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CUSTOMER FRIENDLY TOURISM IN THE EUROPEAN UNION, SPECIFICALLY IN HUNGARY

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ABSTRACT

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The aim of this thesis was to analyze the consumer protection in the field of tourism. The target area was the European Union, in addition the author chose Hungary as the model state of the thesis. The long practical training at the Authority for Consumer Protection (HACP) and the collected materials led the writer to choose this topic.

The object of this research was to investigate the situation of tourism in the EU and in Hungary, furthermore to observe the relationship of consumer protection and tourism and to find out the most important regulations and the EU strategy of consumer protection. The author sought to answer to the main research questions: How consumer protection helps to improve the service quality? How to maintain the achieved standards in the tourism sector?

The data for the research was collected by the author, when she had her practical training at the HACP. The sources were different books, regulations, reports and surveys collected from the authorities and the government, and personal experiences. The writer used descriptive method when she processed these secondary data.

After reading the thesis the audience could get a clear introspection about the situation of tourism from the angle of the consumer protection authorities, a well described situation of the Hungarian tourism, and naturally answer to the main research questions. In addition the thesis suggested solutions both, to the tourism enterprises and control authorities, how to amend the situation of tourism and how to remain in the market, especially in Hungary.

Key words: Consumer protection, tourism, consumer, regulation, quality.

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1 INTRODUCTION

It is difficult to define tourism, because it develops constantly, and it spans all the branches of the economy through, over and above it is present in the family and business life, and it can be an essential tool to save our environment. Probably because of economy professionals and politicians, we see tourism in many different ways, and it is hard to find a common aspect where the judgment of this sector corresponds with. It is the same also in the European Union. In certain states the place, judgment and regulation of the tourism is very diverse (Lengyel 1999).

According to the four liberty right-the free flow of goods, persons, fund and services we can determine that the judgment of tourism is equal among the states: tourism is a service, and the most important is the protection of consumer, passenger, and guest. Specifically: the most essential thing is to support the five consumer protection right, - like the right for life, health, safety, economic interests, information, and right validation- for the participants of tourism (Lengyel, 1999). This entire information pore over the author to choose this subject, in addition she spent her practical training at the Hungarian Authority of Consumer Protection in 2010.

Consumer protection controls the main tourist destinations and events around Hungary. Hospitality businesses, tourist accommodations, events, festivals need to be controlled very strictly to achieve a successful summer tourism period. The Authority does every summer its work assiduously to get the most of the unit numbers and results. The present writer also participated in the control mechanism of summer controls, so that is why she agreed with the HACP to summarize in English the summer 2010 controls in the field of tourism. The summary will be placed into the appendixes, at the end of the thesis work. The author collected materials and sources during the summers, and also she has contact members at the Hungarian Authority of Customer, who certainly help her to get more information when it was needed. Furthermore she signed in to the newsletter of the Authority, to get time to time the news about EU and the actual changes in consumer protection laws. The careful reading of the sources was fundamental for the success of this thesis.

2 RESEARCH PLAN

2.1 Concepts and theory

In this thesis it is essential to understand the meaning of the main concepts, which are consumer, basic consumer rights, consumer protection, “consumer friendly logo” and tourism. Furthermore I will share an explanation about the basic rights of the customer and the Authorities of Customer Services, which are operating in Hungary. These few concepts will configure the frame of my theory, which will be “the consumer friendly tourism”.

Consumer and basic consumer rights

Consumer is a natural person, who act for the sake of the case beside his or her own profession and economic activity; who buy goods, order, get, use, avail, or he or she is the addressed of commercial communication or offer. The Organization of United Nations announced the guidelines of consumer protection, which apply to every consumer and conclude the following basic rights: Right for the satisfaction of their basic needs; right against dangerous goods and services; right for the choice between different goods and services; right for the knowledge of considered choice; right for the honest settling of rightful complains; right for the life in healthy and bearable environment; right for the say into the governmental guidelines; right for the acquirement of knowledge to become a conscious and aware consumer (Kennedy J.F. 1962).

Consumer protection

Costumer protection shortly means: actions taken (sometimes in the form of law) to protect consumers from defective goods and services. Consumer rights are the rights given to a costumer to protect him or her from being cheated by salesmen, manufacturers and shopkeepers. Consumer protection laws are designed to ensure fair trade competition and the free flow of truthful information in the marketplace. The laws are designed to prevent businesses that engage in fraud or specified unfair practices from gaining an advantage

over competitors and may provide additional protection for the weak and those who are unable to take care of themselves. Consumer protection laws are a form of government regulation which aims to protect the rights of consumers. For example, a government may require businesses to disclose detailed information about products- particularly in areas where safety or public health is an issue, such as food. Consumer protection is linked to the idea of “consumer rights”, and to the formation of consumer organizations which help consumers make better choices in the marketplace (Lehman & Shirelle 2005, West Encyclopedia of American Law, ISBN 0787663670).

Consumer friendly logo

With the commission of the new director-general of the National Consumer Protection Authority, István Pintér, consumer protection moved towards new European norms. He introduced a customer concentric, entrepreneur friendly aspect, and a conformation of stable law environment. The goal is the development of an effective and modern policy-development that can contribute to increase customer satisfaction and the improvement in the conduct of entrepreneurs. Therefore he advocates developing an accredited training system, which will help the entrepreneurs in acquiring consumer protection basics. The director- general highlighted, that in the future he will push a “positive list” in favor of the amendment of the consumer trust and entrepreneur responsibility. It will contain the enterprises which maintain the legal commercial activities. In addition these enterprises would be entitled with the “consumer-friendly” logo. Those enterprises can get into the list, who accomplishes the price indication, price charging and unit-price indication meanwhile the official controls. Also the authority monitored the complaints of costumers. The honored enterprises promise to hold the law, or rather in the following year they will not have any complaint made by costumers. At the same time István Pintér also would like to emphasize the international connections, and the frontier and regional co-operation (Official newspaper of the Hungarian Republic 2009, nr.177).

Hungarian Authority for Consumer Protection (HACP)

The Hungarian Authority for Consumer Protection is the authority that carries out the basic and primary tasks related to consumer protection in Hungary. The government established this organization with the 225/2007.(VIII.31.) regulation. Since 1991 the organization for consumer protecting has been operating, under the name of the Main Inspectorate for Consumer Protection.

The organization disposes independent charge and competency, under the Ministry of National Economy. Its task includes ensuring the protection of consumers' lives, safety and health through the active market surveillance of the distribution of non-food products. Besides the HACP there are also regional authorities, which are operating in every shire-town and in the capital.

The HACP and the authorities attend the following charges defined in the government regulations: Control the small scale and wholesale, hospitality and tourism activities; the observance of quality and quality certification regulations; arrange the quality exceptions; the observance of the domestic advertisement and advert bans; They are authorized to prohibit the sale of censured products and services; to ban the use of false measures; to close the store if it is hazardous to life and health; to act in the extermination of dangerous goods, and products (Matolcsy 2007, 225/2007.VIII.31).

2.2 Research questions

There are two main questions:

How consumer protection helps to improve the service quality?

How to maintain the achieved standards in the tourism sector?

Other sub-questions:

What kind of place tourism takes in the European Union and in Hungary?

What kind of strategy EU has for customer protection?

What does consumer safety and its protection mean and what are the tools of customer protection?

How the customer protection rights prevail in the EU and in Hungary?

What are the methods and aspects of controls?

The research will seek the answer to these points while the writer builds up the structure thematically. The aim will be to get answer to my main question at the end of my thesis.

2.3 Data and methods

Research can be investigating a subject that is unknown for some extent or completely new to the writer. Research can be done to increase knowledge of a particular problem, issue, setting or phenomenon. The research is done to gather more information, which can be analyzed and in the end it can give a solution to a particular problem. There are three different kinds of researches, descriptive research, explanatory research and evaluative research. The author mainly used descriptive research in my thesis, but also to some extent explanatory research.

Descriptive research is mainly finding out what something is, and describing it. The main aim of the research is to explain what the phenomenon is and who is doing it, but it does not explain the reasons for the event or action. This type of research is the most common way in the field of tourism.

The aim of the research is to explain first generally what kind of place tourism has in the European Union, what consumer protection means, and what are the EU regulations and strategy. Secondary the research aims to find out what are the methods and aspects of the consumer protection controls. This is done by examining the secondary data from the web sites of Authorities, and from the library of the Hungarian Authority for Consumer Protection.

The secondary data sources were reports, statistics and surveys. The writer got quantitative data by analyzing the surveys, statistics and diagrams, and also she gained qualitative data by examining the web sites, brochures and books. The main idea of qualitative data collection is to confirm the existing information and theory. The main idea of the qualitative research is to get information that can be helpful when developing an existing theory.

The author used also explanatory research while she was analyzing the collected data. Explanatory research seeks to explain why and how some things are and try to understand and enlighten the behavior of the tourist, consumer and the provider, and explain why they do and what they do.

Evaluative research method is the third method type. In the final part of the research this kind of method was used, as well, to create an opinion of the efficiency of different kind of regulations and programs, and to answer the main research questions: How consumer protection helps to improve the service quality? How to maintain the achieved standards in the tourism sector? In the final part of my research the author used also forecasting, for example what can happen in the future if enterprises co-operate with the authorities. (Jennings 2001, 17-19; Veal 2006, 3-5; Hirsijärvi, Remes & Sajavaara 1997, 134-135)

2.4 Outline of the study

The thesis starts with the introduction of my thesis, where the present writer explains the background of her theses. The first chapter explains the topic choice, the aims and objectives, the concepts and theory, and the methodology. After that, in the second chapter she outlines the place of tourism in the organization and in the regulation of European Union, and she introduced the EU strategy of consumer protection.

