

QUALITY STRATEGIES IMPLEMENTED WITHIN THE TOURISM AGENCY PERFECT TOUR

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Abstract: *The paper presents the quality strategies adopted by the tourism agency Perfect Tour. The most important advantages of the Romanian agency in comparison with its competitors are: the focus on high quality services, cooperation with other international agencies, entering new fields like medical tourism and sole representative of Disneyland Paris. The strategies adopted explain the good financial results even in the period of crisis.*

Key words: *quality, strategy, tourism, differentiation.*

1. Introduction

The competitiveness of the contemporary organizations originates in the quality of strategies adopted and applied.

In a world of tough competition, the quality of products/services is the way of maintaining on the existing markets or entering new markets. That is why, determining how to act for reaching a high quality level is essential for the management of the organization.

The strategy of quality is considered a competitive strategy because the mission of quality is to face competition [1].

When a company formulates its strategy in the field of quality it must take into account the correlation with other strategies of the company (marketing, production, distribution) and the conditions imposed by different regulations, the capacity of producing products/services, costs, time.

2. The quality concept in a tourism agency

According to the definition of the Tourism World Organization, “the quality represents the result of a process which involves satisfying the legitimate needs of products and services, requirements and expectations of the customer at an affordable price, according to the quality standards for ensuring the safety and security of tourists, hygiene, accessibility, transparency, authenticity and harmony of the tourism activity with the human and natural environment.”

When talking about the assessment of the tourist services, quality should be considered those elements which determine the satisfaction of customers: availability to the customer, a complete and accurate information, a reasonable price, favorable impression at the interface customer- staff, getting results according to expectations.

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According to the authors Rondelli and Cojocariu in the paper Service quality management in tourism and hospitality industry, when a tourism agency defines the quality criteria at the base of the purchase decisions, must make the distinction between “strengths in getting orders” and “strengths in qualification for the market”.

The strengths in getting orders are: *the location of the agency*, (as central as possible), *the atmosphere* (attractive and relaxing) and the *offer* (adapted at the customers requirements from that area).

The strengths in qualification for the market concern the: price (ratio quality/price), quality (high quality level of products and services), availability (the wide range of products offered), the services for the customer (a high level).

Among the quality strategies which can be used by a tourism agency can be mentioned:

The strategy of maximum performance tries to obtain the best position in quality through maximum performance of products and services, the company being an exclusive leader.

The domination strategy through quality means to maintain a market or a market segment and implies a high volume of sales. This strategy assumes the existence of a quality checking system in different stages of the production and use of the product.

The strategy of differentiation through quality is based on knowing the quality features referring to reliability, maintainability, availability, accesibility for the same type of products and made by different producers. This strategy means affordable prices for users, knowing the world market for the product or service and of the segments where there are exclusive producers or distributors, the analysis of the brand and the distribution network, the increase of the promotional

activity, knowing the opinions of the users regarding the quality of products or services.

The strategy of concentration on a quality level is specific for those companies which can not or do not want to change a certain level of quality but have the capacity to achieve it.[2]

For the management of a tourism agency, the quality strategy of services offered to consumers is the action plan meant to assure the obtaining of positive economic results in confrontation with competitors.

3. Perfect Tour

3.1 Short history

Perfect Tour is a company with private capital, having as main activity the sale of tourism services. Being set up in 2001 in Brasov, the company changes its management in february 2004 with the relocation in Bucharest, witnessing a big development in domestic and international accomodation, organization of events, sale of tickets for air , road and rail transport.

Perfect Tour comprises the most extensive network of tourism agencies from Romania, having a wide representation all over the country:

- 10 branches Perfect Tour tour-operators in: Braşov, Buzău, Craiova, Cluj-Napoca, Constanţa, Galaţi, Iaşi, Ploieşti, Piteşti, Tulcea,
- more than 500 partner agencies resellers throughout Romania,
- starting with february 2007 a Call Center with reservations and Customer Care started to function, for the domestic and international market, being the only one of this type in Romania.

Perfect Tour is an agency accredited IATA and affiliated at several international organizations: UFTAA, ASTA, CECTA, ANAT. Also, Perfect Tour is an authorized agent of the most famous international tour operators (Tui, Dertour, Thomas

Cook/Neckermann, GTA, Hotelbeds) and cruise lines (Costa Cruises, MSC Cruises, NCL, etc). In 2008 it became GSA for the largest railway network, Rail Europe, and from 2009 they are the only approved partner Disneyland Paris in Romania.

