

Travel Agencies in Romania

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Abstract

Travel agencies play a very important role on the tourism market as it mediates the operations between direct service providers and tourists. Thus, travel agencies develop touristic travels and sell them to tourists or reserve places for transport or accommodation.

To operate legally in Romania, travel agencies must have a travel (tourism) license, a document that gives them the right to act as a tour operator or as a retailer.

The travel agency is responsible for selecting service providers (carriers, hoteliers), thus influencing the quality of tourist services.

If the hotel service provider does not provide quality services then the intermediary is guilty of this and consequently the tourists are dissatisfied. In Romania, this situation has reduced the number of foreign tourists who visited our country.

Key words: travel agency, tourists

J.E.L. classification: L80, L83

1. Introduction

The development of tourist activity is not possible without the existence of travel agencies. They offer tourists the services provided by service providers, either in their initial form or in the form of tourist arrangements. Thus, tourists have the opportunity to purchase tourist trips, which would not benefit if there were no travel agencies.

That is why the purpose of this paper is to highlight the importance of tourism agencies and their contribution to the tourism activity as well as the impact they have on tourism demand in countries like Romania.

2. Travel agencies: conceptual delimitations

Early travel agencies were easy to define because there were no differences between them in terms of size and the activities they performed. Changes in travel – primarily its availability and affordability- have caused changes in agencies (Landry and Fesmire, 1994, p.54).

The travel industry can be divided into two components. The retailer or travel agent sells directly to the public. They sell airline and railroad tickets, cruises, independent travel, and group tours, either tours they themselves prepare or tours that a wholesaler has put together. The second component of this industry is selling tours by the tour operator as a wholesaler (Hudman *et al*, 1989, p.144). In the view of Buhalis, “a retail travel agent is essentially a commissioned intermediary who serves as sales outlet for tourism principals and wholesalers and as such the travel agent usually does not own the services he or she sells to travelers” (Buhalis *et al*, 2001, p.13).

Tour operators purchase separate elements of transport, accommodation and other services, and combine them into a package which they then sell directly or indirectly to consumers (Holloway, 1998, p.192). Elements of an inclusive tour (a package) are (Page, 2009, p.297):

Basic elements:

- aircraft seat;
- accommodation at destination;

- return transfer from airport to accommodation;
- services of a tour operator representative;
- insurance.

Optional add-ins:

- car hire;
- excursions.

Alternative forms:

- multi-destination packages that visit more than one destination;
- optional extensions to the package to extend the itinerary;
- liner tours by coach operators.

Some authors (Stanciulescu, 2005, p.89; Snak *et al*, 2001, p.119; Neagu, 2000, p.75-76) consider that travel agencies perform more functions, namely:

- advisory / information function;
- production function (creative or manufacturer);
- the trading function (promotion and distribution);
- intermediate function;
- control function.

3. Travel agencies in Romania

Travel agencies are economic agents that act as intermediaries on the tourism market. In Romania, they are two types: tour operator travel agencies and travel agencies with sales activity.

In Romania, in order to operate legally, tourism agencies must hold a tourism license, which is differentiated according to the two types of agencies.

According to the Romanian legislation, "The Tourism License is a document issued by the central public institution responsible for tourism certifying the capacity of a legal person, the license holder, to market tourism services in terms of quality and safety for tourists." (Monitorul Oficial al Romaniei, Nr. 353 bis/14 June 2013, p.3, <http://turism.gov.ro/wp-content/uploads/2013/05/Ordin1.pdf>).

In order to obtain a tourism license, an economic agent must meet certain conditions, among which the insurance policy is essential. The insurance policy is used to repatriate tourists if the travel agency goes bankrupt.

The lack of real control by the Romanian Ministry of Tourism has made a large number of travel agencies operating in Romania not complying with legal requirements and consequently illegal operation. Thus, the main reason for the withdrawal of the tourism license was the lack of a valid insurance policy, as indicated in Table 1.

Table no. 1 Number of travel agencies in Romania

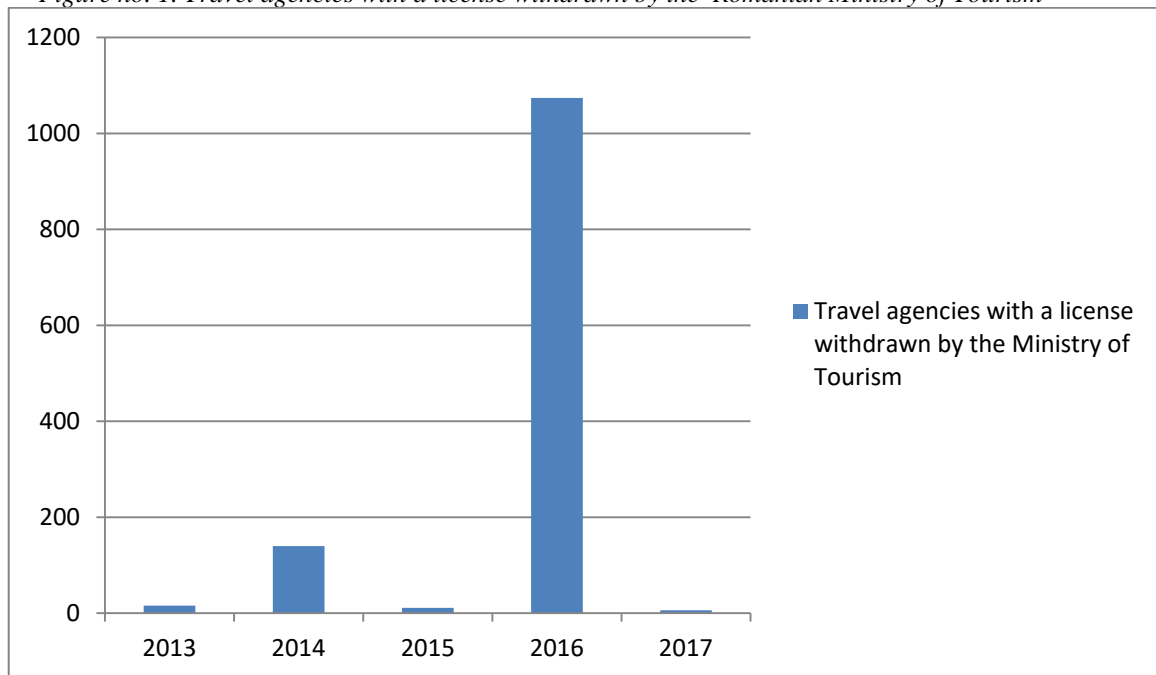
Year	Travel agencies licensed	Travel agencies with a license withdrawn by the Romanian Ministry of Tourism
2013	Data unavailable	16
2014	Data unavailable	140
2015	Data unavailable	11
2016	1584	1074
2017	2644	6