The third chapter concentrates more into Hungary and its regulation system. She reveals the place of tourism in the administration, and its major areas in law. In addition the author introduces tourism, as a service field, and its coherences of consumer protection aspect. Also in this part she points out the significance of consumer protection and set out its tools. Furthermore she searches for examples how these important consumer rights eventuate in the EU and in Hungary.

After the third part she analyses specifically the work of consumer protection associations. She studies the methods, fields and aspects of the inspections,

furthermore observes the operational terms, law regulation, and marketing circumstances. It is also important to mention how the tourists and other customers are orientated about prices, rights, terms, etc. She sets out the different facilities of tourism and hospitality businesses, and monitors them one by one. The last analytical part is an inductive part, where the author finds out how consumer safety enhances the quality betterment and maintenance of services in the field of tourism.

The conclusion part highlights how consumer protection helps to amend the quality of services and how to maintain the achieved level constantly.

The thesis has also an attached part, where the writer analyses the results of the Hungarian summer controls 2010. She uses mostly the materials (reports, worksheets, statistics, numbers, analyses etc.) of the Hungarian Authority of Consumer Services. She sets out the aims, duration and the participants of controls; represents her general observations, and mainly searches for a summary of the 2010 summer`s tourism results.

3 TOURISM IN THE EU

3.1 Place and regulation of tourism

“Tourism and hospitality are with difficulty defined concept in many ways; because of this the Union could not attain a special, tourism regulation provision system. According to the statement there is no collective and communal tourism policy. This means, that meanwhile the determination of union rules and actions the EU does not keep track of the aspect of tourism...Except for few departmental guidelines and regulations the general principles and rules are available.”(Kovács 2004) The economic impact of tourism is very significant, according to the European Statistical Bureau, WTO and European committee.

In 2010, Europe run nearly half of the 462 dollar word tourism turnover, and the 85% of the turnover happened in the EU states (WTO). In 2002, 57% of the tourist arrivals focused to the continent, and also half of the international tourism proceeds were recognized here. World's 10 most popular travel destinations contain 5 European Union countries (France, Spain, Italy, Great Britain, and Austria). European Union employs directly 8, indirectly same 20 million workforces in the field of tourism (Horváth 2003). On the ground of these data Europe and the European Union is one of the protagonist of tourism, if not the center. However inside the continent the judgment of tourism's economic-political-social role is mightily diverse. Tourism is a hard “measurable” sector, only with complex statistics statements can be compared its nation economical mean to other sectors. Perhaps from these facts arise from, that the member state's development level, tradition, government expansion-strategies and tourism differ severely.

By the previous disquisition three “interest” groups can be separated: the economically developed, primarily sender countries (Scandinavians, Great Britain) , the receiver countries (Mediterranean countries), which countries tourism is a very important factor in nation economical point of view, as well as the sender-receiver countries (Austria, France and Hungary). “It follows that at communal level the advancement is really slow, and the EU has not

competency in the field of tourism, so fragmentation and occasional actions feature their work, instead of continuity and competency, as a complementary part of communal activity” (Lengyel 1999).

The figure 1 demonstrates the institute system of the European Union:

The Enterprise Directorate General has control over the tourism, which constantly carry on negotiations cooperating with the Tourism Unit about the influential tourism policy.

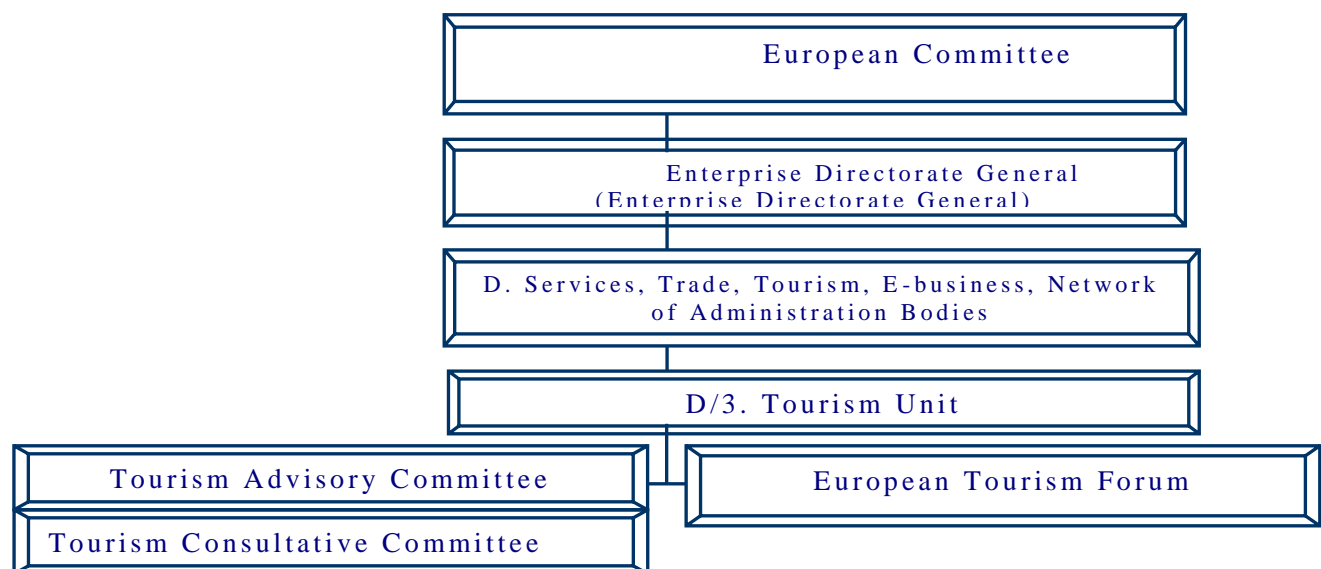


FIGURE 1. Institution system of tourism in the European Union, (Viktória Stark, 2004, modified)

This work is helped by three group: The Tourism Advisory Committee, the Tourism Consultative Committee, as well as the European Tourism Forum. The Tourism Advisory Committee was founded in 1986, and is made up of civil servants, who are officials of the certain country’s civil service bodies, who are responsible about tourism. This commission sat yearly, presents for decision making. The Tourism Consultative Committee consist of tourism responsible organizational units, and of professional organizations stand for small and medium enterprises. The members meet time and again to make an opportunity for the European Committee to argue the own activity among the sector’s other deputies. The European Tourism Forum relatively is a new body. It came off in 2010, in order to argue the most important topics or rather to enhance the rank and role of profession inside the European Union. The members are officials of

enterprises, social organizations, in addition European, international and regional authorities concerning tourism.

3.2 The most important actions in the European Union concerning tourism

Mostly EU actions are not tending towards tourism, but there are many, which are connected with it. These actions can be divided to three big groups: economy, tourist's interest protection, or rather the internal and justice affairs.

Information systems and financial supports are part of the economy, so the tourism. The main actions in economy, concerning tourism, are the communal competition policy, namely equality principle (e.g. fusion prohibition), the supervision of state supports and actions, internal market and tourism actions, assurance of the free flow of services (e-trade relative guideline), budget concerning principles and rules:, like VAT and special taxes. In addition transport actions, concerning the bourgeois flying (e.g. the airplane fuel income-tax) and the induction of the integrated air command, social policy actions, like programs and action plans (e.g. SOCRATES, LEONARDO, eco- and sustainable tourism (Kovács 2003).

Safety (e.g. fire service), health policy actions are also connected with tourism, like the actuation of data system (Avoidance of infections, epidemics).Furthermore environmentalism is also lined with tourism, as sustainability (e.g. water protection) and noise pollution (air transport). Even the protection of natural and cultural heritage (supports), and the regional policy and development (supports) are important in economy as well in tourism (Kovács 2003).

The second group deals with the protection of the tourist interests. The main actions are the induction of the euro and the concerning actions, the principle of the mutual appreciation (Organizations, which own more subsidiaries and partner offices which need to admit one another's system), and consumer protection (e.g. timesharing, air passenger assurance, itinerary luggage's, and assurances) (Kovács 2003).

Internal and justice issues in tourism belong to the third group of actions.

There are services, like the execution of judiciary transaction that handles the arguments over the border. The EU controls when and which country's court is the competent and pushes the agreement beyond the legal action. In addition also criminal law is concerned with tourism (sex tourism, children pornography) (Kovács 2003).

After the previous lines it is realizable, that tourism and the action of the European Union attach in many places. Specifically tourism provisions do not possess long past: in absence of communal policy the decisions, concerning the tourism's actual and long-term matters, were born only at the end of the eighties or rather at the beginning of nineties.

Tourism affecting actions in chronological order:

In 1986 the formation of the Tourism Advisory Committee, and the Council's decision about collaboration and contribution in the field of tourism (86/46/EC) took place. As well the Council brings further verdicts concerning tourism, as the decision of the uniformly placed information in the hotels (86/665/EGK), the decision about fire service in hotels (86/666/EGK), and the decision about the more favorable tapping of seasonal and geographic tourism (22.03.1986). Four years later the European Council declared 1990 as the "Year of tourism" (89/46/EC). The aim was to lead the attention to the European continent's role in tourism. Still in this year the Council published the guidelines of travel package, holiday package and tour package (90/314/EGK). In addition from 1990 they introduced a two years program for the sake of tourism statistics development (by the 90/665/EGK Council verdict) (Lengyel 1999).

