive due to the large number of clinics or health practices located around the area. Some factors that can affect competition between clinics in tourist areas include service quality, price, location, facilities and equipment, promotion and marketing. To compete in this competitive market, clinics can develop appropriate strategies to increase competitive advantage. Clinics must look for something new to get out and avoid competition, namely by analysing the level of importance and looking for new demands from patients (*customers*) using the *blue ocean strategy* method.

The concept of blue ocean strategy was first proposed by W. Chan Kim and Renee Mauborgne in 2005. Blue ocean strategy is a strategy that emphasises that companies do not win the competition by doing a head to head strategy with competitors. In other words, blue ocean strategy is a strategy to release the company from red ocean conditions. Red ocean conditions are conditions where there is very intense competition to get the same market share as competitors. This allows competition with competitors to be very tight and knock each other down⁴.

Meanwhile, in the blue ocean strategy there is almost no competition, because from the beginning the business has dared to be different from competitors. Because it is different from competitors, the market that is interested in the company's products is in a specialised segment. This will create higher demand. It is not easy to implement a blue ocean strategy, as it requires creativity and thoroughness in analysing the market.

Based on the explanation above, the author is interested in analysing the application of *blue ocean strategy* in clinics in tourist areas to get out of the existing competition in an effort to increase patient visits, in this case foreign tourists so that they can become superior health facilities and are trusted by the public and foreign tourists.

MATERIAL AND METHOD

The type of research used was descriptive qualitative research. The research was conducted in 7 branches of Hydro Medical Clinic located in Badung, Bali. This company unit is a health service unit that represents several health service units in tourist areas which are expected to provide an up-to-date view and strategies needed for health services to get out of competition so that they can improve service quality and can be a choice for patients and tourists on holiday to Bali. The research was conducted in August 2023. The data sources used in this study are primary data sources obtained from in-depth interviews with informants and secondary data sources, namely data obtained from

literature related to theories that can support research. The research involved 7 informants who were deemed to be able to represent to answer the problem formulation in this study.

Data analysis was carried out with an interactive data analysis process, namely data collection, data reduction, data display, conclusions. This research is a descriptive qualitative research using data collection techniques with in-depth interviews. All data obtained will be analysed qualitatively and described descriptively. The validity of the data was tested with a credibility test using the triangulation method. There is triangulation used in this study, namely the first source triangulation, which is done by testing the data by checking the data that has been obtained through several sources, which in this study was carried out from the directors at each clinic branch. Second, tectic triangulation, which is done by testing the data by checking the data to the same source with different techniques, which in this study was carried out by collecting data using interview, observation and documentation techniques.

RESULTS

Hydro Medical is a medical clinic that provides Rabies & HRIG Vaccine, Immunoglobulin ready, Vitamin Therapy, Dental Care. Hydro Medical is one of the Health Care Units that provides General Practitioner, Dentist, and Oncall services for local and foreign residents.

Key Challenges in Clinic Development

Based on the interviews with the informants, several main points of discussion were found. On the theme of challenges, various challenges were obtained such as competition with new clinics, uneven infrastructure, innovation and development, price competition, competition for products and services with almost the same quality of service, standardization and training, competitor monitoring. The following are some informant statements regarding the main points found in the theme of the main challenges in clinic development.

"The competition around our clinic is very tight. Within a radius of 100-200 metres, there are 3-4 other clinics, and within a radius of 1 kilometre, there can be 10-15 clinics. This makes the competition very fierce."-(I1)

"We are in a highly competitive environment around this clinic. Many other clinics offer various health services with competitive prices and strategic locations, especially in tourism areas such as Kuta-Seminyak."-(I2)

"The competitive environment around Hydro Medical Clinic Nusa Dua Branch is very tight. We compete with established clinics that have a strong market share, some of which have been operating for more than five years."-(I3)

The challenges created by the large number of competitors in close proximity lead to fierce price competition. The following is an informant's statement on the topic.

"One of the things that we feel needs to be eliminated is too fierce price competition. This can affect the overall quality of service."-(I2)

Hydro Medical Clinic Uluwatu Branch also identified factors that they felt needed to be eliminated or reduced, such as the copying of strategies by new clinics that could influence competition to be unfair. In their words,

"A factor that has long been contested by clinics that we think should be eliminated is the methods and strategies copied by new clinics, which sometimes makes the competition unhealthy." This shows their awareness of the importance of maintaining competitive integrity in the industry."-(I4)

Strategies in Facing The Challenges

Based on the results of the interviews, all informants revealed the efforts or strategies made to face the existing challenges. These strategies include innovation and development, standardization, for example through the existence of SOPs, maximizing the marketing team, and research to ensure that the products offered are in line with market needs. The following is an informant's statement regarding strategies in facing challenges.