Sources: realized by author, based on data provided by Ministry of Tourism: <http://turism.gov.ro/autorizare-turism/>; <http://www.anat.ro/anat-sustine-ant-in-demersul-de-verificare-si-inchidere-a-agentiilor-de-turism-care-nu-detin-polita-de-asigurare/> <http://www.lumeapresei.ro/anat-sustine-ant-in-demersul-de-verificare-si-inchidere-agentiilor-de-turism-care-nu-detin-polita-de-asigurare/>

As travel agencies were considered to have no essential role on the Romanian tourism market, they have come to the point where they act by breaching of the legislation in force.

From the available data, we notice that after 2013, with the change in the legislation on the granting of tourism licenses, the number of travel agencies with a withdrawn tourism license increased.

Figure no. 1. Travel agencies with a license withdrawn by the Romanian Ministry of Tourism



Sources: realized by author, based on data provided by Ministry of Tourism: <http://turism.gov.ro/autorizare-turism>; <http://www.anat.ro> <http://www.lumeapresei.ro/anat-sustine-ant-in-demersul-de-verificare-si-inchidere-agentiilor-de-turism-care-nu-detin-polita-de-asigurare/>

ANAT is the employers' association of tourism agencies in Romania, representing their professional interests at national and international level. The Association has as its members 500 tourism agencies, the most important in the country, which accumulates over 85% of the sales of travel and travel packages, estimated at almost one billion euros annually and together has more than 4,600 employees. The tourism industry in Romania has over 120,000 employees and contributes to the national economy by almost 2% of GDP. There are currently more than 1,800 active tourism agencies in the records of the National Tourism Authority that comply with the main operating conditions: they have a valid insurance policy, a license issued by competent authorities and a tourism patent for the manager (<http://www.anat.ro/anat-sustine-ant-in-demersul-de-verificare-si-inchidere-a-agentiilor-de-turism-care-nu-detin-polita-de-asigurare/>).

The importance of travel agents on the Romanian tourist market is evidenced by the data in Table 2. Thus, the following trends registered by the tourists participating in the internal tourism activities, by tourist areas:

- running a large number of tourists, both through the tour operators and through the retailer agencies;
- decreasing the share of tourists in river and sea cruises;
- the small percentage owned by the Danube Delta, although it is a destination with strong tourist attractions and ecotourism specific elements.

Table no. 2 Number of Romanian tourists taking part in the domestic tourist actions, by tourist areas

	Tour operator agencies				Agencies with sale activity			
	2008	2010	2012	2014	2008	2010	2012	2014
Seaside area	60,10	43,80	36,54	48,86	34,29	62,34	59,65	43,76
River cruises	0,10	0,12	0,02	0,06	-	0,02	0,13	0,05
Maritime cruises	0,09	0,04	0,03	0,02	-	0,008	0,07	0,47
The Danube Delta	1,05	1,90	1,08	1,37	0,56	2,10	2,86	1,52
Cultural tourism	3,40	3,43	0,73	0,92	-	0,47	2,21	7,39
Religious pilgrimage	1,10	1,63	0,14	0,27	1,67	1,39	1,20	0,24
Mountain area	25,11	24,16	33,30	15,55	42,13	17,63	16,80	15,43
Spa area	-	11,82	6,03	7,59	-	9,85	7,18	6,27
Other areas	9,05	15,10	22,13	25,36	21,35	6,19	9,90	25,37
TOTAL	100	100	100	100	100	100	100	100

Sources: National Institute of Statistics (Romanian Tourism in Figures, 2010, p.79; 2012, p.62; 2014, p.57; 2015, p.57; http://www.insse.ro/cms/sites/default/files/field/publicatii/romanian_tourism_2017.pdf)

4. Conclusions

In Romania, travel agencies play a very important role in the tourism market. Their activity has been affected by certain factors, such as:

- the economic crisis of 2008;
- the lower quality of tourist services provided by certain tourist services providers, in hotels, restaurants;
- decrease of tourists' confidence in travel agencies, due to non-observance of the legal conditions of operation of travel agencies;
- reduced promotion for certain tourist destinations.

Consequently, in order to gain the confidence of tourists in Romanian travel agencies, they have to comply with the legislation established by the Romanian Ministry of Tourism, and the Romanian Ministry of Tourism must permanently verify that the travel agencies meet all the established conditions.

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