3.2 The market analysis

The market analysis contains a description of the competition, the market positioning and a short financial-economic analysis of the most important competitors on the market (table 1, figures 1, 2 and 3).

The rankings of the tourism agencies in 2010

Table 1

No	Name	Turnover	Profit	Employees	Productivity Turnover/ employee	Profitability Profit/ employee
1.	Happy Tour	143.459.995	972.128	86	1.668.139	11.304
2.	Eximtur	115.752.843	396.267	138	838.789	2.872
3.	Perfect Tour	87.305.859	195.294	109	800.971	1.792
4.	Accent Travel & Events	63.396.010	1.781.670	48	1.320.750	37.118
5.	Romania Travel Plus	60.049.541	1.318.260	27	2.224.057	48.824
6.	Marshal Turism	53.486.928	267.294	87	614.792	3.072
7.	Sunmedair Travel & Tourism Services	48.682.413	351.144	49	993.519	7.166
8.	Business Travel Turism	45.132.209	1.838.127	35	1.289.492	52.518
9.	Prestige Tours	38.960.611	1.395.210	21	1.855.267	66.439
10.	Danco Procommuni cation	38.699.580	174.137	22	1.759.072	7.915

The rankings of the tourism agencies contain data on turnover, profit, number of employees, productivity and profitability. The ranking is made taking into account the turnover in 2010. On the first place in the ranking of the tourism agencies is the tourism agency Happy Tour. Founded in 1996, the agency is, from the end of 2007 held 100% by GED, a Spanish investment fund. In the last consecutive 9 years, Happy Tour is the main supplier of business travel services from Romania. The agency, well known at the national level, offers to its customers access at more

than 800 airlines from more than 200 countries, with destinations in more than 10000 airports from all over the world through the Global Distribution System.

Founded in 1993 at Cluj Napoca, the company Eximtur has continuous developed, expanding its own network of agencies in important cities from Romania and becoming one of the most important tourism companies from Romania. In the rankings of the tourism agencies it is on the second place. The team Eximtur, the strong partnerships in the country and abroad and the know how gained in the 17

years of experience, assures a high quality of travel services, the diversity of destinations and services offered, the safety of the journey and a proper ratio quality-price for each type of service.

The agency **Accent Travel & Events**, with the headquarter in Bucharest and a branch in Ploiesti, is on the fourth place in the ranking of the tourism agencies.

It has experience on the market of tourism services and has gained its prestige by the quality and promptness of the offers, having an enthusiast team, with a professional training in tourism. The customers of the agency are companies and individuals.

4. Quality strategies adopted by Pefect Tour

4.1. Domination strategy through quality

4.1.1. Certifications and accreditations

The agency has obtained **certification ISO 9001:2000** for the quality system and the permanent concern for satisfying the customer requirements, certification granted by The Germanischer Lloyd Certification GmbH Hamburg.

4.1.2. The implementation of a new and efficient ERP system specialized on travel (1) May 2012

The tourism agency Perfect Tour has invested in the first half of the year 2012 more than 100000 euro in a new and efficient ERP system specialized on travel, a much improved version and adapted to the requirements of the tourism market.

For the partners of the agency, the new system brings at least three important advantages. One stop shop, which means the integration in one place of the largest hotel consolidators (GTA, Hotelbeds, Miki, Kuoni), with access at a database with more than 110000 hotels all over the world. Plus, access through GDS for airplane tickets reservations, insurances and for the own tourism packages, as

Disneyland Paris, Laponia, city-breaks, cruises and circuits. Another important advantage for partners is the control of margins by an automated process and the possibility of including the B2C white-label.

According to this, the system allows the agencies to issue all the travel documents, including the services contract, in maximum 30 seconds.

The system has an efficient search using filters, in multiple reservation systems and is user-friendly. It is integrated with the accounting program and CRM, offering complex reports which will increase the quality of services offered by Perfect Tour through a better answering time at the requirements of customers or by loyalty programs.

4.1.3. The partnership with GlobalStar (1) June 2012

Perfect Tour has consolidated its top position in the field of business tourism through its partnership with the leader in the field of travel management- Global Star.