"A factor that has long been contested is the number of patients, especially for hangover and fever cases. We endeavor to overcome this by offering services that do not yet exist in other clinics around us."-(I1)

"Competition with other clinics resulted in the need to increase the clinic's exposure through digital marketing, especially focusing on Instagram and website. We are also working to reduce waiting times with a more efficient queuing system."-(I1)

"We encourage patients to leave positive reviews and testimonials to enhance the clinic's reputation. To retain loyal patients, we developed a loyalty programme that provides discounts or other benefits."(I4)

"...co-operation with hotels is an innovative factor that should be developed further. We collaborate with neighbouring hotels to provide medical services to hotel guests. Although there are challenges in the implementation of the MOU, we ensure that the co-operation agreement is well followed and benefits both parties." (I4)

The Nusa Dua branch of Hydro Medical Clinic pursued a strategy by making Memorandum of Understanding (MOU) with star hotels in Nusa Dua to provide in-house clinic services. This strategy aims to increase reach and engagement with the large potential market in the area. The following is an informant's statement on the topic.

"We focus on not getting caught up in the endless race, but rather improving the quality of our two flagship services." This shows their commitment to not only maintaining standards, but also raising patients' expectations of the services they offer"- (I6)

Service Innovation

Fierce competition has not made clinics providing health services in the Badung region tired of providing innovations in the services provided. Some of the interesting innovations offered by clinics include services using the latest technology in treatment and diagnosis, loyalty programmes for repeat customers by providing discounts or special offers, and more efficient queuing systems to reduce waiting times.

"Product innovation that we can do is medical wellness. At this time the Indonesian government wants to advance medical wellness. In terms of medical wellness, we can consider creating a medical wellness package that can be done in collaboration with the resort"- (I1)

"Medical wellness is currently on the rise, we can add stem cell services where no clinic has done it yet."- (I7)

"From competing with other clinics, we see that too much focus on promotion and endorsement can be reduced. We focus on providing friendly, fast, and professional services, as well as providing health education and workshops to our patients. In addition, stem cell and medical wellness services seem promising."-(I2)

"We believe that reducing or eliminating this practice will have a positive impact in increasing our focus on service quality as the main attraction."-(I5)

One of the clinics, Hydro Medical Clinic, provides one innovative factor that has not been offered by other clinics, namely telemedicine services for remote medical consultations and expanded home visit services. The clinic also organises regular health seminars and workshops to raise public awareness about the importance of health and collaborates with health insurance companies to make it easier for patients to claim treatment costs.

"We organize regular health seminars and workshops and collaborate with health insurance companies,"-(15) the manager concluded.

Hydro Medical Group differentiates its services from its competitors through several key strategies and innovations. Firstly, they divided the market into two segments based on patient expectations-offering low- and high-cost options to meet different customer needs. Second, they improved the quality of their two key services, Vitamin and Hangover Treatment and Rabies Vaccination, by upskilling their nursing and medical teams. Third, they constantly innovate and develop new treatments, such as the stem cell and its derivatives, to ensure their offerings remain unique and difficult for competitors to replicate. Fourth, they maintain consistent standards across all clinics through the implementation of Standard Operating Procedures (SOPs), continuous training, and skills development for healthcare personnel. Fifth, the group uses technology to improve service efficiency and effectiveness, including telemedicine services and mobile apps that allow patients to book appointments, access medical records, and obtain health information easily. Sixth, their marketing team maps the market and consumer behaviour, both online and offline, to tailor their products to consumer needs and ensure relevance in a competitive market. By focusing on these strategies, Hydro Medical Group ensures that their services stand out in the competitive healthcare landscape.

Hydro Medical Group has implemented several strategies to overcome price competition: Firstly, by conducting market segmentation and price adjustment, they divide the market into two segments based on patient expectations-offering cheap and expensive options to cater to different customer needs. Second, by improving the quality of their key services, such as Hangover and Vitamin Care and Rabies Vaccination, by enhancing the skills of their nursing and medical teams to justify the price and attract more customers. Third, by integrating technology, such as mobile apps and online platforms, to improve the accessibility and efficiency of their services, making their offerings more attractive despite price competition. Fourth, by offering comprehensive service packages and customer loyalty programmes to attract and retain patients. By implementing these strategies, Hydro Medical Group aims to remain competitive on price while also differentiating themselves through quality and innovation.

The clinical branches of Hydro Medical Group use several strategies to attract patients amidst challenges such as high prices and declining patient numbers. They focus on service quality and professionalism by providing friendly, prompt, and professional service, which increases patient satisfaction and loyalty. In addition, they conduct health education and workshops to increase awareness and knowledge among patients, making them a trusted source of health information. Effective promotional campaigns and endorsements from well-known personalities or influencers are also used to attract attention and build credibility. Strategic collaborations with hotels and resorts were implemented to expand service coverage, especially in tourism areas. Specialised healthcare services such as immune boosters and vaccinations were emphasised to meet patients' specific needs and differentiate them from competitors. In addition, mobile healthcare and digital innovations such as telemedicine for remote consultations, mobile apps for appointment booking, and easy access to medical records were established to make healthcare more accessible and convenient. An increase in the number of doctors and nurses available for home visits was also made, providing personalised care right where the patient lives. Collaborations with health insurance companies were made to simplify the claims process for patients, making healthcare more affordable and accessible. By implementing these strategies, Hydro Medical Group's branch clinics managed to attract and retain patients despite the challenges of high prices and fluctuations in patient numbers.