In 1992, the Maastricht contract's third part admits that actions referring to the fulfillment of Union should cover also the tourism policy; in addition by the 235th contract clause the council accepts the support of the first tourism action project (92/241/EEC). From 1993 until 1995 the realization of the first touristic Communal Action project took place (92/42/EC). The objective of the program is to revise the knowledge about the touristic sector, and to harmonize the touristic action of the states. Within this there is evident advice to the "pulling apart" of

vacations (in order to a better and more equable capacity utilization). The action project handled separately the cultural, rural, social and juvenile tourism (Lengyel 1999).

In 1995 the Council accepts the document of “Green Book about the Union’s role in the field of tourism”, wherein they appoint tasks (by the observations of the action project and the changes at the field of tourism), which would serve the assurance of widening the touristic supply, amend its quality, and maintain its continuous development. In 1995, 23th November they accept that guideline (95/57/EC), which takes action about the collection of statistical data (e.g. border statistics, domestic travel habits, satellite account making). The induction of general direction is complicated, lingering procession, but for example in Spain, France and Austria they use already the tourism satellite account system (TSA) for the measurement of the nation economy role of tourism. (Lengyel 1999)

In 1996 the Council adjudicate the Euro-Mediterranean collaboration concerning tourism, and the European Committee process the first “several year” (1997-200) program layout for the encouragement of tourism (PHILOXENIA). However the collation was not successful, and eventually the Council rejected the program. From 1996 until 1997 the intergovernmental conference delays the decision on tourism again. In May, 1998 the conference in Llandudno, accepts commendations (Agenda 2010) for the small- and middle tourism enterprises. In July, 1998 the organization of the European Tourism Forum takes place. The forum runs under the name of “Integrated Quality-Management in Tourism”, where the members feature the function of the EU and the latitude at the tourism field. (Lengyel 1999)

In 2001 the European Touristic Forum come inexistence. In 2002, The European Council assumes the regulation called “For the future of European tourism” (2002/C 135/01), which is aiming the co-operation of states extending and sustainably developing the touristic sector, with accentuated role intended to the Tourism Advisory Committee in the determinate of the sector’s expansion directions, as well as in the maintain of touristic collaboration between states (Kovács 2003).

Beyond these previously recited touristic provisions there are numerous rules and regulation in the union's legislation, which affect indirectly to the field of tourism. Their provisions can be further categorized by the subfields: to the tourist, to the tourism sector, and to the sources of tourism. For the expansion and sustainable development of the tourism field and sources there are several union projects and programs. The theme of the dissertation is primarily the tourist, as a consumer, as well as the protection of the tourist's rights, where about the following chapters tell.

3.3 Consumer protection strategy of the European Union

Consumer protection belongs to those control areas, which the European Union consider exceedingly important, as the consumer protection affects 453 million bourgeois everyday lives. On the 8th of June, 2002 the European Union disclosed the 5th medium-term consumer protection strategy in the Official Newspaper of European Communities (the committee's announcement (COM 2002208/C-137/02) of the EU's consumer protection strategy for the European Parliament, the Council, the Economic and Social Committee and for the Regions Committee between 2002-2006 (Kovács 2003).

The three main objective of the five-year strategy and action plan- which naturally get priority keeping the previous objectives-are the following: solid, high level consumer protection, effective execution of the consumer protection laws, and the enrolment of consumer protection organizations to the Union policy . The three objectives above serve the goal to enable the integration of consumer aspects into all Union policy, to the maximum utilization of the solid internal market advantages, as well as to interest enlargement preparation (Kovács 2003).

The consumer protection at Union level is the consequence of the gradual make of internal market. The free flow of goods and services required common law acceptance in the interest of the appropriate assurance of consumers, and at the same time the exclusion of difficulties and the distortion of competitions.

Accordingly consumer protection policy exists because of the consumer's safety and interest, but at the same time the application of consumer protection laws and actions are also important competitive advantages, which has a capital role in the relation of economic participators (Kovács 2003).

According to Kovács (2003), the other aim of the consumer protection policy is to clothe the consumers with those abilities that allow to understand and to take effect other policies. Namely also other important EU policies can affect consumers, for example internal market-, environmental-, and sustainable development policy, in addition transport policy, financial services, competition policy, agricultural policy, external trade policy and much more. Consumers need to understand policy and need to have ability to validate their interests, to stand at the same level with the union representatives. Additionally relevant aspect is to receive uniform market benefits, like lower prices, and services (transport, energy, electricity, gas, communication, post services). These affect also the competition position of enterprises, because the barriers of cross-border trade demolish in order to the parallel development of internal market consumer and business dimensions.

In the consumer protection safety the European Committee also appoint, that by the solid high level consumer protection not only the consumer, but the business entrepreneur also needs to utilize the advantages of solid market. This can be supported when the different consumer controls of states transform into the solid EU consumer protection. In this manner not only the consumers, but also the business entrepreneurs are concerned about more unit regulation. Namely nowadays it is still a serious difficulty for entrepreneurs that certain consumer protection questions diverge in the control of different states, and so they cannot accordingly orientate to the requirements, with this influencing and restricting of own competitiveness.

The new medium-term consumer protection strategy wishes to achieve the aforementioned three main aims. These main aims can be assessable by the exposition of the following questions, or rather with the use of the under mentioned tools. First target is the unit, high level protection. The most important tools are the realization of goods and service safety, further

harmonization of trade routine, the review of the certain consumer protection laws (timeshare, indication of prices), review of the consumer law of obligations, the investigation of the judiciary frames of financial services, and the guide-lines of consumer credit. Further tools are the realization of consumer reliance in e-trade, quality improvement of public interest services (transport, energy, communication and post), settling of international trade standardization and labeling questions (Lengyel 2002).

Second target is the efficient fulfillment of consumer protection laws.

To access this object the states establish a committee, furthermore the formation of the International Marketing Supervision Network (IMSN). Under the network, they share the information about cross-border trade and services. They operate the CLAB (Closes abusive) database. This operation serves information about the unfair contracts between consumer and business life.

In addition they establish RAPEX (Rapid Exchange Information), which is a quick notification system which collects information about the safety of goods and services. Also they develop justice cooperation in bourgeois affairs, and an organization of market supervision trainings for consumer protection organizations (Lengyel 2002).

The third target is the induction of consumer organizations into EU policy. They would like to achieve this target by creating the minimal requirements of committee consultation processes, by amending the actions and transparency of different consultant establishments, by assuring stronger consumer participation in standard establishments, by inspiring the EU institutes to induct consumers into policy creating, by emphasizing consumer education and information provision, also by starting consumer protection professional trainings, and by broadening the consumer protection organization's support and capacity (Lengyel 2002). Consequently it is visible, that the EU committee put big emphases on consumer protection questions from the consumer's and the domestic market's aspect. The next chapter explores the connection between Hungary's consumer protection and tourism. The knowledge is based on the Hungarian Authority of Consumer Protection and on own experiences meanwhile the practical training.

4 TOURISM IN HUNGARY

4.1 Tourism in administration, and major areas of law in tourism

Before the analysis of Hungary's routine, it is necessary to review the law and institutional system of the European Union. The thesis referred also earlier, that the world's most important touristic region doesn't have clearly determinate strategy, doesn't exist common tourism policy, and the decision making is difficult.

It also follows, that the regulation and the administrative place of tourism differs mightily in the European Union. By way of example, the insular central management exists in France, Ireland, Austria, Portugal and Spain. In Belgium tourism management exist only at regional, Parliamentarian tourism committee exists just in Germany. For seven states (Denmark, Finland, France, Holland, Austria and Germany) there is no expansively regulatory law for tourism. In other countries there are frame laws for the development and state support of tourism. In the case of Great Britain (1968: The Development of Tourism Act), Italy (2001: Le legge quadro sul turismo), Ireland, Greece, and Portugal the laws are similar (Horváth 2003).

Considering all these, it can be reviewed where the tourism sector is located in the Hungarian administration, how the Hungarian regulation is, and where Hungary stands in the law harmonization, regarding tourism. Parliament is the Hungarian administration's major law-maker body, so its activity is significant also for the tourism corporations and enterprises. Those laws are created in the parliament, which determine conditions of the sector-operation: law determines the concept of tourism, as well as the assignments connecting to administration and local government. Also law makes the economic base of tourism (e.g. tourism tax, supports), but there are important laws about the actuation of legal institutions, too.

After the summer of 1998 the Parliament operates as independent committee, and the Parliament's Tourism committee handles the conceptual questions of

tourism. The committee is an originator and proposer parliamentary organization, which collaborate in the supervision of governmental work and gives opinion about the major decisions. It attends interest of the fulfillment of laws in the scope of its authority, of the social and economic influence. In addition the committee can prepare law-proposal, regulation-proposal, political statement and report for the request of Parliament. The Tourism Committee of the Parliament is allowed to negotiate any questions in its operating area, and also can take sides in public. The parliamentary bodies always studies narrowly the proposals of the Tourism Committee (Horváth 2003).

