

TOUR-OPERATOR. ESSENTIAL ELEMENT IN TOURIST PRODUCT'S LOGISTICS

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Abstract: *The tour-operator emerged from the need to conceive the product and ensure its distribution, sale and development. The first major tour operators have developed because they have addressed to a collective clientele. The tour operator's sphere of activity has gradually widened, penetrating with their tourist products to "medium distance" destinations and "long-distance" destinations. Tour-operators are the most important link from the entire tourist chain, they organize the program packages according to the desire of each tourist, with the support of the providers. In general, tour operators can opt for two types of strategies to market their products, and large tour operators have multiple possibilities to achieve travel programs, conducting in this purpose studies for creating the tourist product desired for tourists.*

Key words: *tour-operator, characteristics, logistics of tourist product*

INTRODUCTION

The tour-operator is a travel organizer who makes the office of producer for tourist industry. The tour operator emerged from the need to conceive the product and ensure its distribution, sale and development. The policy of the tour-operator aims to maximize sales, based on two aspects:

- tariff differentiation;
- management of the capacities.

There are three categories of tour-operators:

- general;
- specialized, profiled on one type of tourism;
- punctual, which provide tourist services to the demand of customers.

Tour-operators are present in greater numbers in England and Germany, then in the Scandinavian countries and Japan. Those from North European countries offer voyages at flat rate, and those from South Europe have proposed sophisticated products to a small customer. Tour-operators from countries emitting tourists have certain advantages over their competitors from the receiving countries, namely:

- opportunity of better sales;
- more knowledge of the tastes and needs of potential customers;
- getting closer to the potential customers;
- the possibility of transferring the tourists to and from the receiving countries;
- ensuring an adequate perception of the tourists' on their performances.

The first tour-operator was Thomas Cook, who in 1841 offered service packages around the world.

In the UK, the country where tour-operators first appeared, the main manufacturers are *Thompson, Owners Abroad and Airtours*, the first two concentrating 60% from the volume of sales of domestic flat-rate voyages.

German tour-operators have developed based on commercial networks of large stores or banks and travel agencies. At the level of the year 1991, *Touristik Union International* was the world's largest tour operator. The key to its success is the diversity of the destinations proposed and a extremely rich promotion.

In *France*, the development of tour operators is lower than in other European countries, namely Germany and the UK. There are over 300 travel organizers on the French market with about 20,000 employees. The main French tour-operators, according to a ranking made in 1994, are *Club Mediterranee* (the only firmly implanted also on the foreign markets), *Nouvelles Frontieres* (which has adopted a policy to create exclusive agencies in France and Europe), *Frain*, *Sotaire*, *Chorus Frantour* and *Charters et C (Look)*. The first three tour-operators concentrate only 30% from national sales; in this case, the development was based on the sale of large travel formulas (air travel and airport attendance or "tracking" circuits).

In the *Nordic countries*, the market is characterized by a very high penetration rate of tour-operators. In case of *Sweden* this percentage is 40%. In Sweden, *Sun International*, *Airtours* and *Imholg* concentrate 70% from the production of voyages at flat rate. This high demand for travel is due to the high level of income per capita of these countries and of the geographical position that requires the use of the airplane as a means of transport for trips to the sun. The success of the tour-operators in these countries is ensured by the quality of the services. There is also a strong concentration of the flat rate voyages market.

In *Netherlands*, the first three tour operators hold 50% from the market.

In *Switzerland*, *Kuoni*, *Hotel Plan*, *Airtours* and *Imholg* concentrate 70% from sales in tourism.

For *North American continent* tour-operators orient their production to American or Canadian destinations (Florida, California, Hawaii, etc.). Other destinations are: Caribbean Islands, Europe, Latin America. These tour-operators have a smaller range of action than European tourists, because of the demographic distance, of the variety of forms of tourism and the proximity of some popular destinations such as Mexico and Canada. In the *United States* 70% from the flat voyage are oriented through popular North-American destinations. Among the main external destinations, besides those mentioned before is also Southeast Asia.

