

HOW INSURANCE WORKS IN TOURISM

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***Abstract:** The importance of people's safety has been a preoccupation of service providers. Tourism has evolved continuously and tourists' safety must be one of the priorities, both during their journey and at the place of the stay. Hence, insurance is necessary since it provides some protection. Travel insurances are compulsory but also benevolent, when the tourist wishes to have a complete protection, for various reasons related to the destination, social status or state of health.*

***Keywords:** tourism, insurance, insured, policy*

INTRODUCTION

The emergence of insurances is related to the need for people to help each other in the event of ever-increasing damage, while that of reinsurances is for those managing insurance funds and activities to help each other. In other words, it is about taking over damages by several service providers.

Due to the accuracy, the uncertainty, but also the responsibilities that insurers of goods, services and civil liability face every step of the way, the experience and the current practice have been imposed the necessity of regulating the relations between natural and legal bodies taking part in the insurance process, as insured persons and as insurers.

Knowing the meaning of terms such as: insurer, insured, insurance contract, beneficiary, insured risk, insurance value, duration of insurance, etc., the provisions of the legal acts regulating the insurance of goods, services and civil liability can be correctly understood and applied.

By corroborating the current economic practice, the insurance science and the law focus on the meanings of some common and essential categories.

The insurance is based on a willpower agreement between a natural or legal person as an insured person and a legal person as an insurer, whereby the insured gives the insurer a risk or a class of risks for which he/she obtains the protection of the insurer. For this protection, the insured

pays the insurer a sum of money, called insurance premium, the insurer compensating the insured in case of damages.

CATEGORIES AND CLASSES OF INSURANCES PROVIDED IN ROMANIA

The proper insurance, in the simplest, classic way, but also the most commonly encountered in practice, consists of the financial protection for losses caused by a wide range of risks. The insurance is based on an agreement signed between an insurance policy holder and an insurer. This contract binds the insurer to protect the insured against the risks he has assumed, obliging himself to cover the insured the equivalent amount of the damages (i.e. the sum insured in the case of life insurance) if these events occur, on payment of a sum of money by the insured, called the "insurance premium".

By paying the insurer the insurance premium, calculated by applying a small percentage to the insurable amount, the insured receives in return the indemnification guarantee against the possible and future loss for any of the risks included in the insurance conditions.

The main types of insurance are:

- Life insurance, annuities and additional life insurance;
- Accident insurance;
- Health insurance;
- Transportation insurance (other than railway);
- Aviation insurance;
- Sea, lake and river transportation insurance;
- Goods in transit insurance;
- Fire and other natural disasters insurance;
- Property insurance;
- Civil Liability Insurance for Air Transport;
- Civil liability insurance for sea, lake and river transport;
- General civil liability insurance;
- Credit insurance;
- Financial loss insurance;
- Legal protection insurance;
- Assistance insurance for persons in difficulty during trips or absences from home or from permanent residence;
- Cancellation insurance;
- Flight delay insurance;
- Travel insurance.

TYPES OF TRAVEL INSURANCE

Travel agencies as legal bodies benefit from a range of services provided by insurance companies. Thus, in the tourism industry there are compulsory and voluntary insurances. Travel insurances are classified as follows:

- insuring tourists (health) and their goods;
- insuring risks for travel agencies;
- insuring tourists for travel abroad (outgoing);
- insuring foreign tourists (incoming);
- insuring civil liability (liability, third party);
- insuring civil liability for the owners of means of transport;
- insurance against unforeseen circumstances (in case of injury) (accident) and payment of medical services.

In Romania, in accordance with the legislation in force, civil liability insurance for the owners of means of transport is mandatory. The object of civil liability insurance for owners of means of transport is their civil liability for possible damage against other persons in the event of road accidents. Material damage and injuries are paid by the insurance company. Under this type of insurance, payments are made for material damage caused by the repair of the means of transport and other defective goods, as well as for the medical services related to the treatment of the affected citizens, the compensation for the losses related to their trauma or death, including the life pension payments for their children or relatives. Internationally, the civil liability insurance for the owners of means of transport is known as the "green card". The Green Card is a type of mandatory contract to insure civil liability for the owners of the means of transport. The name was assigned to it according to the colour and form of the insurance policy.

The type of mandatory "green card" contract was founded in 1949 and guarantees free movement of means of transport across 32 states.

The size of the liabilities assumed in connection with causing damage is usually governed by the law in force in the country where the accident occurred.