DISCUSSION

Medical tourism is a type of tourism with high positive economic returns due to its structure. Economic returns can be pointed out as among the most important reasons why countries encourage medical tourism. The price of the services to be provided in a growing competitive environment is important in terms of preference. One of the determining factors in medical tourism preferences is the product's price. Several factors increase the cost of the product and reflect it in the price. These factors include high import taxes on medical equipment and supplies. These taxes are naturally reflected in the price of service delivery^{5,6}. By providing services at affordable prices, both customer satisfaction and product value are obtained with a pricing strategy that the target audience can afford^{8,9}. Currently, medical tourism is described in some sources as an ongoing concept with the slogan "first world care at third world prices"¹⁰. In the general form of medical tourism, the mobility of citizens of developed countries traveling to developing countries to obtain affordable services is extraordinary¹¹. The price difference in medical tourism must be at a level that will influence people to change countries and go to another country^{12,13}. Keeping prices low is one of the main success factors of medical tourism¹⁴. According to Park and Vengesai et al., the word luxury can refer to uniqueness, excellence, sensuality, dreams or superior quality and high prices, but it can also refer to difficult to obtain, a means to achieve happiness, personally beneficial, providing benefits or intrinsically beneficial.¹⁵ If a healthcare facility wants to attract a targeted customer group, then it must consider how pricing attracts the targeted customer group¹⁶. Hanefeld et al in Lunt et al., 2015, stated that price is an important determinant of traveling for treatment or choosing a tourist destination¹⁷. Lunt et al (2015), stated that low prices equal patient savings costs, so it is one of the potential marketing keys to potential marketing messages¹⁷.

As stated by I4 and I5 in the interview excerpts above, the price of medicine at the clinic is higher compared to other clinics, which can be a barrier for patients to choose the clinic as their choice. This suggests that there is a need to adjust prices to make them more competitive without compromising service quality, so as to attract more patients and increase visit volume. Although the products offered are the same as those in other clinics, Uluwatu clinic sells them at a higher price. This indicates that Uluwatu clinic may need to review its pricing strategy and make adjustments to be more competitive in the market. Otherwise, the clinic risks losing market share and potential customers to other clinics that offer lower prices for the same products. Overall, it shows that clinics need to reconsider their pricing strategies to ensure that the prices offered are competitive with other clinics in the market. By making the right pricing adjustments, clinics can increase their competitiveness, attract more patients, and maintain or even increase the volume of patient visits.

In the concept of medical tourism, the product is medical care and services^{6,9}. In medical tourism, products are formed according to market niches. Medical tourism products can be defined as a group consisting of medical tourism destinations (patients) or various types of services offered by medical tourism services (tourism supply). Ehrbeck et al., 2008, distinguish products based on the types of services offered by medical services into six parts: major surgery, minor surgery, cosmetic / plastic surgery, diagnostic services, alternative therapy treatments, and lifestyle / wellness services¹⁸.

Some strategies and aspects that can be taken by clinics to differentiate themselves from competitors and improve their services. First, identifying additional products or services that have not been offered by other clinics, such as medical wellness services, one of which is stem cell therapy, is an effective way to create a competitive advantage. By offering this unique service, the clinic can attract more customers who need these special services. The uniqueness of the product can be a significant competitive advantage. However, to maintain its competitiveness, the clinic needs to continue to improve other aspects such as service, speed of process, and development of new products. Good service and fast process will increase patient satisfaction and build a positive reputation for the clinic. Meanwhile, the development of new products must be in line with patient needs and ongoing market trends.

The canvas strategy analysis showed a comprehensive approach to improving the clinic's competitiveness and service quality. In terms of pricing, the clinic endeavors to remain competitive without compromising service quality, by accommodating drug price adjustments. In addition, by providing service packages or discounts for returning patients or recommending the clinic to others, product and promotion strategies aim to expand the customer base and increase loyalty.

On the people aspect, the focus on employee skills development and the development of loyalty programs reflect the commitment to improving service quality through qualified human resources. Meanwhile, in processes, investments in modern management systems reflect efforts to improve operational efficiency and reduce manual errors. Venue and promotion are used to increase the clinic's visibility and reach a wider market segment, both through cooperation with hotels or resorts around the tourist area as well as through word-of-mouth marketing, social media, and online promotion.

Physical evidence is one of the most important elements in the service sector. Especially healthcare consumers form their first thoughts about the service with physical evidence. It is seen that many physical elements such as architectural structure, decoration, design, light, heat, cleanliness, comfort, etc. of the hospital have an impact on the behavior of patients relatives and employees¹⁹. Satisfaction felt by medical tourists has been shown to be one of the most important factors that increase attractiveness along with service quality²⁰. Healthcare services provided using sophisticated medical equipment are considered a convincing factor for medical tourists^{5,6}. Physical Evidence in the context of a clinic is very important to create a positive experience for patients.

