

## STUDY ON AIR TRAVEL MARKET IN ROMANIA

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**Abstract:** Air transport is an important component of the world economy, stimulating the development of the tourism industry. This paper analyzes the air transport market in Romania, under the influence of the following variables: consumers' incomes, airline tariffs and the offers of the airline companies. The liberalization of air travel has increased competition between airlines and between airports. The Romanian air transport market is on the rise, attracting an increasing number of airlines. The departures of Romanian tourists abroad recorded about 6.5 million passengers, in 2018.

**Key words:** air travel, tourist, airline company, tourism industry

### INTRODUCTION

Transport is one of the basic components of tourism. The tourist transport service has a complex content beside the voyage: the set of operations, conditions and facilities related to the organization of the physical movement of tourists, luggage and goods for their consumption [6].

Transport represents a part of the economic activity of human society which appeared at the same time with it and which has an influence upon all the parts of the social-economic life [3].

The road, rail, air, sea and nautical transports are the most frequent means of travel for tourism purposes, having an important share in the content of tourism products.

In international tourism, the air transport plays an important role through its dynamics, but especially through the perspectives it opens to international tourist traffic [8]. Through its spectacular evolution and the advantages in terms of speed and comfort, air transport stimulates travels, while also contributing to the opening of new markets, usually away from the countries generating tourists and inaccessible to other means of transport [5].

In the field of air transport, the international organizations play an important role in developing modern tourism, meetings, forums and conferences through which common issues are being discussed and solved, removing uncertainties and evolving this entire sector. The most important organizations currently active in this field are concerned with the development and promotion of air transport at regional level.

The liberalization of air transport, the emergence of low-cost airlines and the reduction of air travel rates resulted in the emergence of more and more tourist destinations and an increasing competition between them. In this context, the tourism organizations have become more and more interested in working with airlines to create a competitive advantage [7].

### MATERIALS AND METHODS

The research consisted in collecting data on specific air transport indicators for Romania. We also used some papers published in international databases and some publications of national and international institutions, such as the National Institute of Statistics, ACI Europe, and Eurostat.

## RESEARCH RESULTS

Air travel is a real industry that facilitates the social and economic progress, with a global spread that makes it essential for business and tourism. Each year over two billion passengers choose to travel by air, due to its speed and comfort.

Air travel improves the quality of life, offering cultural and social experiences, quick and cheap travel over long distances, to visit relatives and friends, or to spend holidays in destinations around the world.

Given the specific relation between tourism and air transport, we should remind you that much of the passenger traffic - about 80% - is made up of those who travel for tourist purposes [5].

The demand for air transport has evolved rapidly over the past decades. The global patterns of demand reflect significant differences in the growth rate of tourist mobility in different regions of the world. This has led to changes in the global distribution of air traffic, since Europe and America, the traditionally dominant tourist markets, have recorded a slowdown, respectively a decrease in the growth rate of air traffic. However, Europe keeps its upward trend, while America is losing dramatically from its initial shares in favor of Asia. The economic success boosts the demand for air transport, but calls for effective solutions to use the airspace capacity [1].

International tourist arrivals worldwide increased 6% in 2018 to 1.4 billion, based on data reported by destinations around the world [15]. The low cost (LCC) operators play an important role in increasing the number of passengers at global level. They transported approximately 1.2 billion passengers in 2017, accounting for 30% of the total number of passengers transported by airplane.

The increasing passenger traffic of the European airports is maintained by the improved economic conditions in Europe and the low unemployment rate, the oil price and the infrastructure development.

Passenger traffic across the European airport network grew by 6.1% last year, bringing the total number of passengers using Europe's airports to a new record of 2.34 billion. While growth somehow moderated in 2018 when compared to the exceptional performance of 2017 (+8.5%), it remained very dynamic - especially considering underlying economic trends and geopolitical tensions. Continued airline capacity expansion played a major role, as aircraft movements grew by 4%, even faster than in 2017 (+3.8%) [9].