In *Japan* tourists have a great inclination to travel abroad in groups and in the Inclusive Tour system. This is due to the maintenance of some relatively high prices for regular airlines flights from Japan, the limitation of charter flights in tourist interest, the strict regulation regarding the air travel facilities, the Japanese language barrier when traveling abroad and their desire to visit more destinations within the same external voyage. As a result of these particularities, voyages organized in Japan have two forms: group travel organized at the enterprise level for employees and their families, and flat voyage for individual tourists or groups. Japanese tour-operators are large companies involved in domestic and foreign tourism as well as in some areas of the loisir industry. They associate with airlines and hotel chains less than those from Europe.

According to the specialists [1..15] to design a interest tourist offer, the tour-operator must ensure:

- satisfying the material and spiritual needs of tourists;
- studying tourist preferences;
- studying tourist motivations;
- merging several elements of tourism activity;
- selecting the staff with skills for the development of tourist programs;
- the realization of tourist programs taking into account the respect for the consumer.

MATERIALS AND METHODS

The authors of the paper were used as methods of work: data collection, processing, analysis, observation and their interpretation.

RESEARCH RESULTS

In the organizational structure of a producer [1..15] of voyages or tour-operator, the production department plays an essential role, the tour-operator having as a mission, depending on the objectives and the strategy applied, the conception and creation of tourist products. He performs four functions:

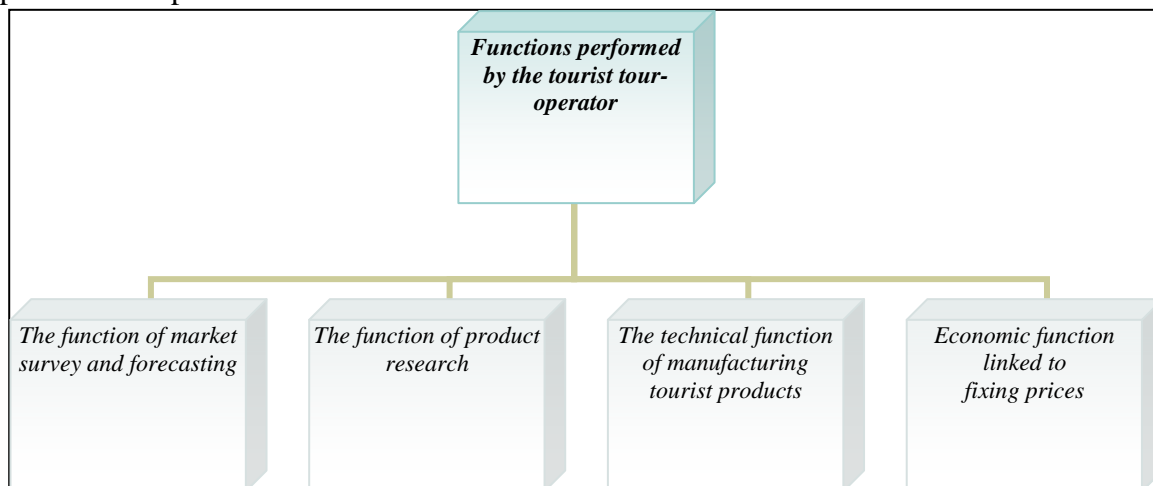


Figure 1. Functions performed by the tourist tour-operator

There are six reasons why a tourist would appeal to a tour-operator to buy a holiday package:

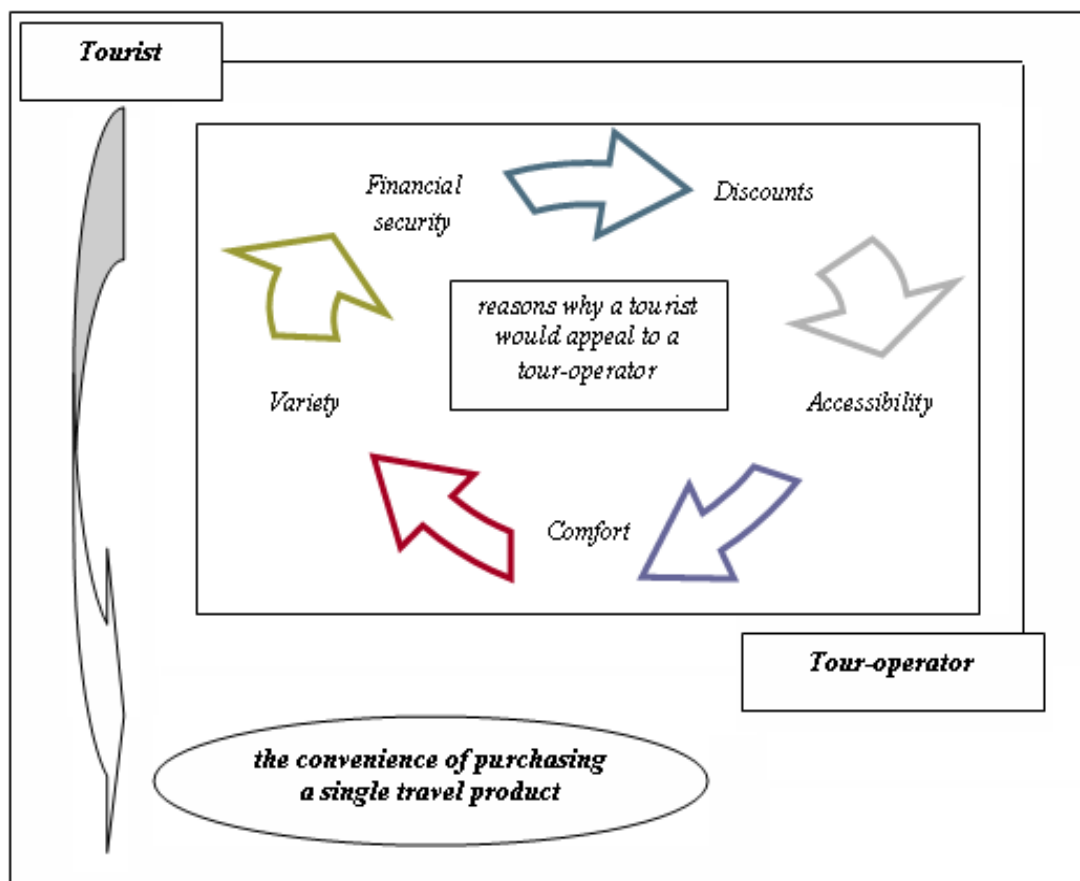


Figure 2. Advantages for tourists in case of cooperation with tour operators

- *Accommodation*: tour-operators acquire a considerable quota of rooms' long time before. They guarantee the accommodation of tourists to the most popular holiday destinations that might otherwise not be available in the moment of taking the decision regarding the holiday destination;

- *Discounts*: Through the negotiations they made, tour-operators get important discounts that they pass on to tourists. These holiday packages can be 25% cheaper than the alternative of direct purchase of the tourist services they make up;

- *Accessibility*: as part of the holiday package there are also visits to popular attractions or participation to various entertainments, that otherwise, tourist would have a more difficult access;

- *Comfort*: flat voyages have the advantage of making a single payment for all services and facilities included, which relieves the tourist by the care of purchasing each service and making each payment;

- *The variety*: flat voyages offer all the services, attractions and facilities available in the area, which would be difficult to obtain by tourists on their own;

- *Financial security*: ensured by the legislation in the field.

The product offered by the tour-operators is the package of services consisting from transport, accommodation, transfer to and from the airport. In addition, the package can also include entertainment services, walking, car rental and more.

The advantage of this product for tourists is the flat price, which is lower than the sum of the tariffs of the services included in the package, if they were purchased separately.

Another advantage of the flat voyage for tourists is *the convenience of purchasing a single travel product*, the tourist being exempt from taking a decision to purchase each service to make a complete holiday and to make a holiday program (route, objectives, entertainment, etc.).