On physical evidence, the clinic emphasizes maintaining modern infrastructure and medical equipment as well as transparency in displaying facilities and services to prospective patients, which can increase patient trust and satisfaction. Thus, this canvas strategy thoroughly supports the clinic's efforts to improve competitiveness and service quality in a competitive industry.

Table 1. Strategy Canvas

Price	Product	People	Process
Adjustment of drug prices to become more competitive without compromising service quality	Specialised ultrasound services for pregnant women.	Employee training and development .skills to improve service quality.	Improve the efficiency of the service process from admission to discharge
	Provision of international vaccination services.		
Provide service packages or discounts for patient who return or recommend the clinic to others	Product development of Medevac and Standby Medic Event	Development of loyalty or reward programmes for employees.	Invest in modern management systems to reduce manual errors and improve administrative efficiency.
Place	Promotion	Physical Evidence	
Cooperation with hotels or resorts around tourist areas to increase clinic visibility	Word of mouth marketing through local drivers or tour guides.	Maintain modern standards of infrastructure and medical equipment.	
	Marketing through social media and online promotion.		

Expand service coverage to remote areas.	Cooperation with 4 and 5 star hotels for door-to-door marketing.	Transparency in displaying clinic facilities and services to prospective patients.
--	--	--

Source: Primary Data, 2023

The strategy canvas above illustrates several important aspects of a health clinic's business strategy, including price, product, people, process, place, promotion, and physical evidence.

In terms of pricing, the strategy is to adjust drug prices to be more competitive without compromising service quality. This demonstrates an effort to attract more patients at a more affordable price while maintaining service quality. In terms of products, the clinic provides specialized ultrasound services for pregnant women, international vaccinations, as well as Medevac and Standby Medic Event product development. This demonstrates the diversification of services to meet the diverse health needs of patients.

The clinic focuses on training and skill development of employees to improve service quality. In addition, there is the development of loyalty or reward programs for employees that can improve employee motivation and retention.

The medical tourism process, which begins with the patient's decision to be treated abroad, is a long process that continues until the patient returns home and even includes the period when follow-up procedures continue. The medical tourist's opinion about the country and the quality of the services they receive is shaped by the success of this process. Negative aspects in any of these processes can affect the entire process and lead to negative perceptions²¹. Ensuring coordination in all processes is a situation that increases the satisfaction of medical health tourists and provides trust for the institution^{5,6}. In terms of process, the clinic focuses on improving the efficiency of the service process from admission to discharge, as well as investing in modern management systems to reduce manual errors and improve administrative efficiency.

In the health sector, we can position the concept of place as accessibility and availability²². Opening clinics in targeted countries is important for the operation of controlled distribution channels. Because it offers potential medical tourists the opportunity to meet the quality of services from the health institutions that provide services⁵. In this way, medical tourists avoid long and tiring trips. It is also known that medical tourists mostly prefer countries that are close or neighboring²³. Taking these criteria into account is an important factor in selecting the target country where the clinic will be opened. In short, all types of distribution factors that will facilitate tourists' access to medical tourism and ensure their preferences are important.

In terms of promotion, the clinic seeks cooperation with hotels or resorts around tourist areas and expands service coverage to remote areas. This aims to increase the clinic's visibility and provide access to services to more people. For promotion, the clinic adopts a word-of-mouth marketing strategy through local drivers or tour guides, marketing through social media, online promotion, as well as cooperation with 4- and 5-star hotels for door-to-door marketing.

Finally, from the physical evidence aspect, the clinic emphasizes the importance of maintaining modern standards of infrastructure and medical equipment, as well as transparency in displaying facilities and services to prospective patients. This is important to build trust and a positive image in the eyes of patients. Overall, this strategy canvas shows the clinic's efforts to develop a comprehensive strategy to increase visibility, improve service quality, and better fulfill patient needs.

Blue Ocean Strategy is a method used to create unexplored market space and is able to create demand and provide highly profitable growth opportunities in business strategy development by using a four-step framework consisting of *reduce, eliminate, raise, create*⁷. In relation to the development of

medical tourism, this strategy is used for the creation of new markets that have never been done by strict competitors in order to become a magnet or attraction for a tourist²⁴.

Based on the four-step framework, a mechanism is needed that removes or reduces all inappropriate infrastructure and costs that are not in accordance with the new things such as standardizing health costs with various medical tourism packages and also increasing the number of certified medical equipment and laboratories so that it will guarantee the development of medical tourism can run well and be accepted by tourists. Replacement of facilities and amenities that are no longer feasible need to be reorganized properly, able to create a Travel Experience for tourists undergoing treatment programs in various hospitals in Bali. Medical Tourism in Bali is a very new thing to develop, so a special platform is needed that can provide information and promotion so that it will realize Bali as a Medial Tourism Lighthouse.