**Table 1**

**Top 10 European airports by passenger traffic, in the period 2017-2018**

Rank	Code	City	Passengers	
			Year 2017	Year 2018
1	LHR	London	78,013,771	80,126,856
2	CDG	Paris	69,473,157	72,226,878
3	AMS	Amsterdam	68,515,425	71,053,147
4	FRA	Frankfurt	66,500,386	69,510,269
5	IST	Istanbul	63,854,109	68,192,683
6	MAD	Madrid	53,388,044	57,861,414
7	BCN	Barcelona	47,262,826	50,148,228
8	LGW	London	45,555,569	46,076,363
9	MUC	Munchen	44,577,241	46,253,523
10	FCO	Rome	40,968,756	45,836,717

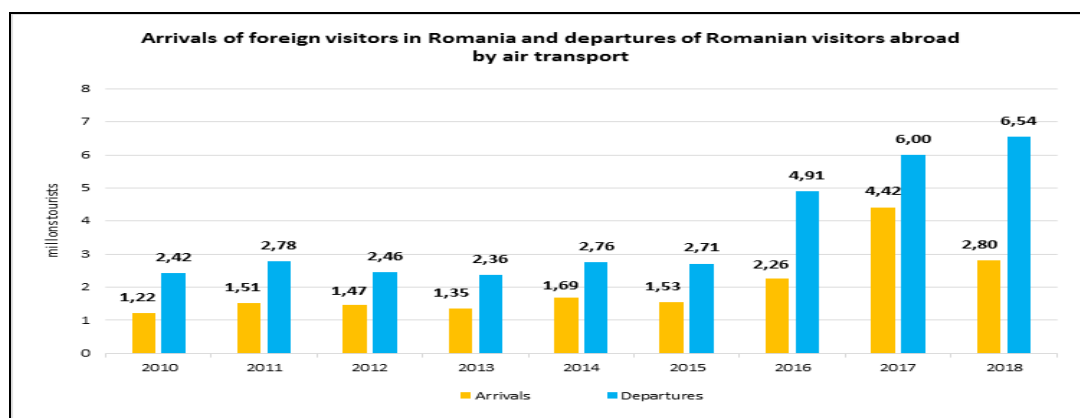
Source: <https://www.aci-europe.org/policy/position-papers.html?view=group&group=1&id=11>

London Heathrow stays on top with 80 million passengers, up 2.7% over 2017 and 474,033 aircraft movements.

The International Airport Charles de Gaulle from Paris, the largest airport in France, was transited by 69.5 million passengers, up 5.4% compared to 2016. The highest increase of 8.9% was recorded on international flights from Middle East, followed by 7.8% from Africa and 6.9% from North America.

Many regional airports showed a significant increase in passenger traffic in 2018, a proof of their agility and success in attracting airlines. Among these regional airports, the highest increases were recorded in Poznan (+ 33.7%) and Sibiu (+ 32.2%).

Air transport is one of the most used forms of transport by passengers who want to travel long distances in a short time. Tourist arrivals in Romania by means of transportation in 2017 show a predominant use of road transport (63%), followed by air transport (34.78%) and the lowest share for rail transport (0.93%).



**Figure 1. Arrivals of foreign visitors in Romania and departures of Romanian visitors abroad by air transport**

Source: processed data from Romanian Tourism. Statistical Abstract, National Institute of Statistics, 2012,2014,2016,2018,2019

In Romania, the air travel shows a positive trend, expressed by the departures of Romanian tourists abroad, namely 2.71 million tourists in 2015, reaching 6.54 million tourists in 2018. The number of tourists arriving in Romania by plane recorded numerous oscillations in the period 2010-2018.

Most Romanian airports registered a growing passenger traffic last year. The passenger traffic exceeded the threshold of 21 million passengers at national level [13]. The expansion of low-cost companies on the local market generated a 7.9% increase in passenger traffic in 2018, compared to 2017.