Through this affiliation, Perfect Tour can offer business travel services and related services, anywhere in the world (75 partners in 3393 offices in the world, which means that prices can be compared and the lowest possible price can be offered for the customers request). The competitive advantage of Perfect Tour through the partnership with Global Star is the offer of customized services for each customer, the increase in efficiency, focus on costs reduction for the customers, the offer of specialized consultancy and the pursue of an „agreed travel” policy together with its customers.

Perfect Tour has direct access at the reservation systems used by all international partners GlobalStar, which means the offer of best prices and the real possibility to compare offers, to save customers money and to find instant

availabilities for any demand. The technological platform GlobalStar allows providing reports after advanced models, so that the customer can get the right information of interest.

For the national and multinational companies from our country and for the businessmen from Romania, the collaboration with a tourism agency, partner of the GlobalStar network means the quality services guarantee, at international standards, a prompt answer and appropriate for the requirements and the most competitive offers of business travel and the best conditions of transport and accommodation.

4.2 The diversification strategy through quality

4.2.1 Entering a new market segment: the medical tourism (1) 21st December 2011

The medical tourism, the most dynamic travel field at the global level, with a 30% annual growth rate, might worth 100 million euro in Romania, by 2015, estimate the specialists in the field.

The medical tourism can be practiced in all ways, from the medical control to relaxation, which involves the balneary tourism. Romania, for example, is well known for its balneary routes.

The need of Romanians for quality medical services creates new opportunities for the tourism agencies. The medical tourism represents a market niche less exploited by the Romanian agencies, but which seems one of the most profitable business for the future.

This direction was followed by Perfect Tour, which launched in May 2011, a new division, Medical Premium, which offers access at the medical services from Austria. As a representative of Premium Health Solutions Austria, the new division offers medical services under the supervision of the Medical Association from Austria.

Also, Perfect Tour:

- Are exclusive representatives of **Premium Health Solutions Austria;**
- Are collaborators of the medical clinics **Acibadem, Anadolul, Avicenna and Dünya Göz Hastanesi** from Turkey;
- Collaborates with the german clinics from the network MediClin: **Robert Janke Klinik Bonn, Krankenhaus Plau am See, Herzzentrum Coswig and Krankenhaus Bad Duben;**
- They offer an integrated and high quality system of medical services, in a modern place, having an experienced staff, composed of renowned professors and doctors from Austria and Turkey;
- The most important are the demands for treatment abroad;
- They make efforts to consolidate the standards raised by the medical tourism.

4.2.2. Sole representative Disneyland Paris

After two years in which Perfect Tour is the only Romanian touroperator of Disneyland Paris in Romania, the sale of trips towards this destination have approached outstanding results.

This is shown by a continental premiere, the beneficiary being Perfect Tour. For the first time in the history of Disneyland Paris, a touroperator from Romania has participated at the biggest event for the agencies from the old continent: Disney Star Live Experience.

5. The effects of quality strategies implementation

The implementation of these quality strategies within the tourism agency Perfect Tour has generated an increase of revenues, turnover and number of employees. These outstanding evolutions (tables, figures) have proved that the quality strategies chosen were the proper ones.

*Financial information from
the balance sheet Perfect Tour (2006 – 2010)*

Table 2

	2006	2007	2008	2009	2010
Fixed assets	2.722.183	2.903.158	4.951.367	8.162.242	4.405.859
Receivables	1.646.891	4.881.718	5.514.231	8.115.421	8.802.260
Inventories	0	52.125	0	0	0
Available funds	472.425	911.394	1.524.998	2.163.231	1.008.216
Current assets	2.119.316	5.845.237	7.039.229	10.278.652	9.810.926
Total assets	4.841.499	8.748.395	11.990.596	18.440.894	14.216.785
Net accounting asset	-1.204.052	667.467	392.712	2.750.197	500.936
Social capital	400.000	400.000	400.000	400.000	400.000
Total capitals	622.669	666.467	785.149	808.780	1.004.075
Turnover	4.779.231	35.627.004	58.364.957	76.920.314	87.305.859
Total revenues	5.037.082	35.780.510	59.210.364	77.150.563	89.143.667
Total expenses	4.911.663	35.715.917	59.121.390	77.024.468	88.876.821
Gross profit	125.419	64.593	88.974	126.095	266.846
Net profit	99.968	43.798	61.392	96.095	195.294
Average number of employees	35	74	99	112	109