To further explain the potential of medical tourism development, it is necessary to have a Blue Ocean Strategy scheme as follows. Furthermore, based on the Blue Ocean Strategy scheme above, it is necessary to develop a priority scale to be carried out properly. This priority scale is used to accelerate the implementation of medical tourism development in Bali. With the priority of this initiative strategy, it is expected that the medical tourism programme can have a significant positive impact on the development of the tourism sector in the future, by becoming a magnet for tourists to visit along with undergoing reliable health treatment. The following are the priorities in the medical tourism development strategy at Hydro Medical Bali Clinic, which are as follows:

Table 2. Scheme of Blue Ocean Strategy in Medical Tourism Development

Blue Ocean Strategy Element	Description of the Four-Step Framework	Initiative Strategy
Eliminate	Management	Uncertainty in service development, Inefficient System Structure, Unclear reward system for employees
	Price	Pricing policy that is considered too high by some patients, reliance on referral fee or commission system.
Reduce	Selling Method	Reliance on In-House Clinic Partnerships
	Product Innovation	Reduce products or services that are less desirable to patients
Raise	Service Quality	Training and development of human resources (doctors and nurses), Ultrasound training programme (specifically ultrasound for pregnant women), Focus on service excellence and providing a positive patient experience. Routinely provide training to medical and non-medical teams.

	Specific Service	Developing unique services (e.g. ultrasound for pregnant women, stem cell)
	Loyalty	Develop a reward or incentive programme for employees
	Branding and Reputation	Build a reputation as a clinic that focuses on quality rather than only focusing on referral fees or commissions.
	Infrastructure	Invest in a modern management system, HR training and development
Create	Product	Medical wellness product
	Cooperation	Cooperation with insurance (such as Unicare Managed Care and U-Assist)

Source: Primary Data, 2023

Hydro Medical Bali Clinic, adopted strategies to eliminate uncertainty in service development, improve management efficiency, and clarify the reward system for employees. In addition, they endeavoured to reduce the perceived high pricing policy and reliance on *referral fees* or commissions, which corresponds to the reducing approach in the Blue Ocean Strategy.

Improving service quality was also a major focus with intensive training for medical staff, development of specialized services such as ultrasound for pregnant women, and investment in modern infrastructure. This is in line with the enhancing strategy in the Blue Ocean Strategy, which aims to create added value and a positive experience for patients.

In a new product creation strategy that has not been done by other clinics, Hydro Medical Clinic is preparing to enter the wellness tourism market, in this case, medical wellness. Wellness tourism is a growing global market. The research found that the wellness market grew from \$4.6 trillion in 2020 to \$5.8 trillion in 2022, and reached a record \$6.3 trillion by the end of 2023 (an annual growth of 9%). Wellness continues to expand its share of the overall economy, now representing more than 6% of global GDP, up from 5.75% in 2019²⁵. Several previous studies have shown that the growth of medical wellness tourism in developing countries is largely related to lower costs, shorter patient queues, and better quality of care^{26,27}. In addition, the inconsistency and failure of domestic health services trigger people to seek alternatives abroad²⁸. In general, some factors that contribute to this situation include higher costs at home, long patient waiting lists at home, relatively affordable travel abroad, favorable exchange rates, and the availability of well-qualified doctors and medical staff in developing countries²⁹. Several factors can simultaneously influence decisions regarding medical wellness destinations, including cultural factors^{26,30}, customary norms^{26,31}, religious factors^{26,32}, and the environment^{26,33}. These factors will certainly be beneficial considering Bali is an island that is steeped in culture and is already famous throughout the world.

Overall, the implementation of Blue Ocean Strategy at Hydro Medical Bali Clinic not only reflects previous research highlighting the importance of innovation, performance measurement, and competitive advantage in the healthcare sector, but also illustrates their commitment to becoming a leader in medical tourism by offering superior and affordable services.

Technology and innovation play a crucial role in the transformation of the healthcare sector, as outlined in the study by Mourtzikou and the team. The study highlights the importance of applying new technologies to address organizational issues and fragmentation in the healthcare system in Greece³⁴. In a broader context, Hydro Medical Primary Clinic, with a range of modern medical services

such as stem cell therapy demonstrates how innovation can improve the quality and efficiency of healthcare services.

Stem cells are now an emerging new therapeutic approach to treat several incurable diseases, especially those that may be related to lifestyle or genetic factors³⁵. Stem cell therapy could be one of the fastest-growing new markets, where stem cell therapy is performed to replace or regenerate human cells, tissues, or organs to restore or establish normal function³⁶. Stem cell therapy is considered to have a very potential market value and is projected to continue to increase³⁶. Currently, hundreds of clinics around the world have treated thousands of patients with stem cell therapy³⁶.

This is in line with the findings of Mourtzikou and team, which show that technology and innovation not only create new markets but also improve operational efficiency³⁴. As indicated by Mourtzikou research, technology and innovation can open up a new "blue ocean" in the healthcare sector, where competition becomes less relevant and market growth becomes more significant³⁴. By adopting the latest technology, Hydro Medical Primary Clinic is able to offer more efficient and attractive services to patients, which in turn can increase the number of visits and patient satisfaction. The implementation of this advanced technology proves that innovation is the key to achieving competitive advantage and sustainability in the ever-evolving healthcare industry.