**Table 2**

**The international passenger air transport in Romania, between 2017 and 2018**

International transport		Total passengers		Departures		Arrivals	
		Year 2017	Year 2018	Year 2017	Year 2018	Year 2017	Year 2018
		17,477,547	18,980,668	8,810,578	9,554,762	8,666,969	9,425,906
Regular flights	National operators	2,037,534	3,456,970	1,039,226	1,752,441	998,308	1,704,529
	Foreign operators	14,999,807	14,931,596	7,551,187	7,508,387	7,448,620	7,423,209
Irregular flights	National operators	143,476	242,068	72,350	120,998	71,126	121,070
	Foreign operators	296,730	350,034	147,815	172,936	148,915	177,098

Source: www.insse.ro

In the analysis of the international passenger air transport in Romania, the number of passengers using the regular flights of the national operators increased by 68% compared to 2017 and the number of passengers using the regular flights of the foreign operators registered a negative evolution, namely 45%. The number of passengers using irregular flights registered a positive trend for both domestic and foreign operators. There was a positive evolution in the number of passengers for the two categories of flights presented in the tables below, for the period 2017-2018.

**Table 3**

**Domestic passenger air transport in Romania, for the period 2017-2018**

Domestic transport	Total passengers		Departures		Arrivals	
	Year 2017	Year 2018	Year 2017	Year 2018	Year 2017	Year 2018
		2,744,267	2,835,141	1,369,551	1,418,782	1,374,716
Regular flights	2,735,956	2,821,605	1,365,522	1,412,334	1,370,434	1,409,271
Irregular flights	8,311	13,536	4,029	6,448	4,282	7,088

Source: [www.insse.ro](http://www.insse.ro)

During the year 2017, 12.84 million passengers were registered at the two airports of the capital, Henri Coandă Otopeni and Aurel Vlaicu Băneasa. This record figure for Bucharest airports, represents an increase of 16.8% compared to 2016. At the same time, this growth is much higher than the European average growth.

As for the number of aircraft movements on the two Bucharest airports, the same upward trend is noticeable. Thus, in 2017, 130,000 landings and take-offs were recorded, by 7.7% more than in the previous year.

The representatives of the company did not specify how many passengers were registered at each of the two airports. However, in 2016, 10,979,501 passengers were registered at Henri Coandă International Airport and 5,375 passengers at Băneasa.

Approximately 63% of the traffic registered in 2017 was generated by Henri Coandă International Airport in Otopeni, 12.8 million passengers, up 16.8% compared to 2016, a historic record for the main airport in Romania.

The second is Avram Iancu International Airport in Cluj-Napoca, with a traffic of 2.68 million passengers, up 43% compared to 2016.

Timișoara International Airport ranks third, with 1.62 million passengers, 40% more than in 2016. 25% of passengers traveled on domestic flights (to Bucharest, Cluj, Iași and Constanța).

Iași International Airport registered a record traffic last year. Thus, the airport grew by 30% compared to 2016, to 1.14 million passengers. The increase in passenger traffic is due to the summer operations of new flights to Glasgow, Valencia, Florence and Constanța, as well as the increase of frequencies on routes to Munich, Milan and Torino. The traffic of Iași International Airport will increase even further after Wizz Air will give the second airplane to this base and new routes to Dortmund, Malmo, Thessaloniki, Eindhoven and Billund will be introduced. Sibiu International Airport ranks fifth, with almost 490,370 passengers last year.

The most important shares in domestic transport were recorded for the airports: Henri Coandă in Bucharest, Cluj-Napoca, and Traian Vuia in Timișoara.