In most European countries, civil liability insurance is mandatory. These countries have signed an agreement to join the "green card" contract type, where the governments of the respective countries, the national "green card" offices and the insurance providers are working closely together. The insurance policy entails payment for the costs of providing medical services in the country where the need arises.

The rest of the types of insurance are voluntary. The insurance of tourists and their goods provides for the liability of the insurance company for the loss or damage of their property. The contract enters into force once

the tourist leaves the country of origin and ends when they return. By means of such contract, the personal goods that tourists can take with them on the trip and those purchased during their travel abroad can be insured.

Insurances include financial risks related to the claims of tourists, relatives or third parties. The list of financial risks includes:

- commercial risks (non-payment or late payment, financial penalties imposed on the travel agency if the partner does not recognize the force majeure situation);
- bankruptcy of the travel agency;
- the change of customs legislation, customs control and other customs formalities;
- the occurrence of force majeure situations.

The travel insurance policy for tourists travelling abroad includes:

- granting medical first aid to the tourist during the journey, in case of accident or illness;
- transporting the tourist to the nearest hospital, where it is possible to obtain adequate medical treatment;
- transporting the tourist to the country of residence under proper control;
- medical assistance in the hospital and informing the patient's family;
- providing the necessary medicine if it cannot be obtained at the stationary point;
- consultancy services from the specialist doctor (if necessary);
- payment for the transportation of the patient or their corpse to the country of residence;
- repatriation in case of death;
- providing the necessary legal assistance in case of settlement of disputes abroad.

Upon conclusion of the insurance policy contract, the amount of insurance depends on the country to be visited and is calculated according to the coverage of the minimum expenses. The civil liability insurance (green card) for means of transport is used by tourists when travelling with their own car to a tourist destination. This type of insurance provides for cases where the object of the insurance is liable for the third party and the expenses borne by the third party are paid out of the insurance company's financial resources. Insurance for the tourists' refusal of the requested travel provides for full or partial return of the amount indicated in the contract in case of:

- illness or death of the tourist, a family member or a relative;
- damage to the tourist's material assets as a result of natural disasters or actions by other persons (or other causes stipulated in the contract.)

Personal insurance of tourists

Persons who can benefit from insurance services can be both natural persons and legal bodies (tourists and travel agencies). Personal insurance is always related to personality (the individual). As far as the legal person is concerned, the travel agency is entitled to provide insurance for its own employees from its internal financial sources. Insured persons may be persons who have reached the age of majority, while children can be insured through their parents. Every person has the right to defend their property through their insurance. The amount of the insurance is established in accordance with the contract concluded.

Insurance payments, in case of situations requiring payment, are made when the event stipulated in the contract coincides with the insurance rules. In the case of travel insurance, the insurance event is usually considered to be death, short-term illness, trauma, etc., that is, unintentional cases that occurred through no fault of the tourist. If the tourist was inebriated at the time of the accident, the payment amount provided by the insurance policy is not paid. Chronic, infectious, cardiovascular, oncological, dental disease, etc. are not taken into consideration as an event in the personal insurance. The tourist can get an insurance policy from any insurance company that deals with tourists' insurance. Prior to concluding the contract with the insurance company (which can take place through the travel agency), the tourist must know the conditions of the insurance and what are the insurance events are.

If the tourist violates the conditions regarding the insurance events, the company is entitled not to pay the insurance amount. By personal insurance of tourists who go abroad, it is usually meant medical insurance, which provides for unexpected illnesses, body trauma incurred by tourists during the trip.

The conditions for the conclusion of the standard medical insurance contract imply that when leaving the country, the tourist is healthy, has no physical impairments and is not affected by chronic diseases. At present, two ways of providing outbound travel insurance are used in the practice of insurance companies:

- the first way provides a complex of services abroad;
- the second way provides the services complex (return of money) when returning to the country.

In the first case, the insurance companies have concluded cooperation agreements with foreign partners regarding the assistance given to tourists if the insurance event occurs.

The insurance companies give information, telephone numbers and the address of the foreign partner insurance companies from abroad who will inform the tourist about what to do; they will call the doctor and confirm the guarantee of the payment. If the insurance company does not have a collaboration contract with the foreign assistant company, then the tourists pay all the medical services on their own. In this case, copies of all payment bills such as the cost of medication, medical consultation, etc. is transmitted to the insurance company that issued the policy in order to return the money upon return of the tourist in the country. This situation is the second way regarding the complex of insurance.