Medical tourism is one sector that continues to grow rapidly in various countries, including India and Indonesia. Research by Renganathan emphasizes the importance of the adoption of the Blue Ocean Strategy by hospitals in India to attract more medical tourists³⁷. This strategy focuses on creating new markets that are untapped by competitors, so as to avoid intense competition and offer more value to patients.

Hydro Medical Clinic in Indonesia is a concrete example of the application of the Blue Ocean Strategy in the context of medical tourism. The clinic is located in popular tourist areas such as Kuta and Ubud, which are known as prime destinations for domestic and international travelers. By taking advantage of this strategic location, Hydro Medical Clinic has been able to attract patients from among tourists on holiday in Bali.

This strategy not only increases the number of patient visits but also expands the clinic's market to a wider segment of medical tourists. By targeting travelers who needed healthcare services during their trip, the clinic was able to create a new competitive advantage in the healthcare field. This is particularly relevant in a highly competitive industry, where innovation and differentiation are key to success.

Furthermore, the use of the Blue Ocean Strategy by Hydro Medical Clinic demonstrates how the healthcare sector can adapt to and capitalize on opportunities in the tourism industry. By offering high-quality medical services in a location that is easily accessible to tourists, the clinic is able to add significant value, not only to patients but also to the tourism industry as a whole. This reflects the alignment between the healthcare and tourism sectors, which can support each other and thrive together.

Overall, the application of Blue Ocean strategies in medical tourism demonstrates that innovation in marketing and service offerings can lead to significant growth and business sustainability in the long term.

Performance measurement in the healthcare industry is an important aspect of ensuring the quality of services provided to patients. According to Khiew, the use of a *Balanced Scorecard* combined with the Blue Ocean Strategy can provide significant added value to this industry³⁸. The Balanced Scorecard is a management tool that enables organizations to track performance from multiple perspectives, including financial, customer, internal business processes, and learning and growth. When integrated with the Blue Ocean Strategy, which emphasizes the creation of untapped market

space and the avoidance of excessive competition, this approach can help healthcare clinics find new opportunities and improve operational efficiency.

In this study, performance measurement was conducted by collecting data from various clinic branches and using in-depth interview methods. This approach provides a clear picture of the interaction between clinic staff and patients, which is a key factor in determining service quality. Thus, a systematic approach to performance measurement can support the implementation of Blue Ocean strategies in healthcare clinics. A comprehensive performance measurement tool enables clinics to continuously monitor and improve the quality of their services. As a result, clinics can improve patient satisfaction, which in turn can increase the number of visits and patient loyalty. This shows that investment in performance measurement is not only important for internal evaluation but also has a real positive impact on overall business performance.

Research by Alghamdi, shows that the implementation of the Blue Ocean Strategy contributes significantly to competitive advantage through a deep understanding of the market³⁹. In this context, Hydro Medical Clinic has successfully adopted these principles by offering fast, innovative, convenient, transparent service appointments, as well as 24-hour access. This service reflects the implementation of a strategy that focuses on market needs and customer preferences, thereby creating a competitive advantage.

Hydro Medical Clinic understands that staying ahead of the competition requires an approach that focuses not only on basic medical services but also on a holistic patient experience. By offering prompt services, the clinic addresses patients' need for time efficiency. Innovations in medical services and technology used enable them to provide more effective and up-to-date healthcare solutions. Convenience and transparency in services increase patient trust and loyalty, while 24-hour access ensures the availability of services whenever needed.

Thus, the understanding and fulfillment of market needs by Hydro Medical Clinic creates a different and superior service compared to competitors. This not only attracts more patients but also retains them, as patients feel that the services provided match their expectations and needs. This strategy shows how the clinic can utilize market knowledge to create a sustainable competitive advantage.

Value innovation according to Leavy, reveals that this concept is at the core of Blue Ocean Strategy, an approach that aims to create new markets by eliminating direct competition⁴⁰. Hydro Medical Clinic stands out with this strategy, offering unique and diverse medical services in a tourist area. As such, the clinic not only fulfills basic medical needs but also adds value with the location and type of services they offer.

Leavy highlights that value innovation can change industry paradigms by creating significant differentiation⁴⁰. In the healthcare context, this is reflected in the clinic's ability to attract patients from a wider region, not just through standard medical services but also through unique patient experiences and relevance to local and traveler needs. This approach not only enhances the clinic's attractiveness as a healthcare provider but also enables them to build a sustainable competitive advantage in the newly formed "Blue Ocean". Thus, a value innovation strategy is not only about creating a new product or service but also about creating a broader ecosystem where added value and differentiation provide a significant and sustainable competitive advantage to the organization.

