

## THE RESPONSIBILITY OF TRAVEL AGENCIES TOWARDS CONSUMERS

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***Abstract:** Currently, the service sector is highly developed in the world. Tourism, a part of this sector has not been majorly affected by the economic and financial crisis, and the motivations and requirements of tourists have diversified over time.*

*The travel agency is the intermediary between service providers and potential tourists, hence its importance.*

*As long as the travel agency offers travel packages it is reasonable to assume some responsibilities towards its customers.*

*The responsibilities of tour operator agencies and retailers must provide the customer a series of rights and guarantees.*

***Key words:** tourism, travel agency, travel packages, consumer responsibilities.*

### Introduction

The development of the service sector is the result of economic development and living standards and human civilization. Services represent a range of activities provided by parties for other parties for a fee.

Kotler and Armstrong, specialists in the field have collaborated to define services so they are "activities or facilities offered as immaterial by a supplier to a beneficiary, without him, as buyer, to obtain the right of possession. Services are usually linked to a commodity, although it is not a prerequisite"<sup>1</sup>.

Travel services fall into the category services and are defined as "a set of activities aimed at meeting the needs of tourists who travel in a period and in relation to it"<sup>2</sup>.

They may be delineated in basic services that include transportation services, accommodation, catering, treatment or other activity, if the primary motivation is to travel and have additional or complementary services. The latter completes the basic tourism services

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1. Kotler P. and Armstrong, quoted: Ennew Christine, Watkins T., Wright M., Marketing financial services, Butterworth Heinemann, 1995, p. 32.

2. Minciu, Rodica, Baron P., Neacsu N., Economia turismului, Universitatea Creștină "Dimitrie Cantemir, București, 1991, p. 87.

towards producing a complex touristic product providing various information and providing intermediation.

By combining basic and supplementary services in different proportions it creates different touristic products by travel agencies. The travel package is a pre-arranged combination of at least two basic tourist services, provided that the uninterrupted period is more than 24 hours or that it includes at least one overnight stay.

This set of goods and services made available to the consumers by one or more touristic businesses is a form of commercialization of the touristic offer.

### The travel agency

Travel Agencies in Romania are defined as "operational units that organize, provide and sell travel services provided by direct providers - hotels, restaurants, transportation facilities, treatment, etc. They usually sell packages of services grouped in the same tourism program services provided by several service providers and deals with advertising and promotion in order to achieve profit<sup>3</sup>. Travel agencies can offer either full-service or specialized. In the terminology W.T.O (World Tourism Organization) the term used for such a company is "travel agency". However, the WTO issued a recommendation that also applies to in European Union and which refers to the classification of travel agents / tour operators and retailer tourism.

The first are those who design, prepare and sell touristic products through own points or retailer agencies, while the retailer agencies offers for sale the package travel of the tour operator agencies, being practically mere intermediaries. Between the two types of travel agencies there are some differences that can be observed better in Table 1.

Table1. Differences between the tour operator agency and retailers travel agency

No.	Criteria of differentiation	Tour operator	Travel Agency
1	Function assumed	producer	Intermediate agent
2	Assumed risk	commercial high	commercial low
3	investment effort	considerable	low
4	Operating Capital	very high	low
5	income formation source	Trade markup applied on won	commission

3 . \*\*\* Legislație privind turismul, Regia Autonomă, Monitorul Oficial, București, 1998, pag. 37

No.	Criteria of differentiation	Tour operator	Travel Agency
		product	
6	Staff requirement	Quite large	reduced
7	Tourist relations	Rare contact	Direct and permanent contact
8	Operating equipment	Outperform	Basic necessities
9	Demand request	Creates demand	modeling and segments demand
10	Area of activity	national and international	local and regional
11	Main operations	„outgoing”	„incoming” and „outgoing”
12	Relations with the tourism authorities	complex	simple

*Source: Sava, Cipriana, Gestiunea activității de turism, pag. 11, Ed. Eurostampa, Timișoara, 2010*

Regardless of the travel agency type, touristic products offered must include the services listed in the contract.