Insurance of tourists' properties

Throughout the civilized world, the practice of insuring material assets, travel agencies, tourists and travellers is an important part of tourism. The insurance policy is an inseparable tool for serving tourists, which guarantees comfort and safety. These provide tourists with confidence in the travel agency, credibility in the quality of the purchased tourist product, as well as the preservation of the goods carried. In the US, for example, there are about 8,000 insurance companies that provide services in the field of property insurance. Insuring tourists' properties includes personal items (cameras, camcorders, clothing, etc.) that the person and their family members carry with them during the journey. Many tourist agencies ignore the requirements in the event of the occurrence of the insurance event. This is motivated by the fact that the cost of the tourist package is reduced and that cheap tourist prices are practiced. Civilian relationships between tourists, travel agencies, and insurance companies are stipulated in the insurance contract drawn up by insurance companies in accordance with the rules imposed by the State Insurance State Inspectorate attached to the Ministry of Finance.

Regardless of the means of transport we use, whether it's a business trip or a holiday, we are involuntarily subject to risks. In order to minimize these risks, we can study the internet, ask for references from friends, or read reviews of other travellers in the areas we are planning to visit. However, the risks remain risks, and not to be marked by them, the most convenient is to purchase travel insurance. With a very small amount we can avoid incredible expenses.

In the case of holidays, the situation of not covering a risk is all the more unpleasant as we are alone in front of him. In such cases, the recommendation shows and experiences confirm that insured people not

only have a stress-free vacation, but can even venture into places they might otherwise not.

In a holiday there may be risks that an insurance company can insure:

1. The purchase of a holiday can be made from a website, from a travel agency or directly from a service provider (hotel, cruise chain, airline company, etc.). According to the laws in force in most countries around the world, these entities must have a minimum bankruptcy or insolvency insurance. Practice has revealed an incredible thing. For example, some airline companies are not insured for bankruptcy, and the most recent case with Malev confirms this. Therefore, when buying a holiday package, the tourist must make sure that the economic agent from which they purchase the product has insolvency/bankruptcy insurance. One more point for travel agencies is that they must have such insurance so they can operate. And, with the travel agent is the easiest to check. Clearly, they will show the policy faster than a company with 3000 employees or a site where communication is somewhat uni-directional.
2. When travelling by car, accidents and problems are covered by Casco and Green Card insurance. The cost of car repairs in foreign countries can be even 3-4 times higher than in the tourist's country.
3. Weather conditions, strikes, unforeseen circumstances may disrupt flights. It is preferable to purchase a delay insurance (it covers other amounts of money compared to the reimbursement required by the EU law). Especially if the flight is not related to the EU. A cancelled flight may result in loss of accommodation at the destination, and the accommodation facility will not refund the sum in these cases. This is where the loss of luggage can occur. If 90% of the luggage arrives correctly and 90% of lost luggage is found and reach the owner, the situation is more unpleasant if they travel on a rare frequency flight (e.g. once a week).
4. All kinds of events that will not allow travelling can occur from the moment of the purchase of the travel package, the flight tickets or the accommodation and until the actual departure: illness, death of a relative, domestic incidents, loss of job. If the tourist does not want to lose money (the seller will only be able to return a small amount of money, even if the service is not consumed and sometimes the penalty is even 100%), they can purchase a cancellation insurance. Thus, for 1-2% of the package value, the sums paid for the entire booked stay can be insured.

5. After starting the journey, tourists can come into contact with different food, climate and environments. A simple cold or a ski accident can destroy any vacation. Medical insurances are purchased for situations involving accidents and illness during the holidays. Unfortunately, the lack of information makes many people believe that if they get sick or have an accident in the European Union, the costs are covered. Unfortunately, the situation is not completely transparent, and in some countries, emergency medical services may be free of charge, in others all medical services are free of charge (including private clinics), and in others nothing is free of charge. If you get into the situation of needing medical services and the expenses are taken over by the medical facility, the tourist can be considered lucky. In most cases, if there is no optional insurance, the tourist has to pay for all the services, and then they will have to go with the supporting documents to the insurance company.

With an optional medical insurance policy, expenses are taken over everywhere in the world, either automatically by the insurer having contractual relations with those medical facilities, or by the amounts spent are returned to the tourist's bank account upon return in the country (in the case of less developed countries). Another difference is that having an optional medical insurance policy one can call the dedicated number (open 24/7 and most with Romanian-speaking operators), the tourist will be guided to the most suitable medical facility, while in the case of the so-called free insurance the tourist will have to go to the zonal facility.