This research proposes the application of the Blue Ocean theory in the context of travel healthcare, which includes the integration of a broad new strategy. Within this theory, several key elements are considered important. Firstly, technology and innovation are identified as key elements to improve the efficiency and quality of healthcare services. Secondly, medical tourism marketing becomes a vital strategy in reaching global markets by highlighting the advantages of destinations and healthcare facilities. Performance measurement is also a key focus to ensure quality services and improve patient satisfaction.

In addition, competitive advantage through deep market understanding is an important strategy in differentiating services from competitors. By understanding market needs and preferences, healthcare clinics can customize their offerings more effectively. Lastly, value innovation is an important aspect of delivering holistic and engaging healthcare solutions to travelers.

This research not only confirms previous findings but also contributes new insights with a specific focus on the medical tourism context in Bali. This could be an important reference for clinics and hospitals in other tourist locations, to optimize their strategies in attracting international and local patients, and maintain a competitive edge in an increasingly connected global healthcare industry.

CONCLUSION AND RECOMMENDATION

The application of Blue Ocean Strategy as an effort to increase patient visits to clinics located in tourist areas involves strategic steps to create new markets that have not been touched by competitors. Price is a key factor in influencing patient preferences and decisions in choosing a medical tourism destination. The price difference between countries is one of the main reasons why people choose to travel to developing countries for more affordable medical treatment. Cooperation with various parties such as hotels, resorts, insurance, and tour guides is an important strategy in supporting the clinic's operations and growth in the medical tourism industry.

CONFLICTS OF INTEREST

The author declare no conflict of interest.

REFERENCES

1. Badan Pusat Statistik Provinsi Bali. Perkembangan Pariwisata Provinsi Bali. Badan Pusat Statistik Provinsi Bali. 2021;30:1-5.
2. Awwad, Khattab, Anchor. Competitive Priorities and Competitive Advantage in Jordanian Manufacturing. *J Serv Sci Manag.* 2013;6(1):69-79.
3. Noruzy, Dalfard, Azhdari, Nazari-Shirkouhi, Rezazadeh. Relations between transformational leadership, organizational learning, knowledge management, organizational innovation, and organizational performance: An empirical investigation of manufacturing firms. *Int J Adv Manuf Technol.* 2013;64(5-8):1073-85.
4. Kim. Blue Ocean Strategy: From Theory to Practice. *Calif Manage Rev.* 2005;47(3):10-121.
5. Huseyin. Pazarlama perspektifinden medikal turizm ve Türkiye'nin medikal turizmdeki yeri. *Sağlık Yönetimi Derg.* 2017;1(1):1-10.
6. Rerkrujipimol, Assenov. Marketing strategies for promoting medical tourism in Thailand. *J Tour Hosp Culin Arts.* 2011;3(2):95-105.
7. Kim, Mauborgne. Menciptakan Ruang Pasar Tanpa Pesaing dan Biarkan Kompetisi Tak Lagi Relevan, Indonesia. *Harvard Bus Sch Publ Corp.* 2005;
8. Herrick, D. M. (2007). Medical tourism: Global competition in health care.
9. Temizkan, S. P., & Temizkan, R. (2020). Dünyada ve Türkiye'de Medikal Turizm Kapsamında Plastik ve Estetik Cerrahi Uygulamaların Hizmet Pazarlaması Karmaşı Perspektifinde Değerlendirilmesi. *Journal of Gastronomy Hospitality and Travel*, 3(2), 284-298.
10. Connell, J. (2016). Reducing the scale? From global images to border crossings in medical tourism. *Global Networks*, 16(4), 531-550.
11. Horowitz, M. D., Rosensweig, J. A., & Jones, C. A. (2007). Medical tourism: globalization of the healthcare marketplace. *Medscape General Medicine*, 9(4), 33.
12. Turner, L. (2007). 'First world health care at third world prices': globalization, bioethics and medical tourism. *BioSocieties*, 2(3), 303-325.
13. Yılmaz, V. (2022). Medikal turizmin pazarlama karmaşı unsurları açısından bir analizi. *Süleyman Demirel Üniversitesi Vizyoner Dergisi*, 13(35), 1056-1078.
14. Xu, A., Johari, S. A., Khademolomoom, A. H., Khabaz, M. T., Umurzoqovich, R. S., Hosseini, S., & Semiromi, D. T. (2023). Investigation of management of international education considering sustainable medical tourism and entrepreneurship. *Heliyon*, 9(1).