The elements for identifying the flat voyage are presented below:

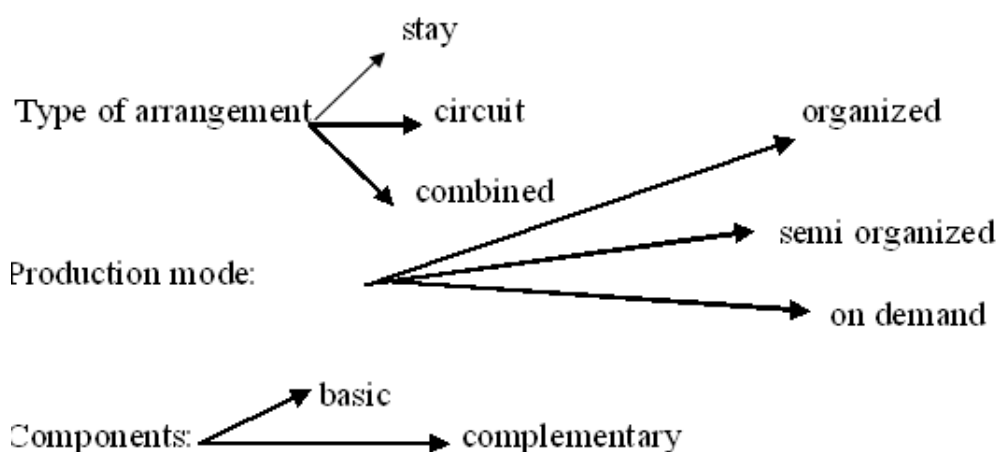


Figure 3. The elements for identifying the flat voyage

The big tour operators have multiple possibilities to carry out travel programs, making in this purpose studies on the markets for creating the tourist product.

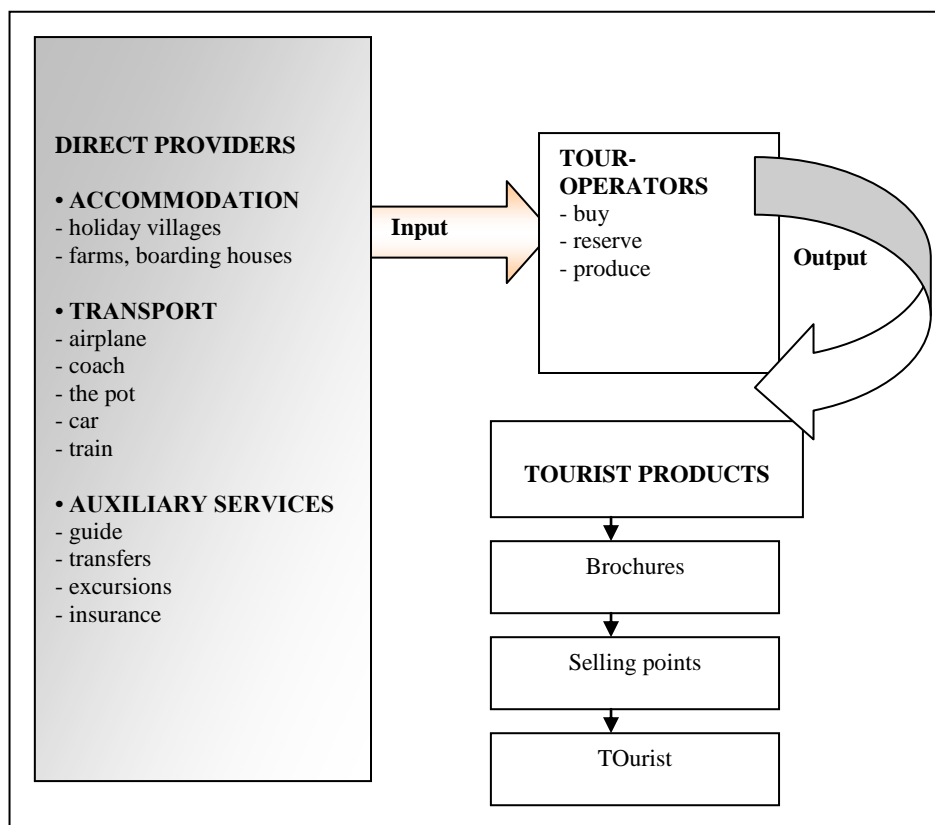


Figure 4. Logistics of the tourist product

The marketing of the tourist product involves the following stages:

- Preliminary organization, when products are designed and developed long before customer demand is expressed. The tour operator will choose the destination, means of transport, accommodation and accompanying possibility, included in the package, before offering the product to the market;

- Conceiving the services offered, starting from the basic level; the service offered can be just a holiday stay or much more complex services: transport, accompanying, transfer, accommodation, dining, entertainment, insurance etc;

- Establishing prices-the price of the product is established in advance and is usually paid before the journey begins; for some products (holiday clubs, where certain parts of the package are offered), credit card payment is becoming more and more used.