HOW INSURANCES WORK IN TOURISM

As a result of any insured event occurrence, on the basis of the request signed by the Insured, as well as any data regarding the insured risks submitted in writing, subject to strict observance of the conditions, exclusions and clauses established jointly, and on the basis of the payment of the full and anticipated insurance premium, the insurance companies undertake to pay the Insured the indemnity due under the conditions and in the amount stipulated in the Policy.

Throughout the Insurance Policy, the terms below only have the meaning assigned by the following definitions¹:

1. Travel Agency: legal person authorized under the legal provisions in force in Romania, which organizes, offers and sells tourist packages or their components, including airplane tickets, with which the Insured enters into a Tourist Services Sale Agreement.

¹ General conditions Omniasig Vienna Insurance Group

2. Insured: the natural person who has signed a contract with the travel agency, a person nominated in the Policy Specification and who signed it. The term "Insured" also includes other potential natural persons who are beneficiaries of the same tourist package and who are included in the Contract concluded with the travel agency, provided that these are mentioned in an annex to the policy (an annex which includes mandatory first name and surname, PIN, address and telephone, as well as the individual cost of the tourist package for each person).
3. Beneficiary: the person entitled to the compensation in case of damage.
4. Pre-existing disease: any disease that has begun and/or has manifested prior to the validity of the Insurance Policy (including chronic illness), being medically established by an authorized medical institution either prior to the Policy's validity or during the validity of the Policy.
5. Contractor: the person who concludes the insurance contract with the insurance company for and on behalf of another person and undertakes to pay the insurance premium and to comply with its obligations under the policy.
6. Holiday travel package contract: the contract between the Insured and the travel agency that deals with the purchase of a tourist package by the Insured and the issuing of payment documents and travel documents by the travel agency.
7. Damage: the financial damage suffered by the Insured, materialized in the amounts paid to the Travel Agency as a price of the Holiday Travel Package contract and which can no longer be recovered from the Travel Agency in accordance with the withdrawal conditions provided in the situation in which the Insured is obliged to give up travel prior to the start of the Holiday Travel Package due to the occurrence of an insured event.
8. Compensation: the due amount paid by the insurer to the entitled person following the occurrence of the insured event, based on the provisions of the Policy.
9. Insured event: insured risk that has occurred or begins to occur during the period of insurance, causing damage and resulting in the right to compensation, the production of which determines the impossibility of the tourist to take the journey and its cancellation at the insurer's initiative.

10. Force majeure: a situation invoked by one of the parties, proven with documents issued by competent public authorities, absolutely unpredictable at the time of the conclusion of the Policy, absolutely invincible, independent of the parties' will, which prevented one of the parties from fulfilling its obligations under the policy.
11. Holiday travel package: the pre-arranged combination of at least two of the following three groups of services, provided that their uninterrupted duration exceeds 24 hours or includes an overnight accommodation, i.e. transport, accommodation and other services, unrelated to transport or accommodation, or which are not accessories thereof, and which represent a significant part of the holiday travel package such as food, spa treatment, recreation and the like.
12. Insurance Period: the timeframe entered in the Policy Specification, during which the insurance company assumes responsibility for the consequences of the occurrence of the insured event.
13. Insurance policy: insurance contract including the Specification, insurance conditions, additional clauses, premium receipt, any additional documents and any other document attached to the Policy.
14. Insured risk: future, possible but uncertain event, whose occurrence could cause damage.
15. Insured sum: maximum amount representing the full liability of the insurer in the event of the occurrence of one or more insured events (represents the maximum amount of compensation that can be paid by the insurer for the entire insurance period).

The object of the insurance policy is the insurer's coverage of the risk of the trip cancellation by the Insured under the conditions stipulated in the Policy.

Cancellation of the trip may occur any time during the insurance period. According to the policy, three cancellation terms are set according to the period left until the start of the trip, for which the covered risks differ:

1. If the trip is cancelled with more than 15 calendar days before the departure day (including that day), the insurer shall take over the amounts to be borne by the Insured if he has not yet benefitted from the travel arrangements, but has paid for them, provided that the cancellation is necessary and unavoidable as a result of one of the following insured events:

- the death of the Insured or his / her spouse or a first or second-degree relative
- serious illness or accident of the Insured or of his / her spouse or a first or second-degree relative only if it involves the immediate cessation of the professional activity and of any kind, subsequent

treatment and supervision and the recommendation to rest in bed or not to leave the place of residence issued by an authorized medical institution authorized by the Health Ministry, provided that the rest period includes the date of the start of the Holiday Travel Package.