Tourism is an intersectoral character, so consequently almost all of the ministries are attached to this sector. In this manner its management and place inside the parliament can change in short or long term, as well. (At the moment of the present writer`s research, the highest governmental forum is the Tourism Bureau of the Economy and Transport Ministry, which supervises the state-secretary.) According to Horváth (2003), the ministry owns the Hungarian Tourism JSC (Joint Stock Company), which is in the property of states and handles the national and regional marketing tasks. The minister also coordinates the sector`s regional activity, appoints the terms of tourism actions, determines the necessary professional requirements and the scope of activities.

The supervisor body of the tourism sector is the National Tourism Committee. The Committee sits quarterly, and the members are the leaders of touristic interest-representative bodies, and of regional tourism committees. The Ministry of Economy and Transport supplies certain administrative tasks of the sector. The Bureau administer the authorization of tourism activities, run the official registry of enterprises, handles an control the classification and categorization of catering businesses, furthermore manage the database of official tether concerning tourism. Also it harmonizes the data-processor and – analyzer actions, and publishes the actions concerning registry (admissions, function –enlargement, -cancellation...) in the official newspaper of the ministry (Touristic Notice) (Horváth 2003).

It is important to mention the role of local government, because they attend the local management of tourism within the administrative units of the capital and

country. According to Horváth (2003), the capital and country autonomy set up and operates the touristic organizations, to attend the tasks. The capital and country assembly harmonize the tourism's local interests with the national, provide the exploration, introduction and propagation of interests, unit the developments. The settlement autonomies take role in local tourism care and organization, as well as they set the tourism tax out. This tax is paid by tourists, who visit the settlement at least for one night. The states support these kinds of taxes.

The European Union is usually called as the "Europe of regions", therefore it is important that there are organizations, which accomplish regional tasks. The regional tourism committees were vivified by the 1007/1998. (I.23.) regulation of government. Although members and presidents are requested and released by the minister, the committees have full liberty; the minister only controls the activities (Horváth 2003)

Hungary's all nine tourism regions have this kind of committee. Scope of duties are to define the tourism development program of the region (agreeing with the certain regional development council), to help the development of touristic infrastructure, to inspire the conformation of sub region's touristic cooperation, to coordinate the tourism marketing actions of the region (cooperate together with the Hungarian Tourism JSC and with the Regional Tourism Project Office), as well as the product development work. Further tasks are to set an advice how to apply the sources of regional tourism development, and participate in the supervision for utilization of central touristic financial implements, to co-operate with the local government, with region expansion councils, with provincial offices, with TOURINFORM Offices and professional organizations, and participate in the regional international tourism co-operation. Also important duty is to harmonize the regional roles of touristic education, to follow with attention the fulfillment of touristic decisions, and to supply other touristic decisions, give opinions and handle supervision tasks.

Then Hungarian Tourism JSC is an important organization for the supply of national touristic non-profit duties. Its role is to supply the national and regional marketing, and the propaganda- and advertisement activities, furthermore to

establish and spread the advertise materials (publications, films, and promotion objects). The domestic tasks are directorial. The Hungarian Tourism JSC also has researches, operate the touristic information database, and professionally manage the work of the external- representative office network.

It is also important to mention the TOURINFORM offices. These offices co-operate with the local governments and they are essential from the viewpoint of tourist information. In addition also the trade and industrial public body has tasks concerning tourism. The charge is to participate in the elaboration and fulfillment of regional development concepts and programs, to forward the development of infrastructural economic activities, process the ethical rules of honest market attitude, to participate in the education: master qualification, master examination, to co-operate in informative and propaganda activities: organize towns, exhibitions, and conferences, to co-operate with the Economic Competition Bureau and with the authorities of consumer protection. Also it is possible to initiate at the government and at local government, also to monitor the function of economy, if necessary, they can initiate laws, as well as modify and repeal actions (Lengyel 2002).

There are relatively many interest-advocacy organizations and professional associations in Hungary, which operate in the field of tourism. They come into existents from the collaboration of different department-sector`s entrepreneurs, who apply voluntarily. These organizations are e.g. National Alliance of Tourism Employers, Hungarian Touristic Association, Hungarian Hotel-Alliance, Hungarian Tourist Guide Alliance, Hungarian Alliance of Travel organizers and agencies, National Alliance of Rural and Agro tourism, Hungarian Alliance of Event-Organizer, etc. (Lengyel 2002).

It is apparent, that the administration and regulation are rather complex, and the sector has an important role at decision-making and executive levels. Let`s examine, where Hungary stand regarding law-harmonization. Concerning the development of cooperation between the EU states and Hungary, the European Agreement`s 89th clause allocates the law-harmonization tasks regarding tourism. All the states develop and enhance the cooperation with easing the tourism trade, particularly the youth tourism, with enhancing the information-flow

through international networks, databanks, etc. In addition they transmit know-how through practical training, exchange and seminars, enable Hungary's participation in the appropriate European tourism organizations, organize common actions, like projects over the border, sibling cities, etc., and harmonize the statistical systems and rules concerning tourism.

If the reader goes over the earlier mentioned European Union actions and laws, it can be appointed that the Hungarian law-harmonization came about. Consequently the Hungarian professional regulation goes by the European Union norms and the practice of EU states. For instance, according to Lengyel (2002), the 1997/ consumer protection law assures the EU recognized consumer protection interests and the 90/314/EGK guideline about the travel and holiday luggage, and package-tours.

4.2 Service areas of tourism, and the relationship with costumer protection

Before we examine the relation between tourism and consumer protection, let us get the earlier mentioned "four liberty" 's prevail, in this sector, one by one. Free flow of the persons on the one hand this means the free employment, namely that every European bourgeois-so those too, who can work in tourism, freely in the whole territory of the EU, without a work permission. States can order certification of certain practical period, or ability (e.g. practical training, language skills). Certain EU countries asked for exemption, but Great-Britain, Sweden, Holland, Greece, Denmark, Ireland and Finland did not or just partly asked for derogation. Approaching this from the tourist's side, this means that with the gradual elimination of duty and boarder (Agreement of Schengen) EU become a unit tourist destination (Kovács 2004).

Free flow of the services, in the case of tourism, means that mostly the service user steps across the border (invisible export). The opportunities and requirements of tourism sector members (travel sector, tourist guides, hospitality sector, money exchanges...) will be analyzed in the additional chapters.

Free flow of the assets first of all means the clear flow of foreign exchange and currency. However EMU (Economic and Monetary Union) membership isn't automatic for the EU members (need to suit the criteria of the Maastricht contract). The growths of euro zone effect definitely impulsive to the field of tourism. This is, because almost the 75% of the EU bourgeois spend their holidays within the border of the community (Kovács 2004).

Free flow of the goods means that it is forbidden to limit the import and export amounts, and common duty tariffs application comes enforce. It is visible without detailed analyses that principally the free flow of persons and services needed to be considered (Kovács 2004).

According the previous chapter's Common Policy and its actions, there are some conclusion to make. The EU does not have clearly determinate conception regarding hotel industry, hospitality and tourism- HORTECA or HORTEC sector (=hotel-restaurant-café)-, so general principles and rules apply. It also applies, that there aren't branch specific regulations, which could have forbid the Hungarian EU affiliation, for example. In many cases the regulation of tourism comes through consumer protection inexistence: The legal system of the EU so much assures the consumer interest's high level protection so that also in the communal policy it has priority.

After these facts let us review the services of the most representative tourism areas, like hotel industry, accommodation service, hospitality, tour organizing and relaying, etc, and let examine what kind of expectations, rules applies to them. In addition let us study, how the law assumptions can be valid in practice, how these conditions effect to the quality of services, and how consumer can validate their rights (in this case consumers mean tourists, visitors and guests).

1. Organized touring, tourist guiding, time-share

The Hungarian law also took the 90/314/EEC guideline, which explains about the organized touring, holidays and journeys. The aim of the guideline is to abolish the differences of national regulation and practice in touring, to establish

assumptions, which apply to the exquisite observant of the itinerary contracts, as well as to the payment guarantees of bankruptcy. Law applies also to the operation of enterprises, and to other inherent travel matters, like store premises, professional qualification, registration, insurances, charter buses, tour guide, etc. These general directions means proper protection to consumers and passengers: for example it requires the realistic, deceit free, timely program notebooks and the indications of price, reservation fee (in national currency), travel destination, hotel type and eating order (Kovács 2004).

The travel contract must be recorded in writing. Accordingly the passenger has the right to the full orientation, to the safety and to the validation of their claim. So far as the customer does not get the service, fixed before, and complains because of it, the tourist guide or the representative of the office has to take action. For example when the reserved hotel is fully booked, and the good reputation of the agency should remain, the tourist office has to guarantee accommodation in same or higher category. (Naturally passengers observe just the change in the name of hotel or the gift champagne or fruit plate.) The following example case is when, the passengers needed to change the flight, but the airplane was late, so they missed the connection. The airplane company paid the accommodation, the new flight transcription to all passengers; furthermore everyone got plane tickets from the company for the same distance. In 2003 the EU Committee negotiated a case that tells about a father, who prosecuted the travel company, because he did not get that certain experience, what he was waiting for (he could certify this with arguments and facts). He won the cause! These few examples confirm, how important is that the passenger feel secure and that enterprises cooperate with the authorities of consumer protection (Kovács 2004).

