

COMPETITION, COOPERATION AND COOPETITION IN DENTISTRY

We need collective networks of providers and organizations that collaborate in coopetition to help design the salary and working conditions of dentists in Portugal.



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I will start some reflection on the three concepts that give the title to this chronicle, identifying the concrete example of tourism in dentistry. It is a topic of the greatest relevance, multifaceted and with variants that I will address here in a sectoral way, although it may be deepened in a future publication.

First of all, let's remember the basics, in the current organizational context of Portuguese dentistry, consisting of about 98% of operators working exclusively in the private sector: the fact that it is made available essentially through private sector financing, in direct out-of-pocket payments, including ADSE, including public and private insurances, health plans and conventions, stimulating competition to the detriment of a more virtuous combination with other approaches that would present numerous advantages in a reality of fragmentation of thousands of clinics and dental offices.

Competition refers to the rivalry between organizations, clinics, or between professionals, who seek to achieve similar goals, such as attracting more customers and patients and/or outperforming direct competitors. In competition, the parties involved generally seek advantages that put them in a more advantageous position in the market.

It is the prevailing model in Portugal.

A complementary model of positioning in the market for the provision of dental services is that of **Cooperation**. This involves collaboration between different clinics or practitioners or other stakeholders to achieve common goals.

Unlike competition, cooperation is geared towards synergy, where parties collaborate to create value on common objectives and agreed, shared goals. This can be done through strategic partnerships, alliances, or collaboration agreements. The "dentists voucher", a partnership between the State and the private sector, is an example of public-private cooperation.

In fact, in Portugal, the legal, economic and organisational figure of cooperatives, unfortunately little used in the area of health, is an additional interesting example of this concept.

However, if times change, the economy will be even more so. A good perspective explored by Barry Nalebuff and Adam Brandenburger states that in the era of hyper-competitiveness, new market dynamics force companies to opt for alternative strategies and increasingly creative solutions. Even if it means joining forces with competitors.

Let us look at this: it is more advantageous to have a 20% share in a market of 10 million than a 75% share in a market of 2 million.

The term **Coopetition** would be a combination of cooperation and competition. Nowadays it is common practice in various industries of products and services, for example among competitors such as Apple and Samsung, DHL and UPS, Ford and GM, Porsche and the aeronautical and design industry, among many others. Even Jeff Bezos and Elon Musk assume in some respects the coopetition...



There are many reasons for competitors to cooperate with each other: to save costs, to avoid duplication of effort, economies of scale, sharing of risk and specific know-how in some areas.

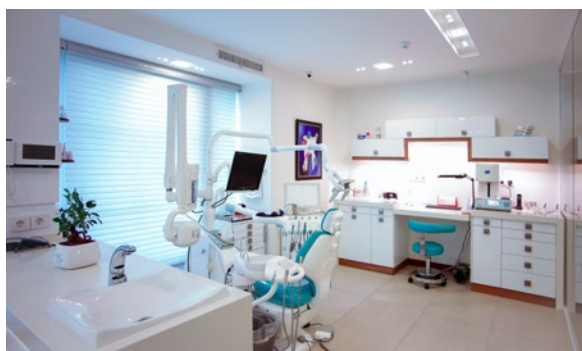
What is missing at this level in Portuguese dentistry?

Let's look at an example of a concept in a very broad, very

diverse theme that deserves further reflection in the future: Dental Medical Tourism.

Medical tourism is defined as when consumers choose to travel across international borders with the intention of receiving some type of medical treatment. This treatment can encompass the full range of medical services, but commonly includes dental medical care, cosmetic surgeries, elective surgeries, and fertility treatments. It is observed that establishing the limit of what is considered health and counts as medical tourism for commercial purposes is not simple.

Health tourism is a broader concept that encompasses medical tourism. It has a long-lasting historical background in some countries, involving spas, hot springs, thalassotherapy in coastal locations, and other therapeutic landscapes. The definition of health tourism provided by Carrera and Bridges is “organized travel outside the local environment for the maintenance, enhancement, or restoration of an individual’s mental and physical well-being.” This definition encompasses medical tourism as referred to and dental medicine, but is more comprehensive, as it is not limited to medical interventions.



Who would be the recipients of Dental Medical Tourism?

Portugal, inserted in the European Union, where there are excellent quality and quantity of health professionals, in particular dentists, with a level of training automatically recognized in all countries of the European Economic Area, would have excellent conditions to be a major player in the so-called dental medical tourism.

Let’s take a topical look at some of the competitive advantages we have over our competition.

- Existence of a diaspora consisting essentially in its 1st and 2nd generation of about twice the Portuguese population residing in Portugal, 30 million total;
- A substantial part of these emigrants and diaspora frequently visit Portugal;
- There are hundreds of Portuguese dentists practising in the countries of the European Union, especially in those that are the main attractive markets for dental tourism;



- We have a large number of foreign dental students who, if correctly mapped, can become points of promotion and referral of Portuguese dentistry;

- We have a group of “ambassadors” of dentistry, at a professional, academic and commercial level that could be used as a promotional asset for this purpose;

- We are a tourist country, with visitors who come to us from countries of the European Union, but also, and increasingly, from markets with enormous purchasing power and where dental services of identical quality in some cases to those we offer in Portugal, are 5 to 10 more expensive compared to the prices practiced in Portugal;

- The treatments provided in Portugal are usually reimbursed by the social protection systems of other countries of the European Union;

- Nowadays we have a linguistic capacity and fluency, namely English, which is decisive for attracting tourism in dentistry;

- As a tourist country, the possibility of establishing diverse partnerships would be important so that the offer of dental care would be integrated into experiences that, in some areas of dentistry, go beyond the demand for health care and encompass a broader experience such as the climate, gastronomy, environment, landscape, fashion effect of the country, prices, variety and location of the available offer, among other factors.

Last but not least, Portugal has about 25 million visitors a year. Many of them are potential candidates for health tourism and dental medical tourism.

One of the areas where the concept of coepetition would fit well would be in Dental Medical Tourism.

So what are we missing to be able to compete with some of the most sought-after locations at this level, namely Hungary, Czechia, Croatia, Bulgaria and Turkey?

In my opinion, Collective Intelligence, capable of identifying and implementing a strategy, evidencing our competitive advantages and positioning in the market of our dentistry and many of our players and above all a coepetition to increase our reputational image, which can stimulate the perception of Portugal as a destination of choice and quality for those who want dental care.

Not only the market of our emigrants who take advantage of their visits to Portugal to look for procedures that in their countries of origin, Switzerland, England, France, Germany, etc., are not only much more expensive, but also often of lower quality and with longer waiting lists, but more than that, betting on more complex procedures, with greater added value, and additionally in markets such as the American and Israeli, with great purchasing power.

Tourism in dentistry as described, planned, guided, articulated, is more geared towards a strategic positioning in the area of implantology and rehabilitation, orthodontics and aesthetics, veneers, orofacial harmonization, among others. These areas, if properly disclosed in terms of offer, could be a huge asset for some of the players in Portuguese dentistry.

It should be noted that digital dentistry, remote video consultations and the sharing of auxiliary means of diagnosis and treatment have helped to mitigate (not replace) one of the great difficulties: diagnostic consultations and preparation of procedures and the inherent follow-up.

In summary, we are currently in very overlapping segments and with similar positions in a red ocean market, “bloodied” by unbridled competition for low prices and in the same segments, of reduced size, about 4 million who have the possibility of accessing, albeit sporadically, private dentistry, with little collaboration and too much competition.

More **Coepetition** is needed. ■