In domestic traffic, the activity of the main Romanian airports is as follows:

- Henri Coandă in Bucharest achieved 47.2% of the total number of passengers on board and 44.3% of the total number of flights;

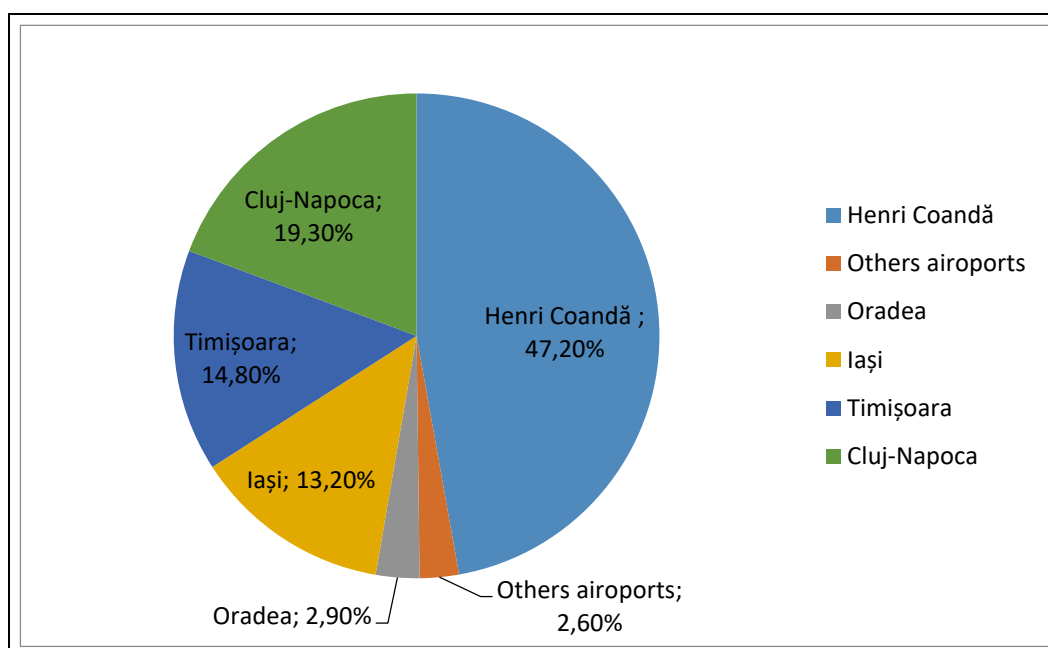
- Cluj-Napoca with 19.3% of the total number of passengers on board and 17.5% of the total number of flights;

- Traian Vuia in Timișoara with 14.8% of the total number of passengers on board and 13.1% of the total number of flights.

**Table 4****Passengers air travel by airport, in 2017**

Total air travel	Total passengers	Departures	Arrivals	Direct transit
	<b>20221814</b>	<b>10,180,129</b>	<b>10,041,685</b>	<b>42,052</b>
Henri Coandă International Airport in Bucharest	12,802,865	6,456,441	6,346,424	1,124
Avram Iancu International Airport in Cluj-Napoca	2,677,686	1,355,773	1,321,913	10,898
Traian Vuia International Airport in Timișoara	1,620,763	797,153	823,610	592
Iași International Airport	1,143,904	576,093	567,811	-
Sibiu International Airport	490,370	250,247	240,123	29,400
Bacău International Airport	425,598	213,322	212,276	-

Source: *www.insse.ro*

**Figure 2. Structure of passenger departures for domestic transport, in 2017**

The increase in the number of people who have chosen to travel by plane comes as Romanians' incomes grew, the low-cost companies have come up with more promotions and the flight prices have become more and more accessible. In addition, Romania grew in the eyes of foreigners as a holiday destination, as it is considered a safer country than Turkey or France for example, but is also seen as a part of an Europe still unconquered. However, the foreigners' share in total passengers remains low. According to the data provided by the National Institute of Statistics (NIS), less than 25-30% of those traveling by plane to and from Romania are foreigners.

Airports however do play an important role in bringing in the crowd and is no longer confined to providing superior infrastructure, competitive rates and extensive connections. Airports have to market the destination as well with the primary target being the airline and the secondary target the traveller [4].