The 94/74/EK guideline disposes the selling activity of property's time shared usage right and the contract attached with the consumer. There are two areas where the customer protection is advised. It is the difficult legal structure and the financial risk. On the other hand often "overrunning" advertising and selling techniques force the consumer to make incautious, ill-considered contract signing. Therefore it is very important, that the tourists get enough information, and also that they get proper consumer safety protection. According to the

guideline the consumer has to get written information before the contract signing about the holiday-resort, usage right, all connected costs, as well as has to assure the costumer`s right of costless withdrawal. The contract has to be written at the costumer`s own language (Kovács 2004).

Time-share on the one part is a beloved recreation form and on the other part it is a good investment opportunity. It is getting more popular nowadays.

The enjoyable experiences, the smooth recreation, and the good level of services (transfer, dining and entertainment possibilities, etc.) are essential as well as in other tourism activities, namely guest is the first and most important.

For example one of the world`s biggest and most known time-share exchange network (Resort Condominiums International=RCI) make every their new guests to fill out a questionnaire after their first trip, wherein they asks guest about their level of satisfaction concerning services (accommodation, staff, complete services...). In case of bad experiences the guests get bonus holidays in favor of good reputation and consumer attitude (Kovács 2004).

According to Kovács (2004), tourist guidance has an important role in the development of tourism and in the case of good maintained level, which familiarize tourists vocally and expertly with the touristic value, culture, habits, history, geography, and other remarkableness of the destinations. From the angel of tourist guidance most of the countries, EU states, as well, efficiently protect their markets. Generally accepted practice, that in the case of foreign country groups tourist guidance activities can be exercised only with the visited country`s guide license. Travel guide is allowed to do only hostess and interpreter activities without this license. (This is in practice also in Hungary, according to the 41/1995. (VIII.31.) IKM regulation.) Tourism world-powers operate tourism polices, and they try to obtain this strict rule by high punishment fees. In the next chapter the consumer controls shows, that Hungary still cannot deal with this problem.

It is also important to mention the exchange agencies considering tourists, as consumers. Regarding the law, legal agencies need to inform tourists fully and expansively. Many times agencies advertise deceptively friendly courses, and only after the payment the tourist realize, that he made worse deal, than he

thought at first. After this incident the supplier often tells, that he cannot do anything, because the lower price applies only over a defined amount of money. (In the main tourist season plenty of this kind of complains arrives to the Tourist Policy of Budapest.)

2. Hotels, accommodation- suppliers

Although Europe is not coherent in the categorization of accommodations, every country has a sort of criteria system. With this end of view there are differences between categories, classes and services, and consumers have the right to know about these differences. Consequently it is necessary to set informative boards, and to register at the local responsible chamber of industry and commercial. Namely, it is very important that the guests are aware of the prices. Room and other service prices should be marked also in the room, not just on the reception in the currency of the certain country.

Every hotels need to have the complaint book of costumers, which is authenticated and located in a certain, visible place. (Authentication is made by the local assign notary.) The informative board needs to be set to visible places, and need to be provided with the supervisor bodies, complaint office, customer rights, and the earlier mentioned categorization (Lengyel 1999).

While hotel and accommodation specification it is important to mention about the Global Code of Ethics for Tourism by ECTAA (The European Tourist Agents` and Tour Operations` Associations) and HORTEC, which lay clean-cut commitments and principles down for both parts (supplier and guest/customer). In addition the Code handles the connection systems of agencies, travel organizers, and hotel`s business networks, as well as deal with hotel contracts. The Code gives advises in such questions, like what hotels need to do when they overcharge the hotel capacity, how to handle the guests `complaints, what about room changes and cancellation fees, how to avoid double reservations, payment conditions, premiums, etc. The members of ECTAA-HORTEC regard obligatory these principles (Lengyel 2002).

Regarding to Lengyel (2002), there are also platforms in favor of customer safety, like European hotels fire safety, clear access for handicapped people. Also the separation of smoking and non-smoking places is a principle of health protection. In 1999 this regulation also arrived to Hungary, and after that the hotel and restaurant rooms were separated.

3. Hospitality companies

The expectations relating hospitality businesses are very similar to the hotels. Perhaps informing the guest is the most important. Already outside of the shop it is necessary to mark the opening hour and the pricelist should be also outside on the wall. Prices cannot be covered, and preferably all of the food and beverage prices should be marked on the list. It is also necessary to show the category of the hospitality unit. Inside the store authenticated customer complaint book is required and also they have to assure the complaint availabilities the same way as in hotels and in travel agencies. In all discussed tourism businesses recipe giving is compulsory. Unfortunately restaurants sometimes mark separately unrightfully so-called `service fee` on the receipt or on the pricelist, that the receipt not contain it (Sebök, Baár & Berczeli 2003).

However the most important is the protection of the guests` safety and health, which is materialized with the induction of the HACCP system (Hazard Analyses and Critical Control Points). Principal aim of food production and basic consumer expectation is the safe food produce. For safe food produce it is necessary to have adequate technology performance, description and regularization furthermore the control of hygienic labor processes. On the other hand it is important to insure the observance of technological instructions and the appropriateness of equipment. The developed hygienic and health protection productional system called HACCP. (Hazard Analyses and Critical Control Points) This system cannot be generalized, because it is necessary to observe the unique circumstances, because every stores `size, supply, production conditions are different (Sebök, Baár & Berczeli 2003).

However there are seven principal equally applies to all hospitality businesses. The first principle is the creation of hazard analyses, the second is point is the determination of the critical control points (CCP), the third is the definition of critical limits, the forth point is the setting of CCP control system; the fifth principle is the determination of correcting activity. It is necessary when the certain CCP is not under control. The sixth point is the establishment of certificatory actions to confirm the effectiveness of the HACCP system, and the last one is the creation of documentation. Every action needs to be recorded. For the EU states the system is compulsory since 1995, for Hungary after the connection. Also the waste management serves the protection of costumer health and it is important for both restaurants and hotels (91/156/EEC, 94/62/EC) (Pásztor 2003).

4.2.1 Consumer protection and safety

After the investigation of the most important law assumptions and how these affects to the product quality, now let review the tools of consumer protection, and let observe how consumers can validate their rights (In this instance tourist, visitor, and guest). In the Establisher Contract of the European Union consumer safety did not belong to the common policy circle yet, just in the 70`s the initiation for consumer safety, health and economic interests, in one word consumer interests, began to form (Bártfai, Németh & Wallacher 2003).

In Hungary the consumer protection law (1997) assures the emergence of union initiation, which takes action in the validation of consumer rights protection and in the development of the required institute system. The most important actions of this law determine the basic criterions of the healthy and safe goods and services for the sake of customer health and safety, and the responsibility of manufacturer, also consists particular actions to assure customers assets interest, contains basic actions to validate costumers 'right for information and education (labeling, user`s guide, rules of price marking and packaging , validity certification), and enable the quick, effective and cheap right validation with conciliatory bodies and customer services (Bártfai, Németh & Wallacher 2003).

Also other Hungarian regulations contain actions about the protection of consumer safety (health, personal and financial safety, economic interest). It is necessary to keep the European Union product safety prescriptions, namely it is not allowed to produce those kinds of products, which hazard life, health, environment and asset safety. It is the producer's responsibility, that the product fits the public rules, furthermore the producer is liable for the safety of product and he has to certify it, as well. According to Bártfai, Németh and Wallacher (2003), the most important common principles act the following way in point of the economic interest of customers: delusion of customers, dishonest advertising, dishonorable contract conditions, commercial actions, group travel contracts, customer credit contracts, canvasser commercialism, so called far-away made contracts, guarantee and warrant rights.

4.2.2 The effect of consumer protection rights

In generally, the decision of commercial cases and the development of procedure rules belong to the province of the states. This can be observed also in the Hungarian regulation: the principles of the committee are discoverable in the Hungarian law.

To the recommendation of the European Committee the court action become simpler in the case of consumer judicial combat, furthermore it become possible to manage law actions apart of the court. This handles the conciliatory body co-operating with protection authorities and commercial and industry chambers.

EU appointed an amount limit, if the case amount does not top this limit, the action get simpler: simply action start, not obligatory advocatory representation, the court can have a fling to pacify the parties. This action applies only to the consideration of consumer claims (Bártfai, Németh & Wallacher 2003).

In Hungary the conciliatory body handles the claims about goods and service quality and safety as well as contract transaction and fulfillment, since 1999.

The aim of the action is to create an agreement between the customer and the supplier under beyond the court and authorities. In Hungary the customer safety regulation possess separately about the costumer safety institution, which forms of state and self-governing bodies, as well as public interest representative

organizations. According to The Ministry of Economy has the control over the Main Authority of Costumer Safety, the country authorities of costumer safety, and the local authorities of costumer safety. These organizations handle the tasks, control the observance of regulations, and proceed against the injurious, connected with costumer safety. The costumer protection experts not only control the observance of the rules, but also if necessary take sanctions, which means, that are allowed to mete out punishment, but in the case of heavier infringement they can inhibit the shop operation until wrong attitude is declined (Bártfai, Németh & Wallacher 2003).

While the induction of the new law the co-workers of the customer safety authorities help the work of the enterprises: organized education, trainings, and meanwhile the controls they warn the suppliers about the requirements of the new law, and they give advises, as well. Usually controls happen according to work plans of authorities, but also they organize controls by citizen and notary notification. The consumer safety authorities co-operate with other authorities, like commerce and industry chambers and local governments (Bártfai, Németh & Wallacher 2003).