### **Travel agency's responsibilities towards clients**

Travel agency's responsibilities towards the client must be specified in the contract of sale / purchase of a tourist package, which the two parties sign. They stipulate:

- Fulfilling the obligations undertaken through the contract;
- The obligation to properly inform the agency in a timely manner (15 days before) about changes to one of the essential provisions of the contract;
- Providing, if the journey is ongoing and an important part of tourism services under the contract will not be achieved, appropriate alternatives to continue the journey without increasing the price, touristic services must be of the same quality and amount;
- Refunding for the tourist of amounts representing the difference between the interest paid and the actual services provided during the travel;
- Ensuring no extra cost for the return transport of tourists to the place of departure or to another place accepted by it and, where appropriate, compensation for services that were not delivered, when you cannot provide a range of paid service that were

stipulated in the contract and cannot offer the tourist an appropriate alternative or he does not accept it because of certain reasons;

- To provide in writing to the tourists, 5 days before departure, a number of information about schedules, stopovers and connections, and, where appropriate, the place to be occupied by the traveler in each transport included in the contract, the name, location / address, telephone and fax numbers of the local representative of the organizer and / or retailer or in absence thereof, an emergency telephone number to enable contacting the organizer and / or retailer, and for minors traveling unaccompanied by parents, information allowing parents to establish a direct contact with the child or the person responsible for the child's place of accommodation;
- In the case of observing, in writing, to the agency and provider of the flawed realization services, inconsistent paid services the tourist must act immediately to address the agency later than 5 days from the end of the journey, followed within 30 calendar days to notify the tourist compensation which he is entitled to. These damages will have different values depending on the degree of non-compliance of the contract;
- Reimbursement of repatriation and / or the amounts of money paid by the tourist in the event of insolvency;
- To inform the tourists about the quality of the accommodation and the destination (the star rating of the hotel is officially assigned by the ministry of the State, so, room facilities comply with local standards).

There are exceptions when the agency is not responsible, namely, when failure or poor performance of the obligations undertaken through the contract because of the tourist, or when failure is due to reasons of major force or circumstances on which any agency or service providers could not foresee or avoid (changes in schedule or itinerary, traffic delays in the transport etc.).

Given the differences between operators, retailers and travel agencies the responsibilities of the first would normally be higher than the other, in practice, does not take account of this. In the case where a travel agency acts as an intermediary for a tour operator travel agency

based abroad, the first is considered the organizer of travel packages in its relations with tourists.

These responsibilities are set out in Council Directive 90/314/EEC of 13 June 1990 relating to travel packages, holiday packages and touristic packages, published in the Official Journal of the European Union (OJEU) No. L 158 of 23 June 1990 and were taken initially in Romania, in 1999, by order of 30/07/1999 nr.107/1999 regarding the trading activity of travel packages, which was republished in the Official Gazette, Part I, No. 448 dated 16/06 / 2008.

To achieve the above responsibilities, travel agencies must have signed according to the legislation in effective, some insurance policies. The insurance is a financial transaction arising from a contract or an obligation under the law, whereby the insurer undertakes in exchange for a periodic amount of money received to compensate the insured for the losses which he could suffer from happenings beyond his control, and is actually a safety commissioning. The first, necessary from the founding of the company is the insurance policy on insolvency or bankruptcy of the travel agency. Through this insurance it can be covered by the insurer the risk of default that the insured has against tourists (insurance beneficiaries), caused by the partial or total failure of the trading contracts package tour, in case of insolvency or bankruptcy of the insured.

Accident insurance for tourists in the domestic and international traffic is another insurance which ensures trips, organized groups attendants and drivers that are traveling with vehicles specifically listed in the insurance policy, in case of accidents during the journey.

## **Conclusions**

An increasing proportion of the world population goes on vacation at least once a year. For the success of such an event is appropriate to call a travel agency. On the tourism market there are numerous travel agencies, linking tourist and travel services provider. These companies have a number of responsibilities to their clients, mostly regulated by law. It is important for any consumer that the travel agency to meet its obligations.

In order to avoid unpleasant situations it is good for the consumer to call the known travel agents, visible, members of professional organizations licensed by the ministry, which offer travel packages with prices close to the market average and even recommended by friends. An important point in purchasing a vacation is related to the contract signed by both parties, which shall include the responsibilities of the travel agency.

At present, unfortunately, there are agencies that do not comply, do not respect customers and they wish quick gains.

### **Bibliography**

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