Source: www.doingbusiness.ro/financiar/raport/724148/perfect-tour-srl/

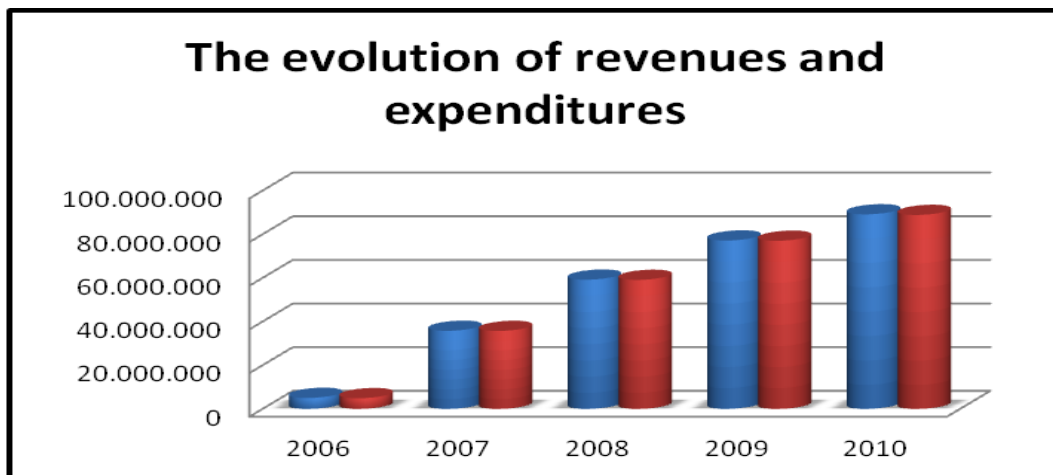


Fig. 1. *The evolution of revenues and expenses- Perfect Tour (2006 – 2010)*

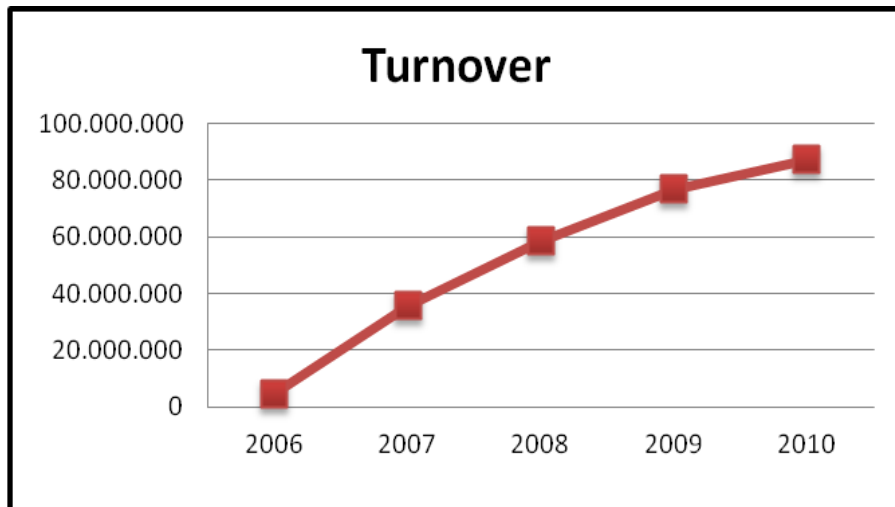


Fig. 2. *The evolution of turnover for Perfect Tour (2006 – 2010)*

6. Conclusions

The strategies of Perfect Tour, even in the period of crisis are offensive, because they pursue the increase in the market share. Also, compared to the market requirements, Perfect Tour adopts a strategy of high quality services, because of the specialized tourism agents. It has continued to diversify its product range, to maintain the quality level of services, in the same time attacking new market segments. As a result, in 2011, a year of economic crisis, Perfect Tour has maintained in the top of tourism agencies from Romania.

The year 2012 is a promising one for the agency Perfect Tour because it has ended the first term with a turnover of 7 million euro, an increase of 30% compared to the same period of the previous year. In this period, the number of individual customers was more than 30000, most of them being interested in city-breaks, offers for Disneyland Paris and Antalya.

According to the executive manager of Perfect Tour, the good evolution from the first three months of the year will maintain in the following period because of the

investments the company has made in a complex IT solution, including ERP and CRM, for channels B2B and B2C. The company has also continued to sustain and expand the branches in foreign markets from Ukraine, USA and Bulgaria.

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