The social organizations have major role both for the customers and for the enterprises, who want to stay in fair competition. The European Union also offers financial grants to these organizations. In Hungary there are not many civil organizations yet, but the Customer Protection Association already stated its operation. The members are different co-workers of customer safety institutes and civil persons, customers, as well. In Europe it is more often, that civil organizations have own customer safety paper, where they draw the customers attention to good and bad quality products and services, taking advantage of the public. Customer safety authorities also attend market control tasks, to ensure the safety of customers, as well as the good quality of products, and services. The next chapter will introduces the behavior of Hungarian tourism towards customers (tourist, guest) by the controls, and monitoring of the Authority (Csákvári 2003).

5 CONSUMER PROTECTION CONTROLS

Year by year in the tourism high season the authorities of consumer safety highly control restaurants, accommodations, tourism offices, just as they supervise the appropriateness and propriety of sale circumstances of tourism guides, taxi drivers and show to the people. The co-operant organizations are the food safety and hospitality department of the Authority for Customer Protection, as well as the department of Service-control. In addition, in the case of hospitality stores: the police, mayor`s offices, the National Wine-qualifier Institute (OBI), the Animal health and food control stations (ÁÉÉÀ), the National Folk Health and Medical Services (ÁNTSZ), the Organization of Gambling (SZF), the Hungarian Customs and Financial guard (VPOP), Labor Advisory Boards and the Hungarian Trade Licensing Office (MaKEH). In the case of tourism offices: regional trade and industry chambers (KIK), mayor`s offices, boarder directories, the Hungarian Customs and Financial guard (VPOP), in the case of tourist guide controls occasional also police takes part. In hotel controls: mayor`s offices, the Hungarian Trade Licensing Office (MaKEH), regional competent trade and industry chambers (KIK), the National Folk Health and Medical Services (ÁNTSZ), the Office of Immigration and Nationality, Labor Advisory Boards, and in the case of show facilities: regional authorities of the Hungarian Labor Inspectorate co-operate with (Csákvári 2003).

5.1 Methods and aspects of controls

The types of control methods are: action like field controls, post-controls, night and weekend controls (primarily hospitality and accommodation controls in the main tourism season). Controllers choose the stores usually at random, but they take also the self-government`s and citizen`s notices and complains. Besides they follow with attention the travel- and accommodation ads, the program offers, together with the bigger events (cultural, gastronomical, folklore festivals, fairs). During the controls, the controllers and the co-operative authorities primarily examine how the ministry regulation 4/1997. (I.22.) of business

functioning and home trade, as well as the specific regulation of businesses prevail (Hungarian Authority for Consumer Protection 2010).

There are four big groups of control aspects. The first group is the judicial terms of trade actions and legal business activities (valid functional license, the approval of department authority, report commitment), the second is the appropriateness of reported (licensed) and practiced department, the third group is the existence of the compulsory informative handouts and labels for the guests and travelers (price, opening hours, complain handle methods, classification of stores, businesslike handle of customer book, sign of the control bodies), and the last group is the adherence of the selling rules, like dosage, measuring, receipt giving, warrant discipline, feeding and health disciplines, qualification requirements, etc. (Hungarian Authority for Consumer Protection 2010).

5.2 Common failures in hospitality businesses

In the last few years the number of the controlled stores grown rapidly, but at the same time the number of the disapproved stores likewise extended. After all this is positively appraisable to the growth of the store numbers. In the summer controllers experience the most problems in the discos, bars, wine cellars, pubs and beer houses. To draw the conclusion, the suppliers acutely abuse the providence of the customers. Customers usually consume alcoholic drinks, they go out to pleasure bent and to relax, so they less hark to how much they pay, what are their rights and where they can complain if they get abused (Hungarian Authority for Consumer Protection 2010).

Earlier in 2001, 2002, and in 2003 the businesses only partly had the required operating documents. Mostly the reason for the defect was that the reported activity and the real activity of businesses were not in harmony. Usually the reason for this is the change in the owner. The new owner needs a new license, but if meanwhile the place gets a new profile, the owner should ask the permits for the new activities (if there are one), as well. The other frequent failure is, when the accommodation place disposes of a hospitality unit, like restaurant or

bar. In this case it has to have separate operating license. If the premises sell alcoholic drinks, it has to be reported to the Hungarian Customs and Financial Guard, in addition they need make sure the age of customers. It is strictly forbidden to sell alcohol and tobacco to a customer under 18 regarding to the 1999. XVII. law (Hungarian Authority for Consumer Protection 2010).

The figures below show the controlled hospitality businesses between 2008 and 2010. The control authority was the HACP, and the quantitative data was collected from the control reports. Generally there is an increase in the positive experiences.

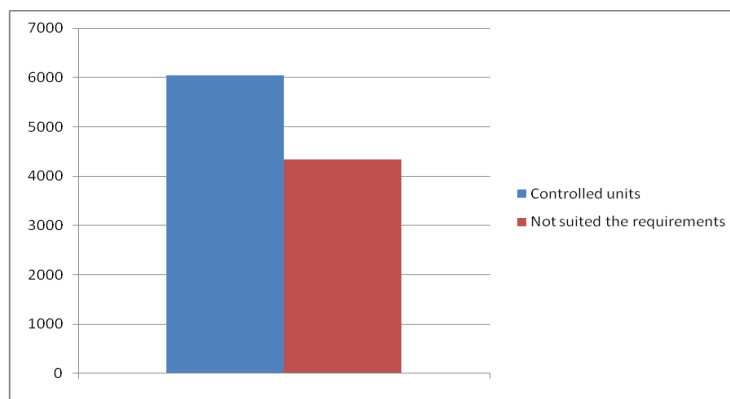


FIGURE 2. Controlled units in 2008, Hungarian Authority for Consumer Protection

Figure 2 shows the controls in 2008. It is easily noticeable that more than the half amount of the controlled unites were not adequate. It can be account for the lack of information. Hospitality businesses were not ready for the consumer protection controls. They were not aware how to be competent.

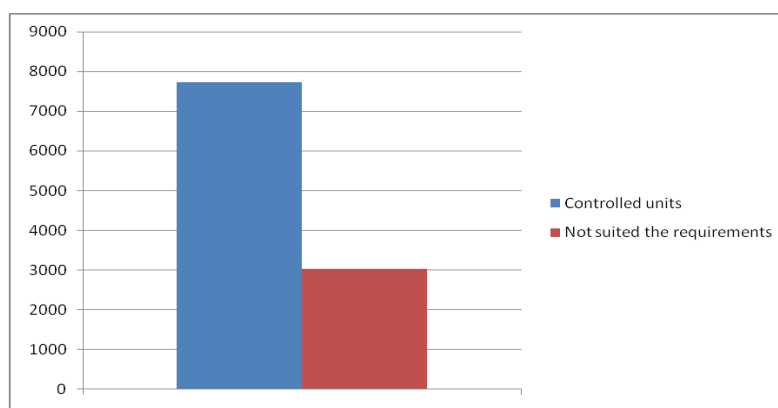


FIGURE 3. Controlled units in 2009, Hungarian Authority for Consumer Protection

Figure 3 shows the situation in 2009. It is again easy to recognize, that less, then half of the units were not satisfying. Comparing to the year 2008, still the figure shows positive growth in the controlled, satisfying units. Probably the businesses started to learn from their failures.

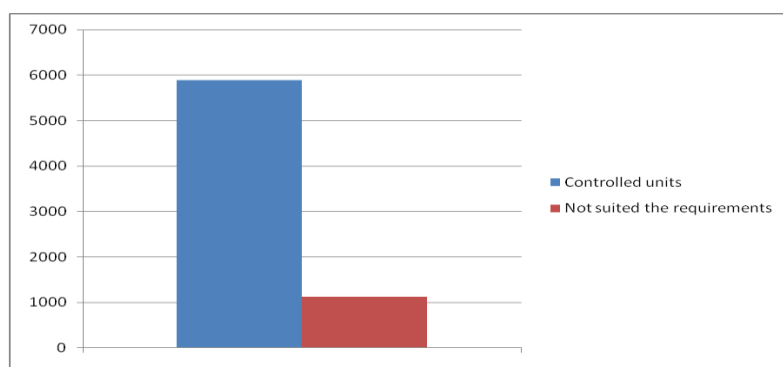


FIGURE 4. Controlled units in 2010, Hungarian Authority for Consumer Protection

Figure 4 shows the outcome of 2010. The year 2010 has the best statistics, the failure amount is evanescent. In the future years still expectable is further growth in the adequate controls, because the control authorities constantly inform hospitality businesses about the newest regulations. (Hungarian Authority for Consumer Protection 2008-2010).

5.2.1 Sale conditions and the informing of customers

It is also a common problem that hospitality premises forget to categorize and to report their operating to the responsible bodies. According to the 2009 control outcomes there were 30% of the hospitality units, who have default this duty. It is capital to do with customers that the food and drink pricelists fit the regulation requirements. Very often controllers discover lack of data, for example when the premises fail to mark the required information or the name of the director or the chef. It is also obligatory to mark the non-smoking or rather smoking places (Hungarian Authority for Consumer Protection 2009).

The same important is to have proper price information. In the last few years there was a growing tendency in the failure according to the data from 2003, but last year the growing tendency stopped, and the percent of failure reduced. The most common failings were when the pricelist in front of the restaurant did not match with the full pricelist, and the serving quantity of beverages was missing. In addition the first and second categories did not always cover the menu list in two different languages besides Hungarian. Common selling failures are the indication and reckon in of service fee, or rather note on the pricelist (Hungarian Authority for Consumer Protection 2009).