In international passenger transport, the first ten airports of origin (from where the passengers landed in Romania and toward the passengers from Romania boarded),

determined by the number of passengers on regular flights are: London-Luton, Milan-Bergamo, Munich, Madrid Barajas, Tel Aviv, Vienna, Istanbul-Ataturk, Frankfurt-Main, Barcelona, Amsterdam.

**Table 5**

**Top 10 airports by number of passengers, in 2018**

Rank	Airport	Number of passengers			
		Departures		Arrivals	
		Regular flights	Irregular flights	Regular flights	Irregular flights
1	Londra – Luton	903,432	1,652	920,305	499
2	Milano – Bergamo	482,320	775	479,907	104
3	Munchen	413,850	522	433,702	350
4	Madrid - Barajas	318,652	352	315,682	388
5	Tel Aviv	349,252	52,239	350,394	53,090
6	Viena	272,623	2,026	275,312	1,755
7	Istanbul-Ataturk	248,851	340	251,838	103
8	Frankfurt-Main	238,144	171	241,116	12
9	Barcelona	236,485	179	238,808	250
10	Amsterdam-Schipol	231,922	7	238,561	3

Source: [www.insse.ro](http://www.insse.ro)

In case of the irregular flights, the first positions are occupied by the airports of Tel Aviv and Vienna for the two categories of passengers. By destination country, most frequent passengers have boarded for the U.K., Germany, Spain, Israel, the Netherlands, and Turkey.

Romania's air transport infrastructure aims to provide regional centers with fast means of transport to Bucharest and other regional centers. The air transport is also an important mean to ensure the international connectivity.

The increasing demand for air travel can be determined firstly by market expansion (the growth of the entire tourism market) and, secondly, by market penetration (the growth driven by changes in demand for another means of transportation, while the total demand remains relatively unchanged). If the total demand remained relatively constant, as it happens when the trends are high, the opportunity for growth in air transport is limited by the degree of substitution between the different markets in which it operates [2].

**CONCLUSIONS**

Air transport plays a key role in facilitating tourism and its attendant industries and is vital to international trade [14]. The demand for air travel is influenced by socio-economic factors, which also influence the tourism demand, such as: family size, free time, education degree and, last but not least, the policies of different airline companies regarding the rates, facilities and comfort conditions for the traveling public.

The two major segments of demand for air travel, structured according to travel motivation - holiday and business – have a different evolution and specific determinants. Thus, the demand for holiday travel is more dynamic than the demand for business trips, for which the market is approaching the saturation threshold. On domestic routes, the share of business trips is higher, and the air transport is almost dependent on this type of demand. The share of expenditures from the passengers traveling for purposes other than purely tourist purposes is very high.

The main measures aimed at ensuring efficient and accessible air transport, respecting the applicable standards and regulations, and safety and security requirements in Romania are [10]:

- Modernizing the airports of strategic national interest that will operate at European and world level in order to be transformed into hubs for Europe and ex-Soviet countries;
- Developing / modernizing the regional airport network and stimulating the local and regional point-to-point flights;
- Boosting the regional business environment by increasing business passenger traffic;
- Accessing European structural funds for airport modernization, respectively
- Making efficient the activity of Tarom company, the largest national aviation operator and preparing this company for privatization.
- Stimulating the fleet renewal of various operators to reduce fuel consumption, fit into CO2 emission plans and reduce maintenance costs.
- Supporting the local authorities from Cluj-Napoca, Sibiu, Târgu Mureș, Satu Mare, Baia Mare, Oradea, Arad, Caransebeș, Craiova, Buzău, Iași, Suceava and Tulcea to maintain and improve the air traffic safety and security standards.
- Continuing the investment project of Romatsa regarding the installation and upgrading the non-visibility landing system (ILS).

In international tourist transport, air travel plays an important role through its dynamics, but especially through the prospects it opens to international tourism. The Romanian air travel market is a growing market that attracts more and more airlines.

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