- citation the Insured as part of a civil trial or as a witness in a civil or penal trial whose judgement term falls within the period the Insured was to benefit from the tourist services purchased and incurred after the date of purchase of the holiday travel package.

2. In the case of cancelling the journey between 14 and 4 calendar days before the departure day (including that day), the insurance shall provide coverage only if any of the following events occur during this time:

- all the covered events mentioned above
- the devastation of the Insured's home following a fire, theft, explosions, or natural disasters in the period passed between the date of the conclusion of the Contract with the travel agency and the date of the start of the Holiday Travel Package, events that require the presence at home during that period
- the premature, unprovoked birth of a child of the Insured

3. In the case of cancellation of the trip less than 3 calendar days before the departure day (including this one), the insurance provides coverage only if any of the following events occur during this time:

- all the events mentioned above
- a road accident occurred within 48 hours prior to departure, as evidenced by documents issued by authorized police officers directly involving the Insured
- dismissal of the Insured for reasons not related to his person, following the dismissal decision issued by the Employer to the Insured
- bringing of a divorce action in which the Insured is directly involved to the competent court.

The Insurer does not owe compensations in case of damages arising from:

- expenses incurred by the Insured prior to the beginning of the package of tourist services, which are not included in the price (e.g.: visa fees, vaccinations etc. - if not included in the package price)
- request of the sums the Insured has the right to recover from the Travel Agency in accordance with the terms of the Contract concluded with it in respect of the cancellation of travel
- written communication to the Travel Agency and the insurer of the occurrence of the insured event within 3 working days after the starting date of the Holiday Travel Package;

- non-observance by the Insured of the conditions of the Policy or the Contract concluded with the travel agency
- the events mentioned in the Policy but which occurred before the conclusion of the Contract with the travel agency
- pre-existing illnesses at the time of conclusion of the contract with the travel agency and which may create complications
- mental illnesses
- allergy-related conditions
- voluntary pregnancy interruption
- complications of pregnancy
- suicide or attempted suicide
- deeds or actions carried out by the Insured or his / her spouse or first or second-degree relative under the influence of alcohol, narcotics or hypnotics
- not receiving tourist visas in the country of destination or transit
- not taking vaccines required to enter the country of destination or transit
- force majeure, proven by documents issued by competent public authorities; force majeure are the circumstances that occurred after the conclusion of the Contract with the travel agency as a result of extraordinary, unforeseeable and inevitable events for the parties
- consequences of war, invasion, acts of aggression (whether war is declared or not), civil war, rebellion, revolution, insurrection, coup d'état, siege, or the like
- epidemics, contamination, pollution, natural disasters, nuclear reactions, nuclear radiation or radioactive contamination
- intention or guilt of the Insured
- the termination of the employment contract at the initiative of the Insured
- deeds and actions of the Insured which may constitute intentional offenses and their consequences
- terrorist operations targeting directly or indirectly the Insured Person
- fraud, misleading intentions, or bad faith on the part of the Insured.

The insured amount is equal to the price of the Holiday Travel Package paid by the Insured, but no more than 2,500 EUR (or equivalent at the BNR exchange rate on the date of the conclusion of policy) per person and no more than 7,500 EUR (or equivalent at the NBR exchange rate at the conclusion of the Policy) throughout the Travel Services Contract.

If the notion of Insured includes other potential natural persons who are beneficiaries of the same holiday travel package and who are included in the Contract concluded with the travel agency, then the sum insured for each of them is equal to the individualized cost of the holiday travel package for that person.

The insured amount can be established in Lei (RON) or in other currency agreed by the parties.

The insurance premium is paid by the Insured by transfer to the account of the insurance company or in cash.

The insurance premium is paid in the same currency as the insured amount.

The insurer is entitled not to pay compensation if:

- The Insured / Contractor has failed to fulfil his obligations under the contract
- the damage occurred during the period of suspension of the legal effects of the contract
- the insurer acted in bad faith related to the occurrence of any insured event
- untruths, forgery, fraudulent aspects, omissions leading to misleading the insurance company are found in the statements of the Insured or their representatives, which formed the basis of the conclusion of the insurance contract or which are made on the occasion of the claim for damages or on any other occasion
- The insured person did not immediately notify the change circumstances regarding the risk
- The Insured cannot justify their right to compensation.