In 2003 in 0, 4 % controllers experienced the case of service fee reckons in, and they inflicted a customer safety fine on these premises. From the earlier years we have no numeral data about that kind of abuses, but in few cases there are infringement actions concerning service fee misuse. Controllers also observed, that not every worker has proper skills that they should have for the particular work. There is a growing tendency in the unqualified workers between 2001 and 2009. In the first place as a server, rarely as a chef the qualification did not match the rules. Controllers control hospitality premises in favor of the customer's financial safety. Fundamental point is the measuring: every sales premises need to have normalized and accurate scales and measuring equipment. In this case also the numerous data show, that there is a growing percent of premises with incomplete measuring –staff. The customer`s complain book need to be in a visible place, where the customers can reach it easily. The owners need to handle complains and notices time to time. If they forget to act in a particular complain issue, the controllers will punish the premises. Besides the customer safety controllers analyze the origin of the stored and used products. Meanwhile the controls usually 16% of stores are disapproved regarding this case (Hungarian Authority for Consumer Protection 2009).

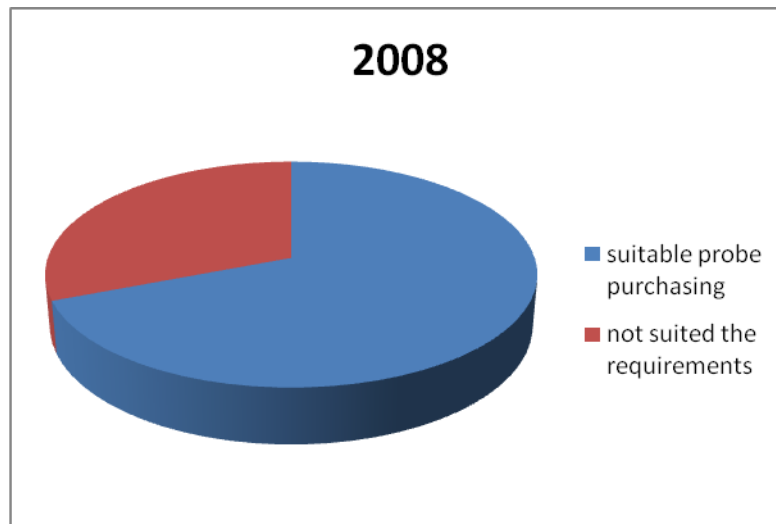


FIGURE 5. Probe purchasing at hospitality units in 2008, HACP

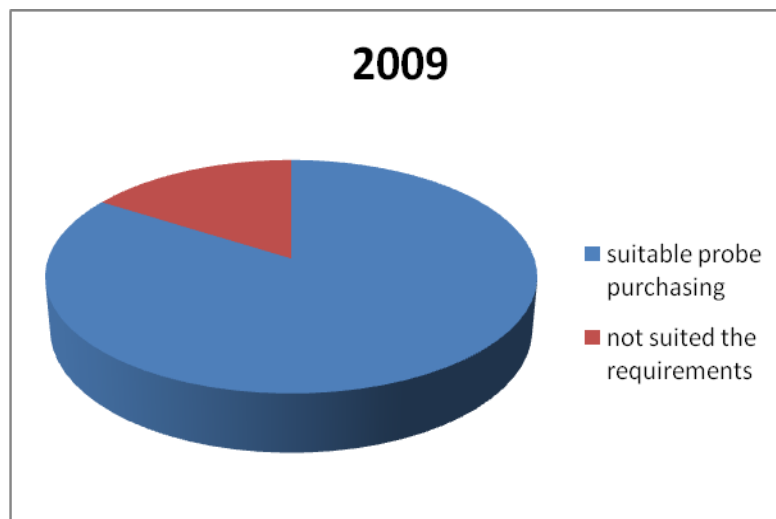


FIGURE 6. Probe purchasing at hospitality units in 2009, HACP

Controllers often refer to probe purchasing. When the controllers visit a hospitality unit, they do not tell that they are from the authority. They act like normal guests. They observe the service, pay the bill, and after that they detect who they really are. The controllers report what they have seen, mark the failures if there are any, and they carry on their journey to the next hospitality unit. Figure 5 and 6 shows the probe purchasing at hospitality units in 2008 and 2009. The mending tendency is again recognizable. In the writers opinion this also cohere with the information what hospitality businesses get from the authorities. Hospitality units nowadays would like to do their service well, and they do not want consumers to be unsatisfied.

5.2.2 Fulfillment of food hygiene regulations

Considering customer's safety perhaps the protection of health is the main object. To customer's health expired, blown food with doubtful origin can mean acutely danger. To prevent physical, chemical and biological dirt, the proper determination of the delivery route and the specialized storage are essential.

The readable label on the food, stored in the fridge, is an important criterion, and the functioning and regularly controlled thermometer is also necessary.

This is not just important because of the HACCP system, but also the inattention of the food hygiene aspects can lead to serious food poisoning, and food infections. Considering the EU connection in 2003 the controllers did a surveying how hospitality businesses are aware of HACCP system and its operating. Only the 9% of the asked premises had already the system, but only 3% operate the system, as well. So the predominant majority (91%) of the units did not have the quality assurance system, which became compulsory from the first of May, 2004 (Hungarian Authority for Consumer Protection 2004).

Regarding the survey 15 % of the operators did not know that the HACCP system has to be ready until the connection, 40 % of the entrepreneurs did not know that there are professional materials helping the system configuration (it is not necessary to take expensive adviser companies), 57% did not know as well, that in 2003 there were non-refundable subsidies via applications, and 80% of the operators chose the more expensive solutions together with the advisor companies to build the system (Hungarian Authority for Consumer Protection 2004).

According to the new system hospitality unites need to create so called "product sheet", which contains the accurate ingredients per unit, the short description of making, and the energy. For a better understanding and operation of the system the association of Hungarian hospitality and touristic quality protectors established the "Guide of good hygiene practice of hospitality" publication, in 2004. Apropos of food making, overriding was the deficit of material proportion registration. This means, that the food preparing could have happen desultorily.

This cannot be negligible from the test aspects of food safety. The other big problem was the storage of raw materials, and the irregular deep-freezing. (Controllers found failures in one fifth of the controlled units, when read-cooked food, meat products was labeled and frost imperfectly.) Nowadays in 2011 the percent of HACCP systems are almost 100% percent, and the knowledge of the hygiene system rose also, thanks to guide books, trainings and presentations, with all support of the Ministry of National Economy (Hungarian Authority for Consumer Protection 2004).

5.3 Accommodations

Control methods of accommodations are similar to the hospitality businesses. Controllers analyze how accommodation businesses informing the customers, furthermore observe the operational and the sale conditions. According to the HACCP (2010), in the last few years, as long as the failure percent of the hospitality businesses declined, the failure percent of accommodation grown to 59%. The figure 7 shows the categories of accommodation types in Hungary. Pensions are the most common accommodation places in Hungary. There is one-, two, and –three-star pensions. Hotels are the second most common places to stay. There are one to five stars hotels in the business. Other accommodation types mean camping places, holiday cottages, tourist cottages and youth hostels.

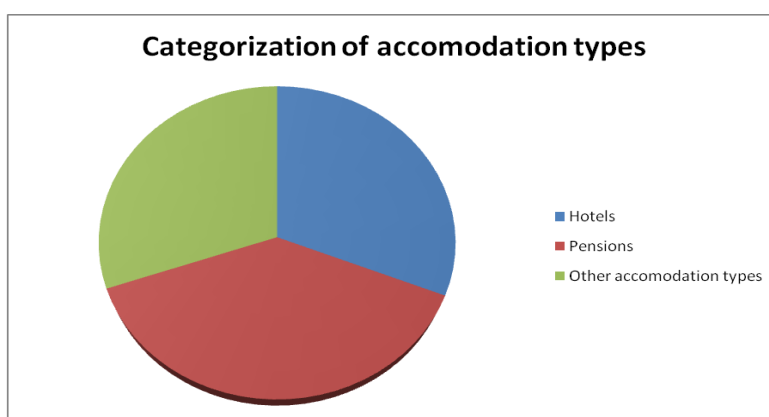


FIGURE 7. Categorization of accommodation types, HACCP, 2010

Meanwhile the controls most of the problems were related with price information. Almost every fourth accommodation had incomplete price lists. To mention few outstanding failures: there were hotels, where controllers found double price lists; many times the whole price indication missed, or it was not clear, what kind of services and taxes the price includes, and also occurred that the price was in euro, not in the Hungarian currency, forint. Usual problem was also the irregularities with the customer's book, for example the hotels do not have the book at all, or it was not authenticated, or it was not placed correctly (under the bar, in the drawer, or in the safe). It happened also that hotels do not inform customers about the right authority bodies, so they could not complain about their problems (Hungarian Authority for Consumer Protection 2010).

In the last few years still 16-20% of the accommodations have not completed the required classification into classes. Furthermore places, which had the classification, sometimes do not match the right categories. There happened, as well, that the ranking did not match the type of the hotel. (For example on the wall of holiday-resorts appeared the sign of apartment or pension, or the keeper of a three star pension put hotel sign to the wall.) In the case of the private accommodation-providers the failure percent of customer informing and categorization was higher than in the case of commercial accommodation. The situation of warrant discipline is similar. In many test consumption the controllers (fake customers) have not received receipt from the operators, or they could not certificate (receipt, parcel bill) the origin of goods (Hungarian Authority for Consumer Protection 2010).