15. Vengesayi, S., Mavondo, F. T., & Reisinger, Y. (2009). Tourism destination attractiveness: Attractions, facilities, and people as predictors. *Tourism Analysis*, 14(5), 621–636.
16. Andrades, L., & Dimanche, F. (2017). Destination competitiveness and tourism development in Russia: Issues and challenges. *Tourism Management*, 62, 360–376.
17. Lunt, N., Horsfall, D., & Hanefeld, J. (2015). *Handbook on medical tourism and patient mobility*. Edward Elgar Publishing.
18. Ehrbeck, T., Guevara, C., & Mango, P. D. (2008). Mapping the market for medical travel. *The McKinsey Quarterly*, 11.
19. Temizkan, V., & Akbaba, E. (2018). Sağlık kurumlarında şiddete karşı bir çözüm önerisi: sağlık hizmetleri pazarlaması. *Uluslararası Bankacılık Ekonomi ve Yönetim Araştırmaları Dergisi*, 1(1), 1–16.
20. Zarei, A., & Maleki, F. (2019). Asian medical marketing, a review of factors affecting Asian medical tourism development. *Journal of Quality Assurance in Hospitality & Tourism*, 20(1), 1–15.
21. Sotome, S., Sawada, A., Wada, A., Shima, H., Kutomi, G., Yamakage, M., Wang, T., Xu, S., He, Q., Tao, J., Ni, H., Zhu, J., Luo, G., Fu, J., Xie, K., Shim, J. W., Cho, Y. J., Moon, H. N. W., Park, J. H., ... NCT05574595. (2021). Naldebain for Control of Post-Cesarean Section Pain. *Pain Physician*, 37(1), 37–42. <https://doi.org/10.2991/ahsr.k.200311.008>
22. Tengilimoğlu, D. (2000). Sağlık hizmetlerinde pazarlama karması elemanları ve özellikleri. *Ankara Üniversitesi SBF Dergisi*, 55(1).
23. Sevim, E. (2020). Kamu Sağlık Hizmetleri Yöneticilerinin Sağlık Hizmetlerinde Pazarlamaya Bakış Açılarının Değerlendirilmesi İstanbul Örneği. Sevim E, Gүdük Ö. *Kamu Sağlık Hizmetleri Yöneticilerinin Sağlık Hizmetlerinde Pazarlamaya Bakış Açılarının Değerlendirilmesi: İstanbul Örneği*. *Jaren*, 6(1), 148–156.
24. Febrian, Sandi, Amalia. *Blue Ocean Strategy Desa Sumberagung Sebagai Desa Wisata Unggulan Banyuwangi*. *EKOMBIS Rev J*
25. Global Wellness Institute (GWI) (2014), “2024 Global Wellness Economy Monitor”, November, 2024
26. Zhong, L, et.al. Medical, Health and Wellness Tourism Research—A Review of the Literature (1970–2020) and Research Agenda. *Int. J. Environ. Res. Public Health* 2021, 18(20), 10875; <https://doi.org/10.3390/ijerph182010875>
27. Uçak, H. The relationship between the growth in the health sector and inbound health tourism: The case of Turkey. *SpringerPlus* 2016, 5, 1685.
28. Whittaker, A.; Manderson, L.; Cartwright, E. Patients without borders: Understanding medical travel. *Med. Anthropol.* 2010, 29, 336–343.
29. Singh, N. Exploring the factors influencing the travel motivations of US medical tourists. *Curr. Issues Tour.* 2013, 16, 436–454.
30. Han, H.; Kiatkawsin, K.; Koo, B.; Kim, W. Thai wellness tourism and quality: Comparison between Chinese and American visitors' behaviors. *Asia Pac. J. Tour. Res.* 2020, 25, 424–440.
31. Fetscherin, M.; Stephano, R.-M. The medical tourism index: Scale development and validation. *Tour. Manag.* 2016, 52, 539–556.
32. Hartwell, H. Medical Tourism: The Ethics, Regulation and Marketing of Health Mobility. *Tour. Manag.* 2014, 45, 1–2.
33. Moghimehfar, F.; Nasr-Esfahani, M.H. Decisive factors in medical tourism destination choice: A case study of Isfahan, Iran and fertility treatments. *Tour. Manag.* 2011, 32, 1431–1434.
34. Mourtzikou, Stamouli, Emmanouil. Implementation of the Blue Ocean Strategy in Healthcare. *Int J Reliab Qual E-Healthcare.* 2019;8(2):36–49.
35. Praveen Kumar L. et.al. The mesenchymal stem cell secretome: A new paradigm towards cell-free therapeutic mode in regenerative medicine. 2019. *Cytokine and Growth Factor Reviews* 46. 1–9.
36. Brian Salter, Yinhua Zhou & Saheli Datta (2016): Governing new global health-care markets: the case of stem cell treatments, *New Political Economy*, DOI: 10.1080/13563467.2016.1198757
37. Renganathan, Vijayabanu, Sukumaran, Srinivasakumar, Vijayanand. Case study on the relevance of blue ocean strategy in health care and medical tourism in India. *Res J Pharm Biol*

- Chem Sci. 2016;7(1):1103–8.
38. Khiew, Chen, Shia, Pan. The Implementation of Adopted Balanced Scorecard with New Insight Strategy Framework for the Healthcare Industry: A Case Study. *Open J Bus Manag.* 2020;8(2):600–27.
 39. Alghamdi. The Role of Market Knowledge in the Adoption of the Blue Ocean Strategy and its Impact on Achieving Competitive Advantage: a Study Conducted in the Saudi Telecom Company (STC). *J Mark HR.* 2016;2(1):55–84.
 40. Leavy. Value innovation and how to successfully incubate “ blue ocean ” initiatives. 2018;46(3):10–20.