By payment of the compensation, any claims of the Insured, their proxies or legal heirs, will be extinguished in relation to the insured event.

Persons who obtain or attempt by any means to obtain unfair insurance indemnities or those who facilitate such deeds shall be punished by criminal law whenever the offense meets the elements of a crime.

The insurance concluded under the General Conditions is subject to the laws of Romania and the Conditions are supplemented with the legal provisions in force regarding insurances.

In order to protect the policyholders, the beneficiaries of the insurance and the prejudiced third parties, the insurers' contribution is provided by the Guarantee Fund administered by the Insurance Supervisory Commission, intended for compensation payments resulting from voluntary and compulsory insurance contracts concluded under the law, in the event of insolvency of the insurer.

Any litigation in connection with the application of the Insurance Policy shall be settled amicably or, if this is not possible, by the competent courts in Romania.

Table 1. Types of travel insurances

PURPOSE OF TRAVEL	TYPE OF INSURANCE	VALIDITY LIMITS
tourist	EUROPE	Europe, except Schengen area - limit 15.000 euro Schengen area -limit 30.000euro
work	WORLD	Worldwide, except Schengen area - limit 15.000 euro Schengen area-limit 30.000 euro
sports(amateur) business	CROSS-BORDER COUNTRIES	Cross-border countries-limit 10.000 euro
professional driver	DRIVERS	Europe, Turkey, Syria-limit 15.000 euro

Source: SC Garanta Asigurari SA.- clauses and contract terms www.garanta.ro

In the case of business travel, the insurance is concluded for one year and the insurance is valid for a maximum of 180 cumulative days per year and a maximum of 90 days for a trip. The business trip may not involve productive activity on the duration of the journey, and for the choice of the BUSINESS product, it is necessary to provide a document justifying the purpose of the journey.

In the case of professional drivers, the policy is valid for one year, the insurance is valid a maximum of 180 cumulative days and maximum 90 days for a trip.

CONCLUSIONS AND PROPOSALS

The paper provides the theoretical basis for knowing the necessity of the insurance activity, for the meaning of some notions and acquiring knowledge regarding: insurance, the insurer, the insured, the insurance contract, the beneficiary, the insurance contractor, the insured risk, the insurance value, the insured amount, damage or loss, insurance compensation, insurance premium, duration of insurance, etc.

Thus, knowing the respective notions, the provisions of the normative acts regulating the insurance can be correctly understood and applied.

The insurance is the operation by which an insurer is, on the principle of mutuality, an insurance fund, by the contribution of a number

of insured persons exposed to certain risks, and indemnifies those who suffer damage on the basis of the premiums receivable, as well as on the other revenues resulting from the activity carried out.

Insurance companies continue to consolidate their position on the market, without neglecting companies' profitability indicators. Specifically, this means applying the prudential principles of risk underwriting for all types of insurance practiced and especially on the classes of travel insurance, as well as customizing the offers for each individual customer in order to achieve a better correlation of the costs perceived with the profile of the individual risks covered. At the same time, it will continue to impose high quality standards in the after-sales process by increasing its efficiency in controlling and administering the reimbursement operations.

The current objectives are to maintain the market share by increasing the quality of the existing products, especially those with applicability in tourism.

Travel insurance is the conscious assumption of various risks and their profitable management. One of the main responsibilities of risk management is to ensure that the obligations assumed under the insurance policies applicable to tourism can be met at all times.

If possible, the word "insurance" should be written on the door of each house and on the forehead of every man because, for unimaginably small sacrifices, whole families can be protected against catastrophes that could destroy them forever.

The insurance protects the family in case of misfortune and irreparable damage.

In this paper, we have tried to highlight the forms of protection used both domestically and internationally, and we have described the particularities of each type of protection as well as their advantages and disadvantages.

We have approached the issue of travel insurance in terms of economic and financial aspects, highlighting the characteristic features of insurance as a branch of tourism.

In the future, in order to better understand the way and conditions under which insurance is being carried out, we believe that the following should be achieved:

- A detailed presentation of the functions and their impact on the whole economy, which is easy to achieve through a marketing campaign in the written or televised media that should highlight the importance and usefulness of insurances;
- Better client orientation;

- Increasing the quality of the services offered;
- Diversification and continuous improvement of products;
- Increasing efficiency and developing distribution channels;
- Effective management of capital;
- Maintaining financial security.

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