5.4 Travel and tourist guide activities

The most common failures during the controlled period were that tourist guides have no appropriate license or no license at all. Nowadays around 2 % of the tourist guides do not have proper license. It also occurs that the tourist office does not have operational license from the competent notary, at all. Furthermore often tourist offices do not have adequate information for the customers. In the last few years 10% of the offices did not mark correctly the authority bodies, where customers can complain, furthermore the customer's

book was not authenticated, or placed into the right place, where customers can find it easily, or the opening hours was not marked at the front door. In many offices controllers found other activities outside the barrel, as well. Often occurred the lack of professionalism, and skillfulness, in addition lack of materials: fax machine, own front door (approach from another shop's front door).

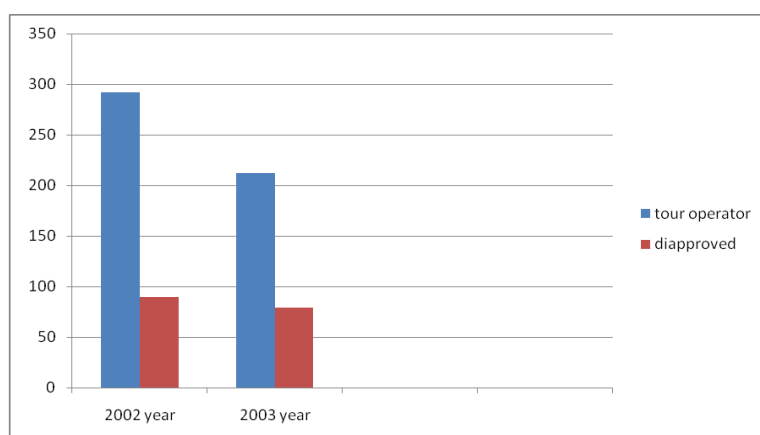


FIGURE 8. Observations of tour operator controls, 2003-2004, HACP

The last control of tourist guides was in 2003 (figure 8). Figure 8 shows the slight decline in failure, but the authority has not reported any other quantitative data about tour operators in the next years. It is difficult to observe the activity and conformability of tourist guides, especially those ones who work abroad. The controls remind unprofitable also in 2003 (Hungarian Authority for Consumer Protection 2004).

Other activities connected tourism

In the tourism high season customer protection controls cover also the taxi entrepreneurs, stage and show equipment, fairs, events, and spas. In all cases they examine the legality of operation, the hold of official licenses, the warrant discipline, the information of customers (for example in the case of price), in addition the observance of the safety regulations of equipment, and the hygiene requirements at fairs and events. Customer protection's help to improve the quality of services, and to maintain the achieved standards in the tourism sector.

6 CONCLUSION

As the thesis already referred to it in the introduction part, European Union not only consider customer safety important for customers but also for entrepreneurs. In the powerful competition of markets only those enterprises can hold up, which improve the level of services and respect the basic rights of the customers. Accordingly customer safety is an important part of competition, the enhancement of market share; moreover it is an essential part of the preservice in the market. All those who take this seriously, and develop the approach of customer safety management, easily can access business success.

Considering that the consumer protection control observations are unfavorable for the Hungarian tourism and hospitality, the legal behavior is unlike, and in many cases the customer rights damage, there are plenty thing to do, especially in the aspect. Among entrepreneurs and business leaders it would be desired to acquire the customer protection as a service. In spite of the mending tendency, there are still many faults in several areas. Still, most of the problems arise from the information of customers.

To achieve the so far mentioned objects and to answer the research questions (How consumer protection helps to improve the service quality? How to maintain the achieved standards in the tourism sector?), likewise labor protection and hygiene consequences, it is necessary to demand the familiarization and education of customer protection from business leaders, and owners. Correlate with this, the vocational education and the advantaged stressing of this area is very important. Customers, tourists, travelers, guests getting constantly more informed concerning the customer's rights, and they will not take those services, which are not "customer friendly" and do not keep the rules.

Customer protection education is one of the principle aims of the Hungarian customer protection policy. In many educational institutions there is already that kind of vocational education, higher qualification. Similarly to other European

countries, soon also in elementary and secondary education, or already in the kindergarten customer protection gets determining. Because of that, soon enterprises encounter themselves with more aware, conscious, connoisseur of customer rights and customer protection rules, customers, who takes just such services, where the high customer protection prevail at all points (with this huge supply in view). This has big importance especially after the connection, because it is possible to take tourism services without taxis and any other restraint. West-European Tourist offices with more developed customer protection culture are in priority compared to Hungarians. That is why customer friendly policy becomes one of the most capital elements of competition advantage.

Last but not least few personal comments, observation. Unfortunately customer protection controls do not point out many important factors. It is more expectable, that the entrepreneur recover and prevent the discovered fault, when the authorities co-operate as a partner, help to get familiar with the rules and regulations, and how to apply them, furthermore attract attention to the failures, and how to dissolve them, and just after that impose a fine on, if the enterprises do not keep the rules after the advises. David Byrne, the European commissioner for Health and Customer Protection also stated that customer protection authorities should not be afraid of guidance or instructing to the right practice, since the preventing customer protection is more beneficial than any sanctions.

In the European Union civil organizations are essential performers of customer protection, namely the customers themselves, who help the predominance of the customer`s rights with their observations and warnings. Through their publications and handouts wide range of customers can get familiar with the requirements and experiences, furthermore in concrete cases they can avoid the injurious enterprises. Enterprise owners, operators and workers should also know how they can defense against the official actions: What should they do if they do not agree with the inflicative punishment.

In this context professional associations should get bigger role. They could undertake the judicial help in these cases, and represent the profession in the

typical cases. With this attitude they could constantly dialogize with the authorities equally representing the interests of customers and enterprises. In this regard the clear and normative judge-made is capital, because with this it can be avoidable that certain authorities apply rules in individual approach. To avoid the diverse right explanation and application it is necessary that the certain authorities construe the laws in the same way. Therefore the Main Authority of Customer Protection needs to give clear guidelines to all controllers.

Additionally the frequent professional comparison is mightily needful between the entrepreneur sphere, the governmental bodies, the controlling authorities, the interest advocacy, the professional associations, and the civil organizations. It cannot be too often asserted how important customer protection is even in the Hungarian tourism sector, because customer protection is an area, which can give added value. Every enterprise should consider and balance this, if they really would like to produce value, maintain and enhance their position in the sharpening competition.



PICTURE 1. Summer controls at the Citadella, Budapest (Photo: HACP 2009)

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APPENDIX 1: 1 (2)

Summary of summer controls in touristic services 2010

In the Hungarian tourism, summer is the most significant season, because the biggest guest trade is in this period of the year. Domestic and foreign tourists visit lakeside summer resorts, beaches, and wellness and spa resorts. Also many tourists are interested in festivals, open air cultural and sport events. The guests certainly visit hospitality units, as well as they use taxi services. In the summer season ventilators, inflatable water toys, sunglasses become conspicuous. At the beaches, aqua parks and festivals grafter facilities, like slides, jumping castles and carousals are popular in the bosom of children and youths. It is important to pay attention that the financial interests of consumers do not damage when they use the services mentioned above. Also it is important that the facilities do not hazard the health and safety of consumers. The choice of control scenes and the determination of control aims happened by considering all these facts. The subject of the controls was the controls and laboratorial examinations of touristic services, summer free time activity facilities and non-food products between 06.21.-08.23.2010 (HACP, 2010).

In the controls all of the regional consumer protection authorities participated. The controls of facilities covered the control of adequacy documents and licenses, the collation of banned products, in addition the extraction of unsafe products from the market (HACP, 2010).

The conclusion, observations:

- 6359 controls happened in hospitality units and taxi services, and in 1232 cases (19,4%) the authorities found abuses
- while taxi service controls 476 entrepreneurs were controlled, and in 103 cases (21,6%) taxi driver were acting unlike the regulations

(continues)

2 (2)

- 5883 hospitality businesses were controlled and in 1129 cases the authority found abuses (19, 2%)
- 9866 product probe purchasing happened, and in 716 cases it was wrong
- in the case of inflatable water toys in 174 location, 5136 toy trade circumstances were investigated, and 578 product were unsatisfying (11,21%). Among 20 water toy, 19 was not satisfactory
- out of 287 controlled commercial units, 10 stores (3,5%) were in price indication
- out of the controlled 749 sort of 5915 ventilators, 96 sort of 1038 ventilators (17,5%) was not satisfactory
- in 297 controlled units 567 type of products have not go the right marking on the label; this means in product types 30,9% and in controls 42,3% rate
- in 256 location, 622 show facilities were controlled, and 126 was not satisfactory according to the restriction

Government actions of controls in hospitality units and taxi services:

- commitments without money penalty in 648 cases (615 cases in hospitality units, and 33 in taxi services)
- consumer protection penalty in 365 cases, 14.785000 Hungarian Forint (in 295 cases hospitality businesses, 11.450000 HUF, and in 0 cases taxi services, 3.335.000 HUF)

Infringement actions:

- caution in 50 cases (in 46 cases hospitality units, and in 4 cases taxi services)
- penalty in 49 cases 1220000 HUF (in 29 cases hospitality units, 420000 HUF and in 20 cases taxi services, 800000 HUF (Hungarian Authority for Consumer Safety, 2010))