Unlike travel agencies, tour-operators are large enterprises, highly concentrated nationally and internationally, both horizontally and vertically, which produce three types of tours: flat voyage, holiday package and tour with guide. For a more accurate understanding of the differences between travel agencies and tour operators, several differentiation criteria can be identified in the table below: [12]

Table 1.

Criteria for differentiation between travel agencies and tour-operators

Criteria for differentiation	Travel agency	Tour-operator
<i>Function accomplished</i>	Intermediary agent	Producer
<i>Taking the risk</i>	No major commercial risks	Commercial risks
<i>Investment effort</i>	Reduced investment	Considerable investments
<i>Source of revenue generation</i>	Commission	Commercially addition applied to the manufactured product
<i>Operating capital</i>	Reduced	Big and very big
<i>Staff necessary</i>	Effective reduced	Relatively numerous staff
<i>Relationship with tourism</i>	Direct and permanent contact	Contact reduced
<i>Operating equipment</i>	Reduced, installations and technical devices of strict necessity	Important, expensive and performing
<i>Demand formation</i>	Model, segment the demand	Creates the demand
<i>Main operations</i>	"Incoming" and "outgoing" operations	Mainly "outgoing"
<i>Field of activity</i>	Local or regional	National and international
<i>Relations with tourism authorities</i>	Simple, related to the conditions of establishment and operation	Complex, related to strategy development

Source: *Stanciulescu Gabriela, Managementul operațiunilor de turism, Editura ALL BACK, București, 2002, pag.104*

In general, tour-operators can choose for two types of strategies: the specialization one and the generalist approach one.

- Specialization strategy: there are tour-operators specialized in a particular geographical destination; is a risky strategy because can overcome a war, for example and that circuit can be taken off the market. Specialization may also be on a theme (pilgrimage, adventures, etc.) or on a clientele segment (married, elderly). The specialization strategy represents for many tour-operators a solution in order to eliminate competition, or to avoid market and customer instability.

- The generalist strategy has two orientations:

1. The integration strategy is found in all sectors of economic activity and represents for enterprise a general policy issue. The rejection of some enterprises to integrate all benefits is due to the following factors: competence issues (due to the multitude of knowledge that a provider must have), the danger of captive markets (in those captive markets the providers are accustomed with the lack of competition and may become less competitive), the size of the necessary capital (in order to diversify in many activities, the provider must mobilize large amounts of capital), the presence of dominant suppliers (a tour-operator may be forced to contact a service provider found in a monopoly position, who may abuse of his or her power), the absence of adapted benefits, mediocre performances of suppliers, limited skills necessary for negotiation.

2. The critical mass strategy consists in choosing that dimension that allow direct confrontation with competition. It can take several forms:

- the "proximity" of competition strategy;
- the strategy of buyer's acquisition;
- the protection strategy, in order to be less vulnerable and to regain market credibility.

CONCLUSIONS

The last years bring major changes in the structure of tourism intermediaries. Currently, tour-operators are increasingly focusing on selling direct holiday packages or separate services by eliminating intermediaries. A recent study for a multinational corporation on the European market shows that the structure of distribution, at least for Western Europe, has changed and the trend is getting more pronounced.

In the last 20 years, some tour-operators have become companies of international size and have integrated into trans-national economic clusters.

Europe is dominated by a few tour-operators with a very high economic power. Thus, in Germany, only four such tour operators cover more than 70% from total tourist product sales: TUI (Touristik Union International), NUR (Neckerman und Reisen), LTT (Luft Transport und Tourism). In the UK, the main tour-operators are: Thompson, ILG (International Leisure Group). In France, the top tour operators are: Nouvelles Frontieres, Club Mediterranee, Fram, Sotair.

On the Romanian tourist market there it is not a single tour-operator or a group of Romanian tour-operators, which considerably reduces the offer of Romanian tourist products, limited to the possibilities of the travel agencies. The products are found in the local tourist offer, presented by different travel agencies that also play the role of tour-operator.

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